PREMIER MITON

Premier Miton
Pan European Property Share Fund

Awards and ratings

MORNINGSTAR ★★★★ MSCI ESG RATINGS AA

Awards and ratings are based on past events and are not an indication of future performance. Correct as at date of publication. Please see page 3 for further information.

Fund facts

Fund size	£60.6m
Historic Yield	3.28%
Launch dates	Fund - 01 Jul 2005 Share class - 01 Apr 2009
Fund structure	Open Ended Investment Company (OEIC)
Reporting dates	Final - 31 May Interim - 30 Nov
Base currency	GBP
Valuation point	12:00 noon
ISA eligible	Yes

Investment Association sector
IA Other Property

Performance comparator
GPR 250 Europe Capped Index (GBP Hedged)

Investment team

Fund manager
Alex Ross
Joined Premier Miton
Jun 2005
Manager since
Jul 2005

Fund manager
Kirsty Riddle-Turner
Joined Premier Miton
Oct 2015
Manager since
May 2017

We believe European government spending plans announced towards the end of the quarter were a major pivot point, with Europe moving away from fiscal conservatism and increasing its potential to catch up in terms of European economic growth.

Interest rate expectations moved up sharply across Europe, with real estate negatively impacted initially before the growth stocks in our sector started to sharply recover.

As German bund yields rose particularly sharply, German residential property was the worst impacted in the short term due to its perception as a bond proxy. In contrast, more growth-orientated stocks, in particular within European logistics, saw strong gains as investors sought potential beneficiaries from the fiscal policy developments.

Performance

Discrete annual performance (%)	**31.03.20 31.03.21**	**31.03.21 31.03.22**	**31.03.22 31.03.23**	**31.03.23 28.03.24**	**28.03.24 31.03.25**
Fund	25.48	19.73	-32.31	19.03	-0.45
Index	18.32	13.81	-34.90	22.94	-1.93

Source: FE Analytics. Based on Sterling class C - Accumulation shares, on a total return basis to 31 March 2025. Performance is shown net of fees with income reinvested. Data prior to the launch of the C accumulation share class is based on A income shares. On 20.01.2020, this fund moved from a single pricing basis (mid) to a swing pricing basis.

Past performance is not a reliable indicator of future returns.

The Fund fell by -1.07% over the quarter, compared with the -0.56% fall in the GPR 250 Europe Capped (GBP Hedged) Index.

Swiss property stocks continued to be strong performers for the second quarter in a row as Swiss borrowing rates declined.

A number of our operational property companies delivered a strong performance, including Eurocommercial Properties, Mercialys, Klepierre and Unibail-Rodamco-Westfield in the European retail property sector. Despite shares still trading at wide discounts to asset values and high dividend yields coming through, results from these leading retail owners demonstrated improved fundamentals, with rents up and values improved too.

Our European logistics holdings, perceived as economically sensitive stocks, performed well after higher government spending plans were announced.

Two of our niche small-cap office specialists, NSI and Helical, saw notably strong performances on the back of positive newsflow. They have benefited from the bifurcation in the office subsector towards fit-for-future, well-located and energy-efficient offices.

One of our UK smaller company holdings, Picton, benefited from positive operational performance combined with improving ratings in smaller UK property companies following increased consolidation within this sub-market.

These gains were largely offset by the significant sell-off in German residential stocks as Bund yields rose materially following the significant increase in planned spending by the new German government.

Portfolio Activity

Following the German government spending announcement, we reduced our German residential exposure despite our positive medium-term outlook. After a sustained period of strong relative performance from the Swiss property stocks in the fund, we also reduced our exposure to these in favour of what we considered to be higher growth European logistics names – notably investing in Argan in France, as well as adding to Montea, WDP and CTP in this sub-sector.

We believe these are well-managed European logistics companies and that they have market leading landbanks and the operational expertise to profitably deliver these needed warehouses across Europe. Supply has remained relatively constrained in most areas due to a combination of tight planning, increased construction/finance costs and uncertain economic growth.

In the UK, we raised our position in student market leader Unite Group, attracted by its strategically focused footprint towards leading university towns. Student numbers have continued to grow against limited supply of purpose-built student accommodation. We believe it can offer attractive counter-cyclical benefits over the more economically sensitive names, such as Land Securities, where we reduced our position.

Outlook

We believe the Fund is well positioned to benefit from the change in European government spending plans (mainly through our retail, prime offices, and logistics exposures). This sits well with our strategy to aim to focus on more operational real estate. In our view, real estate could

Income

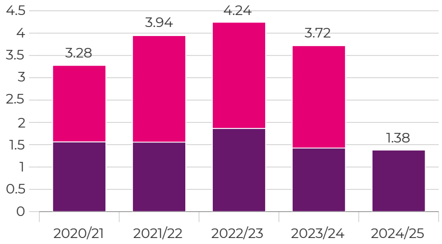
Historic Yield	3.28%

The historic yield reflects distributions declared over the past twelve months as a percentage of the fund price as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. **The yield is not guaranteed and will fluctuate.**

Payment frequency	Biannually
Payment dates	31 Aug, 31 Jan
Ex dividend dates	1 Jun, 1 Dec

Income distribution (pence per share)

Total income distributions in each of the fund's last 5 financial years.



The dividend amount that is paid each year can go down and up and is not guaranteed.

thrive in a higher rate environment, but it requires cashflow growth or value creation through asset management initiatives to generate higher total returns, rather than through the more bond-like income that performed so well in the last cycle of ultra-low rates.

In logistics, there are already tailwinds from near-shoring and an increasing domestic focus post US-tariffs, now supplemented by both higher defence spending and higher overall government spending. Within this logistics sector, we believe we are positioned in the leading European owner/developers which have the expertise and landbanks to potentially deliver this needed space profitably. Within retail, we believe the embattled physical retail sector could have come through its needed re-setting of rents and values. with most excess space in quality locations now also re-purposed. Pricing power is now largely back in the hands of the landlord for best quality space on the Continent again.

Whilst German residential has been impacted by the German government's pivot away from fiscal conservatism due to its perception as a bond proxy, in the medium term we believe German residential can provide significant cashflow growth as the restricted rents for existing tenants convert to materially higher market rents through the natural tenant churn in the rented residential housing.

In the UK, there has been a notable step-up in mergers and acquisitions. We expect further consolidation.

Since the end of the period, the US tariff announcements have impacted all equity markets, and whilst real estate has proved relatively defensive in the immediate sharp sell-off, it has seen material weakness. Whilst economic growth will see almost certainly significant negative impact, we have also seen expectations for interest rate cuts pick up, which could prove supportive for investors. We believe that whilst there will inevitably be areas of increasing vacancy in a materially weaker economic environment ahead, the structural demand from tenants to be in the premises offered by our companies could support occupancy rates.

General risks

The value of stock market investments will fluctuate, which will cause fund prices to fall as well as rise and investors may not get back the original amount invested.

Specific fund risks

Some of the main specific risks of investing in this fund are summarised here. Further detail is available in the prospectus for the fund.

Equities
Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be risker than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.

High volatility
This fund may experience high volatility due to the composition of the portfolio or the portfolio management techniques used.

Other investment risks
Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can be impacted by decisions made by third parties, such as governments or regulators.

Other risks
There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.

Performance comparators

As the fund invests in real estate investment trusts and property companies in the UK and Europe, we believe the GPR 250 Europe Capped Index (GBP Hedged) is a meaningful benchmark to help investors assess the performance of the fund.

Ratings, awards and other information

The methodology and calculations used by the third parties providing the ratings/awards are not verified by Premier Miton Investors and we are unable to accept responsibility for their accuracy, nor should they be relied upon for making an investment decision.

Contact us

From 9:00am to 5:30pm, Monday to Friday, excluding bank holidays.

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