

Performance Summary

	1 Month %	3 Months %	1 Year %	Since Inception* p.a. %
Fund Return (Net Performance)	1.57	4.46	20.77	8.58
Benchmark ¹ return	2.14	3.16	15.93	6.83
Value Added (Net Performance)	-0.57	1.30	4.84	1.75

¹ Benchmark is FTSE EPRA/NAREIT Developed Index Net TRI (100% Hedged to NZ dollars).

* Inception Date: 26 August 2024. Performance numbers less than one year are cumulative while numbers greater than one year are annualised.
Past performance is no guarantee of future results.

Fund Details

Inception Date	26 August 2024
Manager and Issuer	FundRock NZ Limited
Investment Manager	Resolution Capital Limited
Registry	Apex Investment Administration (NZ) Limited
Legal Structure	New Zealand unit trust which has elected to be a Portfolio Investment Entity
Fund Size	\$246.9 Million
NAV per Unit	\$1.14
Benchmark	FTSE EPRA/NAREIT Developed Index Net TRI (100% Hedged to NZ dollars)
Management Fee	1.05% p.a.
Buy/Sell Spread	+0.20%/-0.20%
No. of Stocks	Generally 30 to 60
Investment Timeframe	Medium to long term, being 5 or more years

Top 5 Weights

Security Name	%
Welltower	8.91
Equinix	7.29
Federal Realty	4.70
Equity Residential	4.41
Digital Realty	4.27

Top 5 Contributors

Security Name	%
SEGRO	0.16
Sun Hung Kai Properties	0.14
Land Securities Group	0.13
Ventas	0.11
Prologis	0.09

Bottom 5 Contributors

Security Name	%
Equinix	-0.41
Equity Residential	-0.24
Essex Property Trust	-0.22
Goodman Group	-0.14
Vornado Realty	-0.12

Stocks mentioned are illustrative only and not a recommendation to buy, sell or hold any security.

Market Commentary

The FTSE EPRA/NAREIT Developed Index (100% Hedged to NZ Dollars) produced a total return of 2.1% for the month ended 31 July 2026. Performance was supported by increased transaction activity across the real estate sector. Several notable mergers, acquisitions, and joint ventures were announced, providing evidence of private market demand for high-quality assets and supporting underlying valuations.

Hong Kong was the strongest performing market, returning 11.0% in local currency terms. Performance was supported by improving sentiment toward the property sector as investors saw growing evidence of stabilization in real estate fundamentals following a period of weak relative performance. Deeply discounted valuations, improving retail trends and a more constructive outlook for capital markets drove a sharp rebound across the listed property sector.

Australia was the weakest performing market, returning -0.4% in local currency terms. Performance lagged despite generally stable operating fundamentals, as investors debated the potential for further monetary tightening given persistent inflation. In addition, Goodman Group (GMG), which comprises ~1/3rd of the benchmark's Australian exposure, modestly underperformed due to concerns around its sizable data centre development pipeline as AI infrastructure sentiment softened during July.

At a sector level, performance was mixed in July.

Industrial was the best performing sector, returning 4.2% in local currency terms. Performance was driven by several high-profile M&A announcements, including Prologis' (PLD) pursuit of Segro (SGRO), the proposed WDP/Argan merger, and Brookfield's acquisition of LXP Industrial Trust (LXP), reinforcing the strategic value of logistics assets and robust private market demand. The sector also benefited from a more constructive outlook for fundamentals following the recent earnings season. The Portfolio's underweight exposure detracted from relative returns.

Residential was the weakest performing sector, returning -1.4% in local currency terms. Investor sentiment remained constrained by elevated apartment supply in several U.S. Sun Belt markets. While expectations were already subdued entering July, investors remained cautious on the timing and magnitude of a recovery in rent growth as new supply continues to weigh on leasing conditions in certain markets. As a result, growth expectations remain subdued relative to other property sectors. The Portfolio's overweight exposure detracted from relative returns.

There were several notable REIT announcements during the month.

Prologis (PLD) continued its pursuit of Segro (SGRO), submitting a revised "best and final" proposal valuing the company at ~£18bn, or 1,027p/sh, representing a ~38% premium to the undisturbed share price. In a significant development, SGRO's board indicated it would be "minded to recommend the proposal" and agreed to the extension of the takeover timetable to August 12. If completed, the transaction would expand the world's largest listed logistics REIT while providing PLD with a scaled European platform and exposure to SGRO's substantial data centre pipeline (~3 GW total). The proposal also highlights the valuation disconnect in the UK.

Warehouses De Pauw (WDP) and Argan (ARG) announced an all-share merger that will create a €13bn European logistics platform. The transaction values Argan at ~€77/sh, representing an ~18% premium to its undisturbed share price and is supported by both boards and major shareholders. Strategically, the combination strengthens WDP's presence across Western Europe and is expected to lower the combined company's cost of capital, enhancing its ability to pursue future development and acquisition opportunities.

In the U.S., Brookfield Asset Management and CPP Investments agreed to acquire LXP Industrial Trust (LXP) in a US\$5.2bn all-cash transaction. The deal values LXP's portfolio at an implied 5.8% cap rate, slightly above Net Asset Value (NAV) estimates, providing a favourable readthrough for industrial valuations. The acquisition highlights continued institutional demand for logistics assets and reinforces the valuation gap that between listed and private market pricing for certain industrial REITs.

Signatory of:



Contact Us

Pinnacle Distribution – New Zealand

David Batty

Email: David.batty@pinnacleinvestment.com

Phone: +64 (0) 21 2888 0303

FundRock NZ Limited

Phone: +64 (0) 4 499 9654

Email: contact@fundrock.com

Disclaimer:

This fact sheet is prepared by Resolution Capital Limited ('Resolution Capital') (ABN 50 108 584 167, AFSL 274491) as the investment manager of the Resolution Capital Global Property Securities PIE Fund ('the Fund') in good faith and is designed as a summary to accompany the Product Disclosure Statement (PDS) for the Fund. The PDS is available on the Disclose Register (<https://disclose-register.companiesoffice.govt.nz/>) and on www.fundrock.com/fundrock-new-zealand.

The information contained in this fact sheet is not an offer of units in the Fund or a proposal or an invitation to make an offer to sell, or a recommendation to subscribe for or purchase, any units in the Fund. If you are making an investment directly then you will be required to complete the application form, which can be obtained from the Manager and issuer, FundRock NZ Limited ("FundRock"). The information and any opinions in this fact sheet are based on sources that Resolution Capital believes are reliable and accurate. Resolution Capital, its directors, officers and employees make no representations or warranties of any kind as to the accuracy or completeness of the information contained in this fact sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information or any opinions, conclusions or recommendations contained in it, whether that loss or damage is caused by any fault or negligence on the part of Resolution Capital, or otherwise, except for any statutory liability which cannot be excluded. All opinions reflect Resolution Capital's judgment on the date of this fact sheet and are subject to change without notice. Any projections contained in this presentation are estimates only and may not be realised in the future. This disclaimer extends to FundRock, and any entity that may distribute this publication.

The information in this fact sheet is not intended to be financial advice for the purposes of the Financial Markets Conduct Act 2013, as amended by the Financial Services Legislation Amendment Act 2019. In particular, in preparing this document, Resolution Capital did not take into account the investment objectives, financial situation and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment.

Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the Fund may not recover the full amount of capital that they invest. Unless otherwise specified, all amounts are in NZD, noting market commentary and stock commentary figures are in local currency. Due to rounding, numbers presented throughout this fact sheet may not sum precisely to the total indicated and performance percentages may not precisely reflect the absolute returns.

This fact sheet may contain the trade names or trademarks of various third parties, and if so, any such use is solely for illustrative purposes only. All product and company names are trademarks or registered® trademarks of their respective holders. Use of them does not imply any affiliation with, endorsement by, or association of any kind between them and Resolution Capital. No part of this document may be reproduced without the permission of Resolution Capital or FundRock.

This communication is for general information only. It is not intended as a securities recommendation or statement of opinion intended to influence a person or persons in making a decision in relation to investment.