

CBRE Global Property Securities Fund

May 2026

Fund Description

The Fund is an actively managed fund investing in a portfolio of 60-90 global real estate equity securities across a range of geographic and economic sectors.

Investment strategy

The Fund uses a multi-step investment process that combines top-down region and sector allocation (determined through a systematic evaluation of listed and direct property market trends and conditions) with bottom-up stock selection (driven by proprietary analytical techniques to conduct fundamental company analysis).

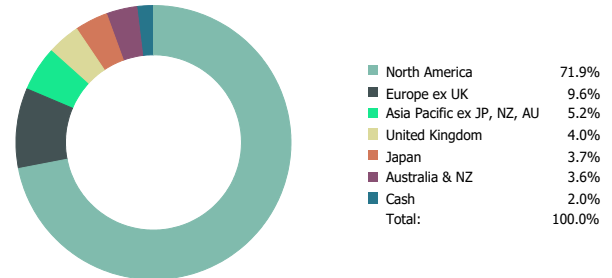
Investment objective

The Fund aims to outperform the FTSE EPRA/NAREIT Developed Rental Net Return Index (AUD Hedged) (after management fees and costs) over rolling three-year periods.

Fund Information

Inception date	31/07/2006
Fund size	A\$321m
Management Fee	0.90% pa
Minimum initial investment	\$50,000
Distributions	Semi-annually
Typical number of holdings	60 to 90
Buy/sell spread	+/- 0.25%
Currency management	Hedged
APIR code	HML0016AU

Investment portfolio (%)



Top 10 positions by stock

Name	Country	Portfolio Weight (%)
Welltower Inc	United States	9.21
Equinix Inc.	United States	8.47
Prologis	United States	4.02
EastGroup Properties	United States	2.98
Brixmor Property Group Inc	United States	2.77
VICI Properties Inc	United States	2.60
Iron Mountain Inc.	United States	2.55
CubeSmart	United States	2.49
Equity Residential	United States	2.42
UDR Inc	United States	2.41

Top 5 overweight by stocks

Name	Country	Active Weight (%)
Equinix Inc.	United States	2.83
EastGroup Properties	United States	2.43
Brixmor Property Group Inc	United States	2.30
CubeSmart	United States	2.03
UDR Inc	United States	1.77

Top 5 underweight by stocks

Name	Country	Active Weight (%)
Prologis	United States	(3.27)
Digital Realty Trust	United States	(2.66)
Public Storage	United States	(2.65)
Realty Income	United States	(2.15)
Simon Property Group Inc	United States	(1.82)

Fund net performance [#]

	1 Month	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception p.a.
				p.a.	p.a.	p.a.	p.a.	31/07/2006
Fund Net Return	-0.58%	-0.27%	11.93%	8.79%	2.18%	3.90%	4.23%	5.13%
Benchmark Return*	-0.15%	-0.60%	11.94%	8.73%	1.18%	1.82%	2.88%	4.39%
Active Return (After fees)	-0.43%	0.33%	-0.01%	0.06%	1.00%	2.08%	1.35%	0.74%

*Due to benchmark changes across the period, the benchmark returns are blended for the Fund since inception. With effect from 1 April 2012, the benchmark for the Fund changed from the UBS Global Real Estate Investors ex Australia Net Total Return Index (AUD Hedged) to UBS Global Real Estate Investors Net Return Index (AUD Hedged). With effect from 2 March 2015, the benchmark for the Fund changed to FTSE EPRA/NAREIT Developed Rental Net Return Index (AUD Hedged).

#The performance data presented herein pertains specifically to the Class A Fund month-end unit prices expressed in Australian Dollars. Net return of the Fund has been calculated after the deduction of management fees and operating costs. Please note that these figures do not factor in the potential tax obligations at an individual investor level. This is historical performance data. The value of an investment can rise and fall and past performance is not indicative of future performance. All figures disclosed within this report are net of GST and RITC. Investors are reminded to seek independent financial advice before making investment decisions based on this performance data.

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PERFORMANCE REVIEW[^]

The CBRE Global Property Securities Fund (the Fund) delivered a return of -0.58% (net) in May and underperformed the benchmark, as both stock selection and sector allocation detracted.

Global listed real estate stocks consolidated slightly following last month's strong performance. Returns were mixed across regions, with Europe advancing, the Americas broadly flat and Asia-Pacific weaker. Geopolitical tensions have eased for now, although the outlook for global growth and inflation remains uncertain. Most central banks appear to be on pause, with the exception of the Reserve Bank of Australia (RBA), which raised interest rates for the third time this year in response to persistent inflation.

First quarter earnings season concluded on a generally constructive note, with most listed companies beating analyst estimates and several raising guidance for the year. CBRE IM has increased its 2026 global earnings growth estimates by nearly a full percentage point. M&A activity in the U.S. residential sector and an IPO in the U.S. data centre sector were among the key headlines during the month.

North America

- The annual inflation rate in the U.S. accelerated to 3.8% in April 2026, the highest level since May 2023. The reading came in above forecasts, as the Middle East conflict continued to place upward pressure on prices.
- AvalonBay (NYSE: AVB) and Equity Residential (NYSE: EQR) announced a stock-for-stock merger of equals. If approved by shareholders, the transaction would create a US\$75 billion apartment owner and the ninth-largest U.S. equity REIT by enterprise value.
- Blackstone Digital Infrastructure Trust (NYSE: BXDC) priced its IPO at US\$20 per share, raising approximately US\$2 billion in gross proceeds, including the greenshoe (officially known as an over-allotment option). The stock performed modestly lower in its first trading session before rallying into month-end.

Asia-Pacific

- Hong Kong's first quarter growth accelerated sharply to 5.9% year on year, well above consensus expectations of 3.5% and marking the strongest quarterly expansion since 2021. The acceleration in GDP growth was broad-based.
- The 30-year Japanese government bond yield reached a fresh all-time high of around 3.89%, while the 10-year yield rose to around 2.55%, its highest level since May 1997.
- The RBA increased the cash rate target by 25 basis points, marking its third consecutive hike this year and currently sitting at 4.35%, reversing the easing cycle from late last year. The decision was aimed at addressing persistent inflation, with the RBA signalling that further tightening may still be required.

Europe

- The Eurozone Economic Sentiment Indicator (ESI) rose slightly to 93.5 in May 2026, remaining near the more than five-year low of 93.2 recorded in April but ahead of market expectations of 92.8. Sentiment remained weak, reflecting concerns over the economic outlook amid the escalating Middle East conflict.
- The annual inflation rate in the U.K. slowed to 2.8% in April from 3.3% in March, below market expectations of 3.0% and the lowest reading since March 2025. The moderation was mainly driven by a sharp slowdown in housing and household services inflation following the introduction of an energy price cap by the U.K.'s energy regulator on 1 April.

[^]The commentary overview is reflective of the FTSE EPRA Nareit Developed Net (Local) Index as at 31/05/2026.

Market review is intended to be broad and may therefore deviate from the actual index. The benchmark is the FTSE EPRA Nareit Developed Rental Net Return Index (AUD Hedged).

Index performance reflects the reinvestment of earnings and gains but does not reflect the deduction of any fees or expenses, which would reduce returns. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results.

PORTFOLIO POSITIONING

The Fund trailed the benchmark for the month, as both stock selection and sector allocation detracted. From a geographic perspective, positioning in Europe and Asia-Pacific was broadly neutral, while positioning in the Americas detracted from relative performance.

Americas

Positioning in the Americas was the largest detractor from performance, driven by weaker sector allocation, particularly in healthcare, where senior housing holdings underperformed after several months of strong relative returns. Stock selection also detracted, as gains from holdings in the data centre sector were more than offset by stock-specific weakness in non-discretionary retail, industrial and net lease names.

Asia-Pacific

Sector allocation in Japanese REITs contributed positively, but this was more than offset by the underperformance of portfolio holdings in Hong Kong and Singapore. An overweight position in Swire Properties was the primary detractor in the region, while an overweight in CapitaLand Integrated Commercial Trust weighed on relative performance in Singapore.

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Europe

Positioning in Continental Europe was a key performance contributor for the month, with stock selection benefiting from retail exposures and selected holdings in the Nordics. Relative performance in the U.K. detracted, as positive sector allocation was more than offset by weaker stock selection, primarily reflecting an overweight position in Big Yellow Group (Self-Storage).

MARKET OUTLOOK

CBRE IM believes we are at the beginning of a new cycle for listed real estate, which remains discounted and capital advantaged.

Compelling valuations

- REITs offer historically discounted valuations relative to both broad equities and private real estate with improving growth expectations.
- REITs have underperformed the S&P 500 for four years running. The last similar period of underperformance occurred prior to the Dot-com bust of the late 1990s; REITs subsequently outperformed the next seven years from 2000 – 2006.
- CBRE IM expects range bound government bond yields and the potential for additional interest rate cuts to support the asset class.

Fundamentals remain solid

- CBRE IM projects 5% earnings growth in 2026. Resilient cashflows are supported by long duration leases and staggered terms, while a healthy supply and demand dynamic provides landlords with pricing power.
- Company balance sheets and leverage levels are in a position of strength relative to history.
- A significant decline in new construction starts should become a tailwind across most asset classes as demand for property space increases.

Poised for growth

- REITs could potentially maintain access to debt market advantage over private real estate investors.
- As private market asset owners manage the higher interest rate environment and the upcoming wall of debt maturities, CBRE IM expects REITs to benefit from external growth opportunities that are accretive to earnings.
- CBRE IM expects increased M&A and privatisation activity as REITs seek to close gaps between private and public market values.

Further Information

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Platform Availability

AMP North	BT Panorama	CFS Edge
HUB24	Insignia Expand	Macquarie Wrap
Netwealth	Powerwrap	Praemium

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