

IFSL Blackfinch NextGen
 Property Securities

February 2025
Fund Factsheet

Investment Objective

The aim of the Fund is to increase the value of an investment over a minimum of 5 years. The Fund will do this through a combination of capital growth, which is profit on investments held, and income received by the Fund, which is money paid out of investments, such as dividends and interest.

Portfolio Information
Class A: Accumulation Share ISIN

GB00BQ2MY039

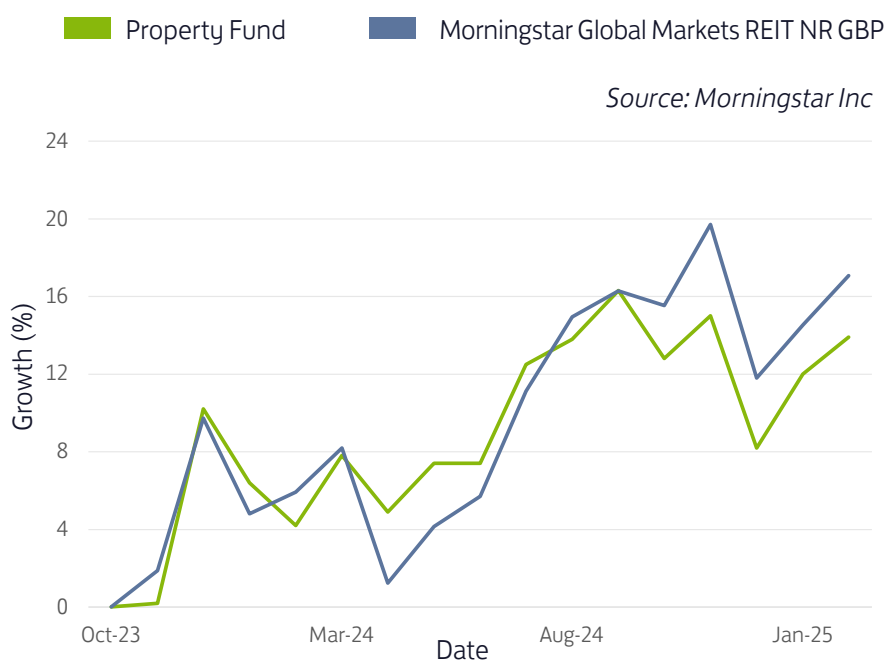
Class A Management Fee	Class A Underlying fund charges
0.75%	0.78%

Class B: Accumulation Share ISIN

GB00BQ2MY252

Class B Management Fee	Class B Underlying fund charges
0.65%	0.68%

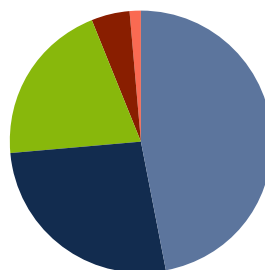
Estimated Annual Income Yield (Class B)	Number of holdings
2.61%	42

Performance Since Launch

Cumulative Performance (%)

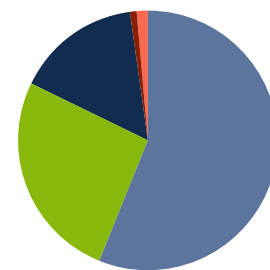
	1 Year	3 Year	5 Year	10 Year
Fund	9.3%	-	-	-
Comparator	10.5%	-	-	-

Discrete Performance (%) - to last month end

	Nov 24/25	Nov 23/24	Nov 22/23	Nov 21/22	Nov 20/21
Fund	9.3%	-	-	-	-


Thematic Allocation
 (as at 28/02/2025)

Digitalisation	47.22%
Sustainable Urbanisation	26.59%
Ageing Demographics	20.28%
Emerging Middle Classes	4.77%
Cash & Equivalent	1.14%


Regional Allocation¹
 (as at 28/02/2025)

North America	56.18%
Europe	26.29%
Asia Pacific	15.42%
Latin America	0.96%
Cash & Equivalent	1.14%

Date of inception: 24/11/2023.

¹Based on the country of domicile. IFSL Blackfinch OEIC Sub-Funds performance figures are quoted net of AMC and fund OCFs.

Investment Fund Services Limited (IFSL) acts as the Fund's Authorised Corporate Director (ACD). The Key Investor Information Documents and the Prospectuses for all funds are available, in English, free of charge and can be obtained directly using the contact details in the Sales Contact section. They can also be downloaded from www.ifslfunds.com.

Fund Managers

GEORGE NIKOLAOU

Lead Fund Manager



DR DAN APPLEBY

CIO & Support Fund Manager



George Nikolaou, Lead Fund Manager and Dr Dan Appleby, CIO and Support Fund Manager are responsible for managing the IFSL Blackfinch NextGen Property Fund. They bring expertise in the research of listed property, infrastructure and equity investment products, managing client portfolios and working closely with financial advisers and other professional clients. Each is a CFA® charterholder.

Sales Contact

For further information about the Fund, please contact:

 www.blackfinch.am

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In February, the IFSL Blackfinch NextGen Property Securities Fund (B Accumulation share class) returned +1.70% after all fees and expenses. This compares to the Morningstar Global Markets REIT NR GBP Index of +2.22%. Since inception, the Fund has returned +13.90% compared to the Morningstar Global Markets REIT NR GBP Index of +17.10%. Please note that comparisons to peers are only useful over extended periods. As the Fund employs a thematic growth-orientated total return approach that is deliberately different to its peers, results are not expected to align with peer group sector averages.

Global real estate investment trusts (REITs) regained ground in February, and broadly outperformed global equity indices. The early weeks of the Trump administration were characterised by volatility and uncertainty, which appeared to unsettle financial markets. An increasing likelihood of reciprocal tariffs has weighed broadly on the economic growth and inflation outlook, and US equity markets were particularly lower as a result. A rotation out of the artificial intelligence (AI) trade also weighed on investor sentiment. The decline in government bond yields further supported REITs through the period.

The Fund widely outperformed peer group averages and most global REIT indices, and was the best performing fund within the IA Property Other sector as at 28 February 2025 based on year-to-date performance. Despite adverse currency moves due to sterling appreciation impacting valuation, the Fund delivered strong gains within its US Senior Housing and Global Logistics allocations. That was mostly offset by significant declines in US and Australian Data Centres.

As at 28 February, the Fund held 42 individual holdings and was well-diversified across underlying themes, sectors and geographies. All themes but Sustainable Urbanisation contributed positively to performance (estimated gross total returns: Digitalisation +3.8%, Sustainable Urbanisation +1.8%, Ageing Demographics +4.0% and Emerging Middle Classes +3.5%). At the stock level, the top three contributors were SUNeVision Holdings, Ventas Inc, and StorageVault Canada. The top three detractors were Macquarie Technology Group, Goodmand Group, and Arealink Co Ltd.

Despite the recent volatile performance, the overall outlook for NextGen REITs remains positive. Strong operational performance, growing rents and healthy balance sheets suggest these REITs continue to offer long-term capital appreciation plus growing income. Despite macroeconomic headwinds and trade policy uncertainty, we believe current valuations of NextGen REITs may offer a very attractive entry point for investors.

We invest with a **core focus** on the UN Global Compact Principles

Extensive due diligence across multiple factors to identify sound business fundamentals, accounting for the 10 UNGC principles, where possible

We take a forward-looking approach to investment selection using positive screening

We encourage 'engagement' with both 'leaders' and 'improvers' for positive outcomes

We're committed to transparency on our multi-factor screening process and reflect this in our investment approach

Signatory of:






In February, SUNeVision (c. 2.3% portfolio weighting), Hong Kong's leading data centre developer and operator, returned c. 130% following the announcement that Chinese AI start-up DeepSeek had optimised hardware and trained its open-source AI code at a fraction of competitors' costs in the US. This sparked a broad-based tech rally across China and Hong Kong, with the Hang Seng Tech Index surging over 80% in local currency. SUNeVision is projected to double its power load capacity by the end of 2025, and also controls the largest capacity coming to market compared to its local peers. We prudently risk-managed the position by taking profits during the month through this rally.

Japanese warehouse developer Cre Japan Inc (c. 3.0% position weighting) received a privatisation offer by the fund management arm of Sumitomo Mitsui Finance and Cre's founder and chairman Shuhei Yamashita in the form of a management buyout. The offer represented a near 30% premium to Cre's 'undisturbed' price. After reviewing the deal terms, we exited the position at a price point above the privatisation bid. We are actively reviewing multiple opportunities in Japan with the aim of adding further exposure to that market given the constructive medium-term outlook.

In terms of trading activity, the Fund initiated a new position in Primary Health Properties, a leading owner of GP surgeries and pharmacies. We took profits in American Healthcare REIT following a period of strong outperformance.

Top 10 Portfolio Holdings (as at 28/02/2025)

	American Healthcare REIT Inc	5.53%
	First Industrial Realty Trust	5.49%
	Equinix Inc	5.48%
	Americold Realty Trust Inc	4.58%
	StorageVault Canada Inc	4.21%
	Ventas Inc	4.10%
	Prologis Inc	3.58%
	Digital Realty Trust Inc	3.46%
	Healthpeak Properties Inc	3.45%
	Arealink Co Ltd	3.26%

KEY INFORMATION

All data as at 28/02/2025, unless specified otherwise. Blackfinch Asset Management is an appointed representative of Blackfinch Investments Limited which is authorised and regulated by the Financial Conduct Authority. Registered address: 1350–1360 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH. Registered Company in England & Wales under No. 11639647. The IFSL Blackfinch OEIC Sub-Funds are actively managed by Blackfinch Investments Limited. Blackfinch Investments Limited act as the sponsor of the IFSL Blackfinch OEIC Sub-Funds. Capital at risk. All figures are correct at the time of compilation. Any decision to invest in this service should not be based solely on this factsheet but rather made in conjunction with the information contained in the brochure, and the terms and conditions. Prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of investing and the risk involved. Prospective investors should not treat the contents of this factsheet as advice relating to legal, taxation or other matters. If in any doubt about the proposal discussed in this factsheet, its suitability, or what action should be taken, the investor should consult their own professional advisers. Percentage figures may not add up to 100 due to rounding. The expected yield is based upon the underlying holdings. This figure is for information purposes and will not be distributed as cash income.

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