

**SOFIDY
SELECTION 1**
FCP



Monthly Report

At 28 March 2024

References to ranking, price and/or rating are not guarantee of future performance of the fund.



FRENCH LAW REAL ESTATE UCITS

1. FUND OBJECTIVE

The FCP's objective is to implement discretionary management to outperform, via exposure to European Union real estate shares and by reconciling financial and extra-financial performance, the FTSE EPRA / NAREIT Euro Zone Capped benchmark. Net dividends re-invested after deduction of management fees over the duration of the recommended investment period (over 5 years).

2. MANAGEMENT NOTE

ZEN ATTITUDE

The eurozone real estate sector recovered significantly in March, up 9.2 %. Your Fund has significantly outperformed its asset class since the beginning of the year, down 1.7 % (P share) compared to a 4.2 % fall in the benchmark index. While the sector's recovery will, in our view, be firm and fast, it will not take shape before the first decision to reduce key interest rates is taken by the ECB or US Federal Reserve. Meanwhile, the "Chinese torture" of short-term fluctuations in response to economic publications and central banker statements is set to continue.

Sofidy Selection 1's performance since the beginning of the year is based on a contracted portfolio (few or no positions in Aroundtown, Gecina, Immobiliaria Colonial, Cofinimmo, Kojamo and Icade) **and, conversely, the Fund's off-index exposure to high-performing stocks** (CTP, Digital Realty, Equinix).

While the sector's interest rate sensitivity, comparable to the bond segment, has triggered drastic reappraisals since the end of 2021 (23.7 % decrease in NAV per share in the office segment, residential segment down 22.9 %, healthcare down 6%, logistics down 5 % and retail real estate companies down 4 %, the latter's valuation having already fallen significantly pre-Covid; (source: Sofidy survey of a sample of representative stocks), **the famous "debt wall"** (no interruption in bank finance, strong resumption of market financing from mid-2023) and will ultimately concern only Scandinavian stocks.

At the moment, therefore, listed real estate companies are well positioned in terms of valuation (24 % discount in stock market price versus these NAVs, themselves down significantly; source: Kempen eurozone). In our view, the transaction market recovery we expect to see after the first rate cut will allow us to confirm the excessive nature of these discounts.

Lastly, while real estate companies are largely behaving like bonds, **some of them harbour growth potential that will drive dividend growth** (2024 dividend yield already 6 % in continental Europe; source: Kempen). In addition to the impact of indexation, some real estate companies will benefit from structural trends over the coming years (industrial logistics, impact of the development of AI on demand for data centres, additional pricing power linked to the shortage of student residences or scarcity of prime retail locations), provided they have already lightened their balance sheets.

* Past performance is no guarantee of future performance.

11 April 2024,
Laurent Saint Aubin and Serge Demirdjian



Laurent Saint Aubin
Fund Manager of Sofidy
Sélection 1

MAIN CHARACTERISTICS

Management company	SOFIDY SAS	
Manager	Laurent Saint Aubin	
Creation date	November 2014	
Legal nature	FCP	
ISIN code	P Share	FR0011694256
	C Share	FR0013349297
	I Share	FR0011694264
	GI Share	FR0013349289
Asset sub-class	Thematic	
Reference index	FTSE EPRA/NAREIT Euro Zone Capped	
Investment horizon	> 5 years	
Risk scale	Shares P, I, C and GI	
	1	2 3 4 5 6 7
Life insurance eligible	Yes	
PEA (Equity Savings Plan) eligible	No	

PERFORMANCE ANALYSIS*

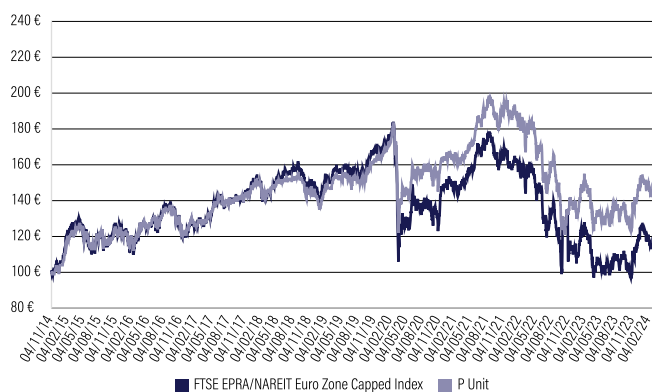
Over 12 rolling months	Index	I Unit	P Unit	GI Unit	C Unit
Performance	17.3 %	17.2 %	15.9 %	17.6 %	16.10 %
Volatility	23.0 %	19.4 %	19.3 %	19.3 %	19.3 %
Sharpe ratio	-	0.70	0.64	0.73	0.69
Tracking error (relative risk)	-	4.6 %	4.6 %	4.6 %	4.6 %
Alpha	-	2.1 %	0.9 %	2.6 %	2.0 %
Beta	-	0.83	0.83	0.83	0.83

* Past performance is no guarantee of future performance

WARNING – RISK: since the FCP invests in a sector, it is also subject to sector-based risks. The details of these risks are described in the key investor information document and the fund prospectus

3. PERFORMANCE OF THE FUND*

At 28 March 2024 | base 100 at 4 November 2014



* Past performance is no guarantee of future performance, and performance is not consistent over time.

4. PERFORMANCE HISTORY⁽⁴⁾

	Since start ⁽¹⁾	2019	2020	2021	2022	2023	Jan. 24	Feb. 24	Mar. 24	Apr. 24	May 24	June 24	July 24	Aug. 24	Sept. 24	Oct. 24	Nov. 24	Dec. 24	2024 YTD	
P Unit	+50.3 %	+22.7 %	0.0 %	+15.0 %	-30.6 %	+14.6 %	-1.6 %	-7.1 %	+7.4 %											-1.7 %
Index	+20.8 %	+22.2 %	-10.9 %	+6.4 %	-32.6 %	+15.4 %	-3.9 %	-8.7 %	+9.2 %											-4.2 %
VL (€)	100.00	167.41	167.40	192.45	133.53	153.00	150.62	139.99	150.34											150.34
I Unit	+65.5 %	+23.8 %	+0.1 %	+17.6 %	-29.8 %	+16.8 %	-1.5 %	-7.0 %	+7.5 %											-1.5 %
Index	+20.8 %	+22.2 %	-10.9 %	+6.4 %	-32.6 %	+15.4 %	-3.9 %	-8.7 %	+9.2 %											-4.2 %
VL (€)	1,000.00	1,755.60	1,757.30	2,066.61	1,449.74	1,679.42	1,654.91	1,539.44	1,654.66											1,654.66
GI Unit	+6.3 %	+24.1 %	0.0 %	+17.9 %	-29.6 %	+16.2 %	-1.4 %	-7.0 %	+7.5 %											-1.4 %
Index	-23.3 %	+22.2 %	-10.9 %	+6.4 %	-32.6 %	+15.4 %	-3.9 %	-8.7 %	+9.2 %											-4.2 %
VL (€)	10,000.00	11,172.77	11,172.77	13,170.38	9,271.40	10,777.85	10,623.90	9,885.34	10,628.08											10,628.08
C Unit	+4.4 %	+23.6 %	0.0 %	+17.3 %	-30.0 %	+15.6 %	-1.5 %	-7.0 %	+7.5 %											-1.5 %
Index	-22.7 %	+22.2 %	-10.9 %	+6.4 %	-32.6 %	+15.4 %	-3.9 %	-8.7 %	+9.2 %											-4.2 %
VL (€)	100.00	111.60	111.59	130.95	91.68	105.99	104.43	97.12	104.38											104.38

(1) Since 04/11/2014.

(2) Since 26/07/2018.

(3) Since 19/07/2018.

(4) Past performance is no guarantee of future performance, and performance is not consistent over time.

MAIN LINES OF PORTFOLIO AT 28 MARCH 2024

	Fund	Index
UNIBAIL-RODAMCO-WESTFIELD	9.85 %	9.05 %
VONOVIA SE	8.76 %	9.75 %
KLEPIERRE	6.81 %	6.77 %
TAG IMMOBILIEN AG	6.47 %	3.24 %
MERLIN PROPERTIES SOCIMI SA	6.45 %	4.11 %
COVIVIO	4.56 %	4.09 %
GECINA SA	3.94 %	5.83 %
WAREHOUSES DE PAUW SCA	3.99 %	4.03 %
LEG IMMOBILIEN SE	3.72 %	8.43 %
AEDIFICA	3.64 %	4.11 %

FEES AND COMMISSIONS

(Base 100 at 4 November 2014)

Management fee incl. tax***	P Share	2.20 %
	C Share	1.30 %
	I Share	1.10 %
	GI Share	0.75 %
Maximum entry fee incl. tax*	P Share	Up to 4 %
	C Share	Up to 4 %
	I Share	Up to 3 %
	GI Share	Up to 1 %
Outperformance commission**		20 %
Initial subscription	P Share	1 share
	C Share	1 share
	I Share	100 shares
	GI Share	100 shares

* No entry fee is received by the management company

** 20 % incl. tax of the fund's outperformance, net of fees in relation to its reference index and in respect of the high water mark principle from 1 December 2020 onwards.

***The rates applied at 28/03/24 are the maximum rates applicable.

5. UCITS DATA AT 28 MARCH 2024

	I Share	P Share	GI Share	C Share
Number of shares	6,076.9	483,948.3	5,205.9	10,028.9
Liquidating value (€)	1,654.66	150.34	10,628.08	104.38
Net assets (€)	139,188,389			

6. EXPOSURE OF THE PORTFOLIO AT 28 MARCH 2024

Currencies (including cash)	Sectors ⁽¹⁾	Geographic location ⁽¹⁾
Euro 75 %	Retail 27 %	Germany 25 %
Pound Sterling 11 %	Housing 25 %	France 18 %
US Dollar 3 %	Logistics 13 %	Spain 12 %
Swedish krona 2 %	Offices 12 %	United Kingdom 11 %
Other 9 %	Other 23 %	Other 34 %

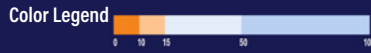
(1) Allocations determined by the manager by breaking down the activity of the companies in the portfolio into different sectors/geographical areas.

ESG valuations of the issuers of the portfolio below are from ESG grades made by S&P Global:

WEIGHTED AVERAGE ESG⁽¹⁾ RATINGS FOR SOFIDY SELECTION 1 FCP

The ESG rating determines the non-financial profile of companies (in terms of risks and opportunities). The higher the ESG rating, the better.

Governance	49
Social	45
Environment	55
ESG risk profile	50



5 POSITIONS WITH THE BEST ESG RATING⁽¹⁾

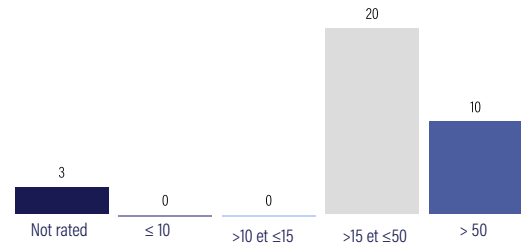
	Governance	Social / Societal	Environnement	ESG Rating
CELLNEX TELECOM SA	77	79	91	81
COVIVIO	58	67	85	71
MERLIN PROPERTIES SOCIMI SA	65	61	79	69
WAREHOUSES DE PAUW SCA	69	57	70	65
VONOVIA SE	67	62	64	64

5 POSITIONS WITH THE WORST ESG RATING⁽¹⁾

	Governance	Social / Societal	Environnement	ESG Rating
VIB VERMOEGEN AG	19	15	24	20
EUROCOMMERCIAL PROPERTIES NV	32	26	26	28
LEG IMMOBILIEN SE	39	27	25	30
XIOR STUDENT HOUSING NV	39	34	24	32
SAFESTORE HOLDINGS PLC	35	20	42	33

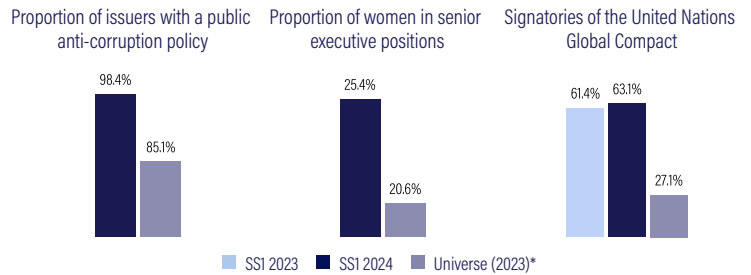
Reporting ESG

Distribution of ESG ratings⁽¹⁾ of issuers in portfolio

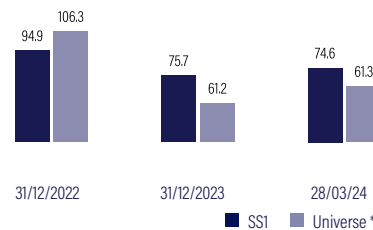


(1) The ESG rating determines the non-financial profile of companies (in terms of risks and opportunities). Shares whose current or anticipated ESG rating is below 10 are excluded from the investment scope (the higher the ESG rating, the better).

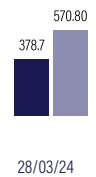
Impact & carbon footprint measurements



The Weighted Average Carbon Intensity (scope 1 and 2, in tons CO2e/€M sales)



The Weighted Average Carbon Intensity (scope 1, 2 & 3, in tons CO2e/€M sales)



Sources used: Sustainalytics, UN Global Compact database, annual reports and companies' websites. * Thematic universe updated quarterly and made up of 1,384 shares at 31/03/2024. The coverage rate of the scope is 92 % for signatories of the United Nations Global Compact, 85 % for the proportion of women in senior executive positions and 85 % for proportions of issuers with a public anti-corruption policy.

For more detailed information on our ESG assessment methodology, please refer to the SRI Transparency Code of the SOFIDY Sélection 1 fund.

Why not take risks, but knowing them well is better!

Non-contractual document. Past performance is no guarantee of the future performance of the OPCVM (real estate UCITS). Performances are not constant over time. As with any real estate UCITS, this fund is mainly exposed to the risk associated with equities markets, loss of capital, discretionary management, exchange rates and liquidity. Since the FCP invests in a sector, it is also subject to sector-based risks. The details of these risks are described in the key investor information document and the fund prospectus. This document is produced by SOFIDY for information purposes only. It in no way constitutes an offer to sell or a solicitation of a purchase, investment or arbitrage. SOFIDY believes the data and figures to be accurate and reliable as of 28/03/2024. SOFIDY shall not be liable for any decisions made on the basis of this information. SOFIDY reserves the right to modify the information presented in this document at any time, without notice. This is an advertising document. The characteristics, risk and return profile, and fees regarding investment in the SOFIDY Sélection 1 OPCVM are described in the key investor information document. The key investor information document, the prospectus and the periodic documents will be available on request from SOFIDY. You must make yourself familiar with the key investor information document, which should be given to you before you subscribe. Written in April 2024. SOFIDY SAS – Real estate funds management company since 1987 – 303, square des Champs Élysées – Évry Courcouronnes – 91026 ÉVRY Cedex Portfolio management company certified by the AMF on 10 July 2007 under the number GP07000042 – Tel.: +33(0)1 69 87 02 00 – Fax: +33(0)1 69 87 02 01 – www.sofidy.com



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