

## Performance Commentary

February was all about fear of inflation and subsequently rising yields on the back of the better economic outlook, driven mainly by massive amounts of stimulus. Growth in the economy typically trumps expected increased interest rates for real estate, and this led to a positive upturn for the sector in the month. Recovery trade returned, benefiting most pandemic loser segments over winners. The fund's best contributor was the conglomerate Cheung Kong Asset Holding after strong performance by the Hong Kong domiciled names. Our US manufactured homes operator UMH Properties was the second-best contributor followed by self storage operator Shurgard, which delivered a very solid report. Japanese Keihanshin Building continued to underperform after the failed bid in January. On a positive note, at the end of February, the board announced several positive measures, including share buybacks. SKAGEN m2 continues to focus on its barbell approach; either investing in resilient companies in trend-driven subsegments, or companies that we consider mispriced and that will gain from recovery in the economy. The long-term prospects are positive; however, real estate will not be immune to the challenges caused by a 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.

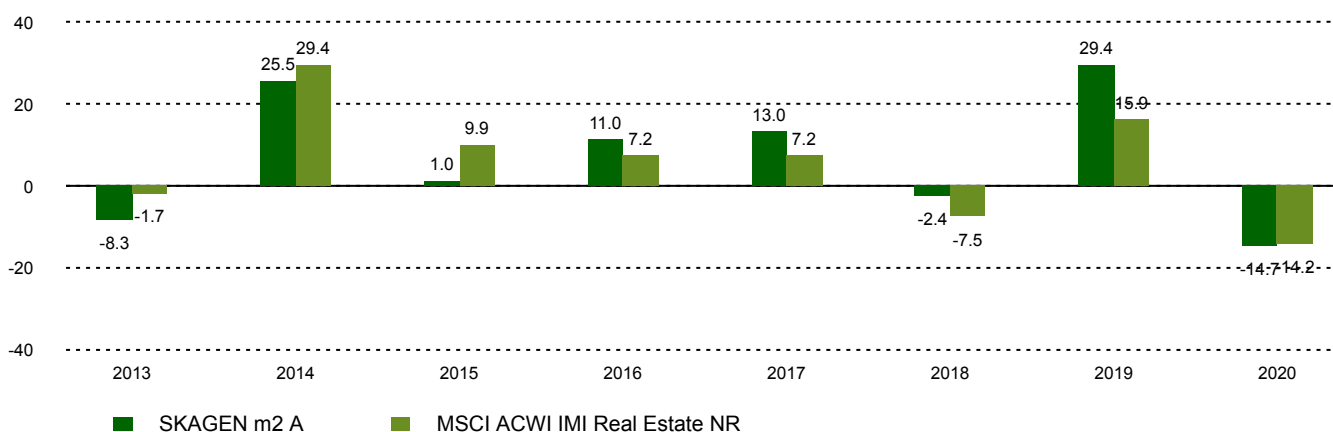
## Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	0.9%	3.7%
Year to date	-0.1%	4.1%
Last year	-8.8%	-4.8%
Last 3 years	3.3%	-0.8%
Last 5 years	7.7%	2.8%
Last 10 years	n/a	n/a
Since start	5.8%	5.7%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	21.70 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	32
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 (%)
CK Asset Holdings	2.90	0.48
UMH Properties Inc	2.40	0.38
Shurgard Self Storage	4.12	0.36
Adapteo Oyj	4.20	0.34
Mitsui Fudosan Co	2.87	0.31



### Largest detractors

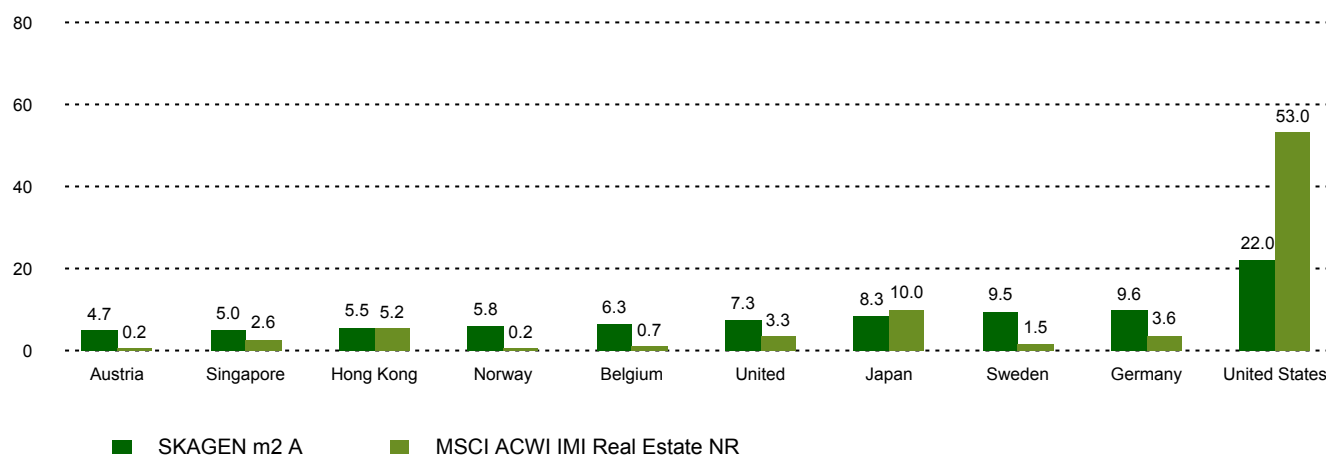
Holding	Weight (%)	Contribution (%)
Equinix Inc	3.57	-0.43
Kojamo Oyj	3.83	-0.36
Keihanshin Building Co	3.68	-0.36
ESR Cayman Ltd	2.24	-0.24
Prologis Inc	4.49	-0.16

Absolute contribution based on NOK returns at fund level

## Top ten investments

Holding	Sector	Country	%
Self Storage Group ASA	Industrials	Norway	5.8
Catena AB	Real Estate	Sweden	5.0
CA Immobilien Anlagen AG	Real Estate	Austria	4.7
Adapteo Oyj	Industrials	Sweden	4.5
Prologis Inc	Real Estate	United States	4.4
Grainger PLC	Real Estate	United Kingdom	4.1
Shurgard Self Storage SA	Real Estate	Belgium	4.1
LEG Immobilien AG	Real Estate	Germany	4.0
Switch Inc	Information Technology	United States	3.9
KOJAMO OYJ	Real Estate	Finland	3.6
Combined weight of top 10 holdings			44.2

## Country Exposure (top ten)



■ SKAGEN m2 A    ■ MSCI ACWI IMI Real Estate NR

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## Important information

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