



Fund facts

ISIN: NO0010657356

Launch date, share class: 31.10.2012

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Domicile: NO

NAV: 18.07 GBP

AUM: 111 MGBP

Benchmark index: MSCI ACWI Real Estate IMI

Minimum purchase: 25 GBP

Fixed management fee: 1.50 %

Performance fee: 10 % (see prospectus for details)

Ongoing charge: 1.50 %

Number of holdings: 32

SFDR: Article 8



Michael Gobitschek
Managed fund since
31 October 2012



Anne Line Kristensen
Managed fund since
01 July 2022

Investment strategy

SKAGEN m2 provides exposure to a normally difficult to access global real estate market. The fund selects low-priced, high-quality real estate companies from around the world. The fund is suitable for those with at least a five year investment horizon. Subscriptions are made in fund units and not directly in stocks or other securities. The benchmark reflects the fund's investment mandate. Since the fund is actively managed, the portfolio will deviate from the composition of the benchmark.

SKAGEN m2 A

RISK PROFILE



6 of 7 (SRRI)

YTD RETURN

-4.43 %

31.05.2023

ANNUAL RETURN

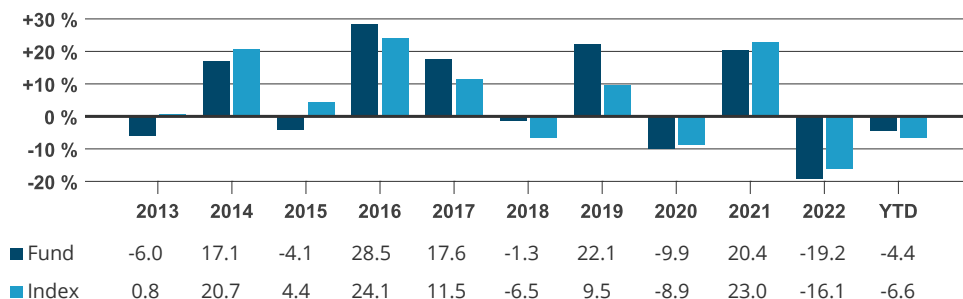
-0.39 %

Average last 5 years

Monthly report for May as of 31.05.2023. All data in GBP unless otherwise stated.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. The fund's Key Investor Information Document and prospectus are available on www.skagenfunds.com

Historical return in GBP (net of fees)



In the period from 11.07.2017 to 30.09.2019, the benchmark index was the MSCI ACWI Real Estate IMI ex REITS.

| Period | Fund (%) | Index (%) | Key figures | 1 year | 2 years | 3 years |
|-----------------|----------|-----------|--------------------------|--------|---------|---------|
| Last month | -2.52 | -3.76 | Standard deviation | - | - | 14.12 |
| Year to date | -4.43 | -6.56 | Standard deviation index | - | - | 14.22 |
| Last 12 months | -17.27 | -16.06 | Tracking error | - | - | 4.67 |
| Last 3 years | -0.56 | 0.65 | Information ratio | - | - | -0.26 |
| Last 5 years | -0.39 | -2.49 | Active share: 82 % | | | |
| Last 10 years | 3.16 | 3.36 | | | | |
| Since inception | 4.92 | 4.83 | | | | |

Returns over 12 months are annualised.

Monthly commentary, May 2023

The global real estate market was down in May after a positive month in April. The European and Nordic real estate sectors came under fire this month with several companies receiving credit downgrades and outlook changes as higher interest rates are increasingly reducing the profitability of highly leveraged real estate companies.



Despite some negative news from the sector this month, May was a strong month for SKAGEN m2, which outperformed its benchmark index. The main contributors to the fund's performance in the month were the Brazilian logistics company LOG, the Japanese holding company Tokyo Fudosan and the US-listed data centre operator Equinix.

LOG's share price was up nearly 43% in local currency during the month as they announced two transactions at a combined size of roughly R\$ 900 million at decent valuations, demonstrating the attractiveness of their assets and allowing them to deleverage. Tokyo Fudosan delivered a strong quarterly report, beating the market's expectations on the back of higher property sales gains and improved hotel occupancy.

The largest detractors to the fund's performance in May were the Norwegian Self Storage Group, the pan European healthcare real estate operator Aedifica and the US hospitality company Marcus Corp. There was no company specific reason for Self Storage Group's decline. The company delivered a decent first quarter report, is seeing increased indexation flowing through on the top line, and is trading at a significant discount to its European self-storage peers on cash flow multiples.

SKAGEN m2 continues to focus on resilient companies in trend driven subsegments that are mispriced, can perform in various market conditions, have solid balance sheets, and are well positioned for inflation.

Contribution last month

|  Largest contributors | Weight (%) | Contribution (%) |  Largest detractors | Weight (%) | Contribution (%) |
|---|------------|------------------|--|------------|------------------|
| LOG Commercial Properties e Participacoes SA | 3.09 | 1.18 | Self Storage Group ASA | 4.49 | -0.67 |
| Tokyu Fudosan Holdings Corp | 4.49 | 0.44 | Aedifica SA | 2.79 | -0.44 |
| EQUINIX INC | 5.11 | 0.39 | Marcus Corp/The | 3.73 | -0.36 |
| Independence Realty Trust Inc | 4.07 | 0.32 | Catena AB | 4.97 | -0.35 |
| Arima Real Estate SOCIMI SA | 2.60 | 0.20 | Shurgard Self Storage Ltd | 4.68 | -0.34 |

Absolute contribution based on NOK returns at fund level.

Portfolio information

| Top 10 investments | Share (%) | Country exposure | Share (%) | Sector exposure | Share (%) |
|--|-----------|------------------|-----------|------------------------|-----------|
| EQUINIX INC | 5.1 | United States | 39.2 | Real estate | 87.7 |
| Catena AB | 4.9 | Japan | 8.2 | Communication Services | 5.7 |
| Prologis Inc | 4.8 | United Kingdom | 7.7 | Industrials | 4.2 |
| Grainger PLC | 4.8 | Sweden | 7.4 | Cash, not invested | 2.4 |
| Tokyu Fudosan Holdings Corp | 4.4 | Belgium | 6.9 | Total share | 100.0 % |
| Shurgard Self Storage Ltd | 4.4 | Singapore | 5.4 | | |
| Independence Realty Trust Inc | 4.3 | Spain | 4.7 | | |
| Self Storage Group ASA | 4.2 | Norway | 4.2 | | |
| CBRE Group Inc | 3.9 | Brazil | 3.8 | | |
| LOG Commercial Properties e Participacoes SA | 3.8 | Netherlands | 3.2 | | |
| Total share | 44.7 % | Total share | 90.7 % | | |

Sustainability

SKAGEN's approach to sustainability

Our ESG approach is built on four pillars. In keeping with SKAGEN's active investment philosophy, our sustainability activities centre on active engagement with our holding companies, which is where we believe we can have the greatest impact. We recognise, however, that the full potential of a sustainable investment strategy is best realised when combining the following four pillars.

- ✓ Exclusion
- ✓ Enhanced due diligence
- ✓ ESG factsheet
- ✓ Active ownership

IMPORTANT INFORMATION

This is a marketing communication. Except otherwise stated, the source of all information is SKAGEN AS. Statements reflect the portfolio managers viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future. The tax treatment of the gains and losses made by the investor and distributions received by the investor depend on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

SKAGEN AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds. SKAGEN AS has its registered office at Skagen 3, Torgterrassen, 4006 Stavanger, Norway. SKAGEN AS is part of the Storebrand Group and owned 100% by Storebrand Asset Management AS. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

No offer to purchase units can be made or accepted prior to receipt by the offeree of the Fund's prospectus and PRIIPS KID (for UK: KIID) and the completion of all appropriate documentation. You can download more information including subscription/redemption forms, full prospectus, PRIIPs KID (for UK: KIID), General Commercial Terms, Annual Reports and Monthly Reports in English language from SKAGEN's webpages <https://www.skagenfunds.com/funds>

Investors rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here:

<https://www.skagenfunds.com/contact/investor-rights/> The investor rights summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

SKAGEN AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

For further information about sustainability-related aspects of the Fund, including the sustainability disclosure summary in English, please refer to: <https://www.skagenfunds.com/sustainability/sustainable-investing/> The sustainability disclosure summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus <https://www.skagenfunds.com/funds>

Important information for UK Investors

SKAGEN AS UK Branch is located at 15 Stratton Street, London, W1J 8LQ. The SKAGEN AS UK Branch is authorised by Finanstilsynet and subject to the Financial Conduct Authority's Temporary Permission regulation. Details about the extent of the authorisation and regulation by the Financial Conduct Authority are available on request. The SKAGEN AS UK Branch has temporary permission from the UK FCA to carry out its authorised activities under the UCITS Directive. For more information, please contact SKAGEN's team based in the UK office:

<https://www.skagenfunds.co.uk/contact-us-uk/>

Important Information for Luxembourg Investors

SKAGEN AS has appointed Svenska Handelsbanken as Paying Agent.

Svenska Handelsbanken AB (publ), Luxembourg Branch, 15, Rue Bender, L-1229 Luxembourg. For more information, please contact SKAGEN's Stavanger based International team: international@skagenfunds.com

Important Information for Irish Investors

In Ireland, SKAGEN AS has appointed Caceis Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin, to act as Paying Agent for Ireland. For more information, please contact SKAGEN's Stavanger based International team: international@skagenfunds.com

Important Information for Dutch Investors

For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com

Important Information for Icelandic Investors

For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com