

Performance Commentary

Early expansion cycles including strong stimulus, inflationary tendencies and low interest rates have historically been beneficial for the real estate sector. This has been the case now in the US economy and evidenced by the US real estate market. European real estate is lagging but is likely to catch up as vaccination rates increase and reopening progresses. The best contributor to the fund's return came from the US-based data centre company Switch, as it catches up after lagging peers in first quarter. The Swedish logistics operator Catena performed well on the back of further asset acquisitions and balance sheet strengthening. The most important event in April was that the German Constitutional Court decided that rent controls are a national matter and the state of Berlin may not implement their own rent laws. This is positive for the German residential names in the portfolio. The largest detractor was Hong Kong conglomerate Far East Consortium, not due to any company-specific news. SKAGEN m2 continues to focus on investing in resilient companies in trend-driven subsegments, or companies that we consider mispriced and which will benefit from economic recovery. The long-term prospects are positive; however, real estate will not be immune to challenges caused by deterioration in the 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.

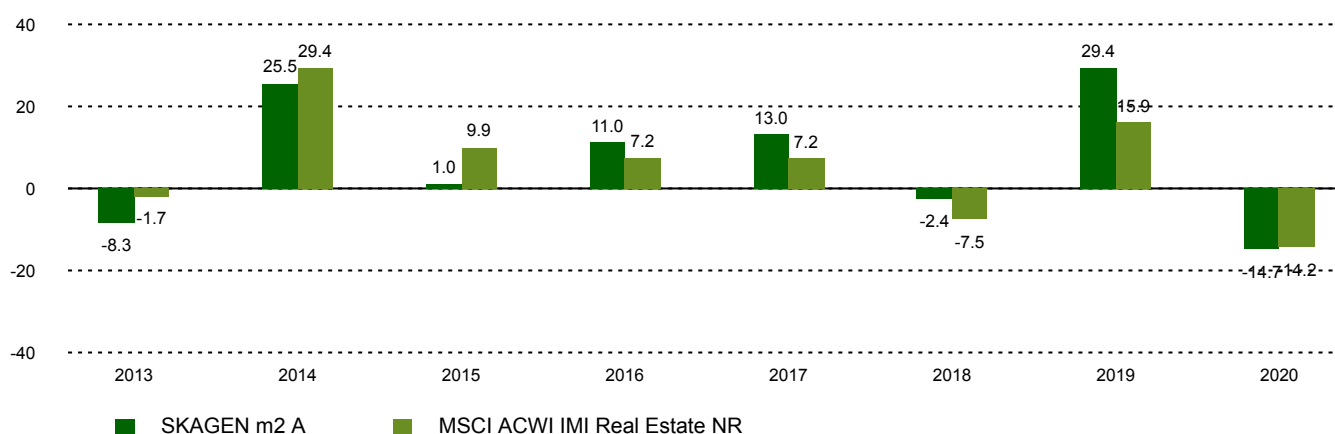
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	2.7%	2.5%
Year to date	7.8%	12.8%
Last year	15.8%	18.2%
Last 3 years	4.6%	0.7%
Last 5 years	8.0%	3.7%
Last 10 years	n/a	n/a
Since start	6.7%	6.6%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	23.43 EUR
Fixed management fee	1.50%
Total expense ratio (2020)	1.37%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	157.39 EUR
Number of holdings	34
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 (%)
Switch Inc	3.71	0.39
Catena AB	4.59	0.36
Prologis Inc	4.34	0.29
Deutsche Wohnen SE	2.56	0.29
Kojamo Oyj	3.80	0.28



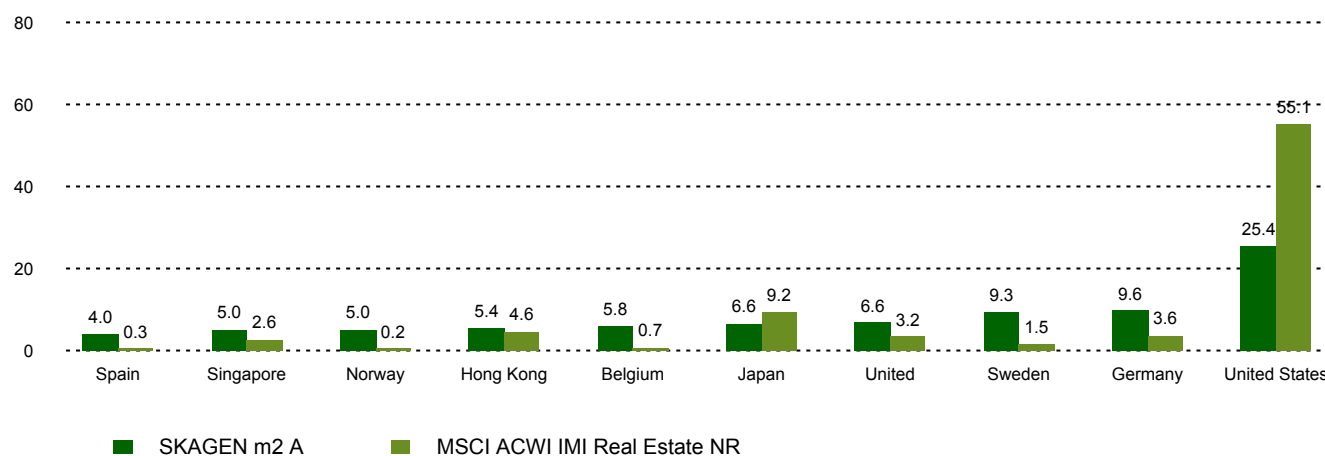
Largest detractors

Holding	Weight (%)	Contribution (%)
Far East Consortium Int	2.36	-0.22
CTP NV	2.43	-0.20
Adapteo Oyj	5.25	-0.18
Self Storage Group ASA	5.10	-0.15
Ascendas India Trust	2.26	-0.13

Top ten investments

Holding	Sector	Country	%
Self Storage Group ASA	Industrials	Norway	5.0
Adapteo Oyj	Industrials	Sweden	4.8
Catena AB	Real Estate	Sweden	4.5
Prologis Inc	Real Estate	United States	4.1
Americold Realty Trust	Real Estate	United States	4.0
Grainger PLC	Real Estate	United Kingdom	4.0
KOJAMO OYJ	Real Estate	Finland	3.9
LEG Immobilien SE	Real Estate	Germany	3.8
Shurgard Self Storage SA	Real Estate	Belgium	3.8
Switch Inc	Information Technology	United States	3.7
Combined weight of top 10 holdings			41.7

Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

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Important information

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