

**SOFIDY
SELECTION 1**
FCP


Monthly Report

At 31 December 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

GREAT EXPECTATIONS

Your fund ended the year in positive territory, with an increase of 1.97 % (P share), outperforming its benchmark index (the FTSE Epra Eurozone index), which fell by 2.6 %.

This modest performance of the sector, to say the least, is due (after a rebound of 26.3% between March and the end of September) to **a sharp pullback from October** caused by the election of Donald Trump on the other side of the Atlantic and the budget deficit slippage in Europe. In the eyes of the markets, these two factors are likely to jeopardise the outlook for lower interest rates (which translated into **a rise in the ten-year German Bund, from 2 % to 2.35 % between the beginning and the end of the year**).

Sofidy Selection 1's outperformance in 2024 is due to 1/ the rise in data centre property companies driven by demand for additional space linked to the development of artificial intelligence, 2/ the under-representation in our portfolio of European property stocks that performed poorly (Kojamo, Montéa, Icade, Argan and VGP), 3/ the good performance of 'secondary' German residential property stocks over-represented in your fund (TAG Immobilien and Grand City) and 4/ the takeover bids completed on two Spanish stocks (Arima and Lar Espana) that we held in our portfolio.

On the other hand, our exposure to the UK (including Unite, Tritax Big Box and Safestore) weighed negatively.

Our unchanged view at the start of the year is that **the European Central Bank will step up the pace of rate cuts** in an environment where inflation is set to reach 2 % in the coming months, especially as growth could be affected by the implementation of the protectionist measures advocated by Donald Trump. **This trend will be supportive of a strong rebound in listed real estate companies** (note that the sector has fallen by 24.2 % since the end of 2021).

In our view, the potential here is even greater, given that these companies are currently **trading at a discount (an estimated 32 % to the end of 2024, according to Kempen, compared with the valuation of their assets) which does not reflect the consensus that the decline in appraisal values will soon come to an end** and that growth will resume for those with solid balance sheets and pricing power assets.

Laurent Saint Aubin and Serge Demirdjian
02/01/2025

* Past performance is no guarantee of future performance



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	<div style="display: flex; justify-content: space-between; width: 100%;"> Parts P, I, C et GI </div> <div style="display: flex; justify-content: space-between; width: 100%; text-align: center;"> 1 2 3 4 5 6 7 </div>						
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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	-2.6 %	2.9 %	2.0 %	3.3 %	2.7 %
Volatility	17.8 %	20.0 %	15.6 %	15.7 %	15.8 %
Sharpe ratio	-	-0.03	-0.11	-0.02	-0.06
Tracking error (relative risk)	-	14.1 %	3.2 %	3.2 %	4.3 %
Alpha	-	4.4 %	3.8 %	5.1 %	4.5 %
Beta	-	0.82	0.87	0.87	0.86

* 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 31 December 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	+56.0 %	+22.7%	0.0%	+15.0%	-30.6%	+14.6%	-1.6%	-7.1%	+7.4%	+1.5%	+5.7%	-5.4%	+3.6%	+4.2%	+5.0%	-5.7%	+0.9%	-5.2%	+2.0%
Index	+22.8 %	+22.2%	-10.9%	+6.4%	-32.6%	+15.4%	-3.9%	-8.7%	+9.2%	+1.0%	+5.7%	-6.7%	+3.2%	+5.1%	+5.7%	-6.9%	+0.8%	-5.1%	-2.6%
VL (€)	100.00	167.41	167.40	192.45	133.53	153.00	150.62	139.99	150.34	152.65	161.31	152.53	158.04	164.69	172.87	163.04	164.52	156.01	156.01
I Unit	+72.9 %	+23.8%	+0.1%	+17.6%	-29.8%	+15.8%	-1.5%	-7.0%	+7.5%	+1.6%	+5.8%	-5.4%	+3.7%	+4.3%	+5.0%	-5.6%	+1.0%	-5.1%	+2.9%
Index	+22.8 %	+22.2%	-10.9%	+6.4%	-32.6%	+15.4%	-3.9%	-8.7%	+9.2%	+1.0%	+5.7%	-6.7%	+3.2%	+5.1%	+5.7%	-6.9%	+0.8%	-5.1%	-2.6%
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	1,681.47	1,778.31	1,682.62	1,744.87	1,819.61	1,911.43	1,804.10	1,821.83	1,728.95	1,728.95
GI Unit	+11.3 %	+24.1%	0.0%	+17.9%	-29.6%	+16.2%	-1.4%	-7.0%	+7.5%	+1.7%	+5.6%	-5.4%	+3.7%	+4.3%	+5.1%	-5.6%	+1.0%	-5.1%	+3.3%
Index	+22.1 %	+22.2%	-10.9%	+6.4%	-32.6%	+15.4%	-3.9%	-8.7%	+9.2%	+1.0%	+5.7%	-6.7%	+3.2%	+5.1%	+5.7%	-6.9%	+0.8%	-5.1%	-2.6%
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	10,803.66	11,429.28	10,817.16	11,220.87	11,704.89	12,299.16	11,612.00	11,729.40	11,134.83	11,134.83
C Unit	+8.9 %	+23.6%	0.0%	+17.3%	-30.0%	+15.6%	-1.5%	-7.0%	+7.5%	+1.6%	+5.7%	-5.4%	+3.7%	+4.3%	+5.0%	-5.6%	+1.0%	-5.1%	+2.7%
Index	+21.4 %	+22.2%	-10.9%	+6.4%	-32.6%	+15.4%	-3.9%	-8.7%	+9.2%	+1.0%	+5.7%	-6.7%	+3.2%	+5.1%	+5.7%	-6.9%	+0.8%	-5.1%	-2.6%
VL (€)	100.00	111.60	111.59	130.95	91.68	105.99	104.43	97.12	104.38	106.05	112.14	106.09	109.99	114.69	120.45	113.67	114.77	108.90	108.90

(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.

The E share is not represented as it is dedicated in specific to the management company and companies in the Tikehau Capital group, to the corporate officers and employees of these entities, and to the funds managed by these entities (a full list can be found in the UCITS prospectus).

MAIN LINES OF PORTFOLIO AT 31 DECEMBER 2024

	Fund	Index
UNIBAIL-RODAMCO-WESTFIELD	9.54 %	9.08 %
KLEPIERRE	7.84 %	7.13 %
VONOVIA SE	7.65 %	9.68 %
LEG IMMOBILIEN SE	7.50 %	7.99 %
COVIVIO	5.50 %	4.05 %
GECINA SA	4.98 %	6.21 %
TAG IMMOBILIEN AG	4.36 %	3.77 %
MERLIN PROPERTIES SOCIMI SA	3.87 %	4.07 %
GRAND CITY PROPERTIES	3.73 %	1.29 %
EQUINIX	3.53 %	0.0 %

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 31/12/24 are the maximum rates applicable, with the exception of P Share where the rate applied is 2.00% since April 1st, 2024. Including operating costs and other services of 0.10%.

5. UCITS DATA AT 31 DECEMBER 2024

	I Share	P Share	GI Share	C Share
Number of shares	6,088.9	488,245.8	2,239.3	24,319.1
Liquidating value (€)	1,728.95	156.01	11,134.83	108.90
Net assets (€)*	141,759,595			

* including the net assets of the E unit, dedicated in specific to the management company and companies in the Tikehau Capital group, to the corporate officers and employees of these entities, and to the funds managed by these entities (a full list can be found in the UCITS prospectus).

6. EXPOSURE OF THE PORTFOLIO AT 31 DECEMBER 2024

Currencies (including cash)	Sectors ⁽¹⁾	Geographic location ⁽¹⁾
Euro	Housing 29 %	Germany 30 %
Pound Sterling	Retail 25 %	France 21 %
US Dollar	Offices 14 %	United Kingdom 10 %
Swedish krona	Logistics 9 %	Spain 6 %
Other	Other 23 %	Other 33 %

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

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 31/12/2024. 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 January 2025. SOFIDY SAS – Real estate funds management company since 1987 – 303, Square des Champs Élysées – 91080 Évry-Courcouronnes – 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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