Resolution Capital Global Property Securities PIE Fund

Monthly Report – 31 May 2026

RESOLUTION CAPITAL

Performance Summary

	1 Month %	3 Months %	1 Year %	Since Inception* p.a. %
Fund Return (Net Performance)	-0.55	-1.36	13.27	6.42
Benchmark[1] return	-0.71	-2.52	11.66	5.19
Value Added (Net Performance)	0.16	1.16	1.61	1.23

[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	$204.9 Million
NAV per Unit	$1.08
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	8.68
Equinix	7.69
Federal Realty	4.53
Ventas	4.34
Digital Realty	4.29

Top 5 Contributors

Security Name	%
Vornado Realty	0.37
Federal Realty	0.25
Healthcare Realty	0.18
Goodman Group	0.17
Nextdc Limited	0.07

Top 5 Detractors

Security Name	%
Sumitomo Realty	-0.63
Welltower	-0.61
Digital Realty	-0.32
Mitsui Fudosan	-0.31
Ventas	-0.25

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 -0.7% for the month ended 31 May 2026. Investors looked through the geopolitical volatility in the Middle East, with AI-led momentum continuing to support broader market sentiment. The listed real estate sector also benefited from a more supportive rates backdrop, particularly in Europe and the UK, where yields moved lower as easing energy prices helped moderate inflation concerns.

Australia was the strongest-performing market, returning 3.0% in local currency terms buoyed by the strong performance of data centre-oriented platforms Goodman Group (GMG) and Next D.C. (NXT).

Japan was the weakest market, returning -7.8% in local currency terms, with Japanese developers correcting sharply after FY25 results amid cautious FY26 EPS outlooks due to rising JGB yields.

At the sector level, performance was mixed in May.

Industrial was the top performing sector, returning 2% in local currency terms. Recent commentary pointed to resilient occupier demand, declining new supply and improving capital market liquidity. The sector also benefitted from continued interest in data-centre adjacency, with investors increasingly valuing platforms that have scarce land, power access and infrastructure that could support future data-centre development.

Healthcare was one of the underperforming sectors, returning -2.4% in local currency terms. The sector’s largest names had rallied into mid-May on strong 1Q results and guidance upgrades, before giving back some gains as investors rotated toward more cyclical real estate sectors.

There were several notable REIT announcements during the month.

U.S. residential REITs AvalonBay (AVB) and Equity Residential (EQR) announced an all-stock merger of equals, expected to close in 2H26. AvalonBay shareholders will receive 2.79 Equity Residential shares for each AVB share and will own ~51% of the combined company, with EQR shareholders owning ~49%. The merger will create one of the largest residential platforms globally and the 9th largest U.S. REIT, with meaningful geographic overlap across high-barrier coastal markets and a credible synergy case. The key question over time is whether the enlarged platform can translate greater scale into improved operating efficiency and a more durable cash flow growth.

Sun Communities (SUI) announced the sale of its UK hotels and holiday parks to Aermont Capital for US$1.03bn, marking a full UK exit and further simplifying the platform around North American manufactured housing and RV communities. Following the sale, ~95% of property income will come from North America. The transaction is expected to be near-term dilutive to FFO, but proceeds provide capital allocation flexibility, including debt reduction, reinvestment into core MH/RV assets and potential share repurchases.

U.S. mall landlord Macerich (MAC) announced an equity raise of 19.2m shares at $21/sh representing a 3% discount to last close, raising US$460m to repay revolver borrowings and fund the acquisition of Annapolis Mall in Maryland for $272m. The purchase price represents a 9.2% initial yield increasing to ~11% in 2028 as MAC invests $40m of leasing capital into the property. The transaction is expected to be ~2% accretive to FY28 FFO.

In Australia, the NSW Supreme Court ruled that Dexus (DXS) committed a material breach of the APAC shareholder agreement, creating the risk that the company is forced to sell its 27% stake in APAC at fair market value. APAC owns Melbourne and Launceston Airports, and the stake is material to Dexus’ funds management platform, representing ~10% of external AUM and ~A$15m of annual fee revenue. Dexus has 28 days to appeal the ruling.

Signatory of:

PRI Principles for Responsible Investment

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