

Performance Commentary

The first month of the year was a roller-coaster ride for the market, which fluctuated between hope and despair. The volatility was driven mainly by corona mutation fears and the postponed vaccine roll-out. On the more positive side, there were renewed talks around central bank stimulus and the ECB discussed the possibility of another rate cut. The best contributor in the fund was Austrian office operator CA Immobilien after the majority owner Starwood launched a bid. Shortly thereafter, a second potential bidder announced that it was considering a counteroffer. The outcome is pending and other local peers may also get involved. The Spanish office operator Arima and US data centre company Switch were also among the best contributors. The largest detractor was Japanese Keihanshin Building after a pending bid fell through during the month. As such, the company's assets have become even more undervalued. SKAGEN m2 continues to focus on companies that we consider to be resilient in trend-driven subsegments, but also on opportunities that may arise among mispriced names. The long-term prospects are positive; however, real estate will not be immune to challenges caused by the deteriorating macroeconomic environment.

The fund gives access to a normally inaccessible global real estate market. The fund selects low-priced, high-quality real estate companies from around the world. The objective is to provide the best possible risk adjusted return. The fund is suitable for those with at least a five year investment horizon.

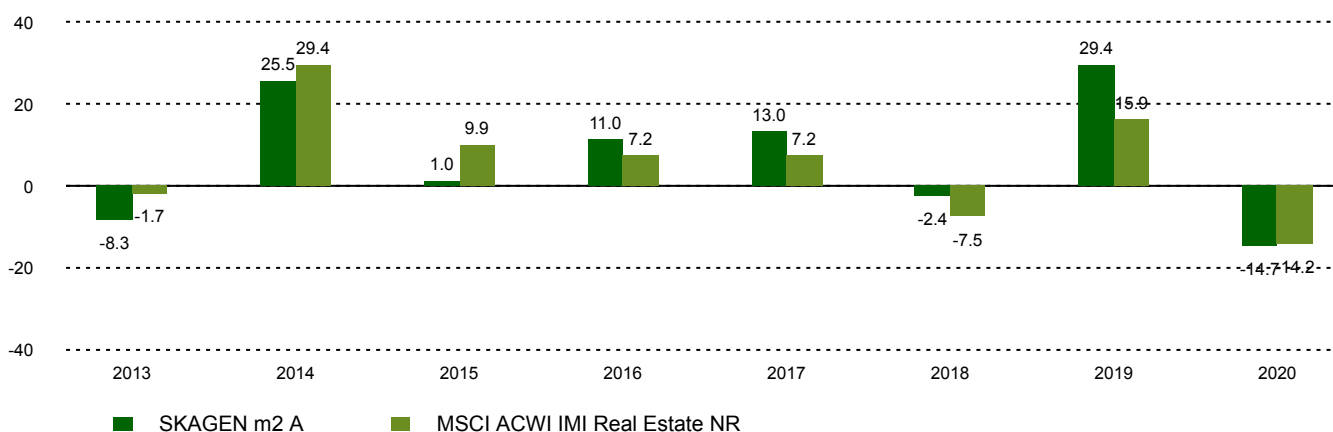
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	-1.0%	0.4%
Year to date	-1.0%	0.4%
Last year	-17.4%	-15.3%
Last 3 years	2.0%	-3.5%
Last 5 years	7.6%	2.4%
Last 10 years	n/a	n/a
Since start	5.8%	5.3%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	21.50 EUR
Fixed management fee	1.50%
Total expense ratio (2020)	1.38%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	154.78 EUR
Number of holdings	33
Portfolio manager	Michael Gobitschek

Performance last ten years



In the period from 11 July 2017 to 30 September 2019, the benchmark was the MSCI ACWI Real Estate IMI ex REITS

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
CA Immobilien Anlagen AG	4.99	0.59
Arima Real Estate SOCIMI SA	2.84	0.25
Switch Inc	3.89	0.20
Ascendas India Trust	2.36	0.19
Prologis Inc	3.96	0.16



Largest detractors

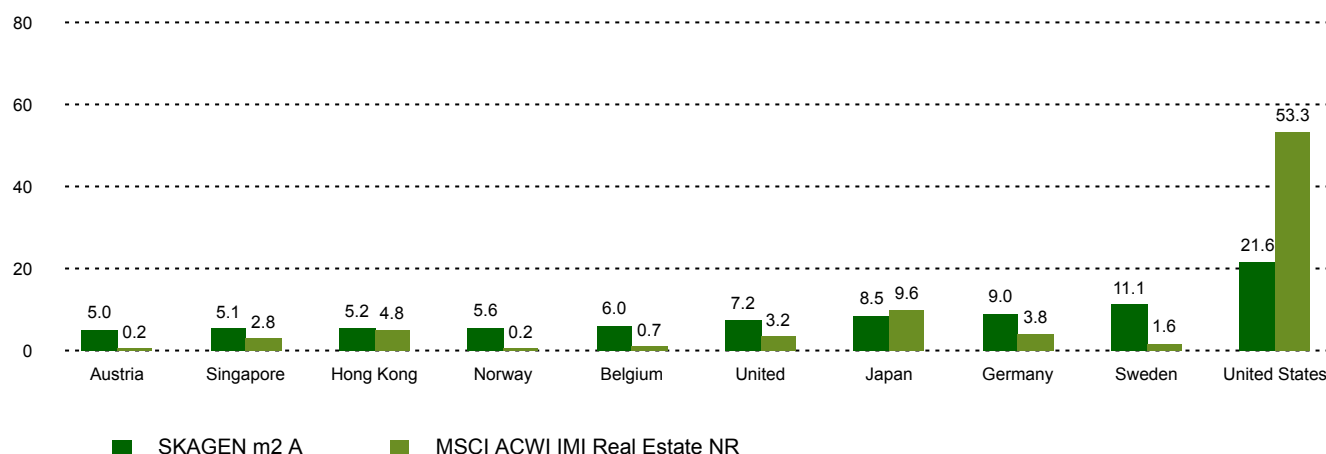
Holding	Weight (%)	Contribution (%)
Self Storage Group ASA	5.69	-0.56
Keihanshin Building Co Ltd	4.35	-0.56
Adapteo Oyj	4.48	-0.42
LEG Immobilien AG	4.18	-0.34
Grainger PLC	3.97	-0.23

Absolute contribution based on NOK returns at fund level

Top ten investments

Holding	Sector	Country	%
Self Storage Group ASA	Industrials	Norway	5.6
CA Immobilien Anlagen AG	Real Estate	Austria	5.0
Catena AB	Real Estate	Sweden	4.8
Prologis Inc	Real Estate	United States	4.4
Switch Inc	Information Technology	United States	4.2
Adapteo Oyj	Industrials	Sweden	4.1
Keihanshin Building Co Ltd	Real Estate	Japan	4.1
Shurgard Self Storage SA	Real Estate	Belgium	4.0
LEG Immobilien AG	Real Estate	Germany	4.0
KOJAMO OYJ	Real Estate	Finland	3.9
Combined weight of top 10 holdings			44.1

Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

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Important information

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