



SKAGEN m² LUX B EUR

Q4 2023 Quarterly Report

All data in EUR as of 31/12/2023 unless otherwise stated

This is marketing communication



INVESTMENT OBJECTIVE

SKAGEN m² is a long-only, actively managed equity strategy that seeks to generate long-term capital growth by investing in listed real estate companies from across the globe. A Luxembourg SICAV was launched in 2019.

FUND INFORMATION

Start date	15/10/2019
Benchmark	MSCI ACWI Real Estate IMI
ISIN	LU1932723122
Morningstar Category	Property – Indirect Global
Fixed Fee	0.60%
SFDR Category	Article 8
Portfolio Managers	Michael Gobitschek & Anne Line Kristensen Larsen



Michael Gobitschek & Anne Line Kristensen, CFA

Michael Gobitschek

- ❖ Joined SKAGEN in 2005 with previous experience in M&A advisory
- ❖ Masters in Finance and Economics from Stockholm School of Business

Anne Line Kristensen, CFA

- ❖ Joined SKAGEN in 2016
- ❖ Masters in Finance and International Business from Aarhus University

INVESTMENT COMMENTARY

SKAGEN m² delivered a solid return to its unit holders in 2023, outperforming its global real estate benchmark. 2023 was a tough year for global real estate. Central banks across the globe continued their tightening regime, leading to a challenging funding environment, lower sales, and lower transaction volumes for commercial real estate globally. However, during the last quarter of 2023, we saw inflation easing and several central banks keeping their interest rates steady. The US ten-year treasury yield dropped significantly from its October peak, providing a more favourable interest rate environment and outlook for real estate companies going into 2024. The top performing global real estate markets in 2023 were Germany and Japan, while the bottom performers were China and Hong Kong, all measured in USD.

The fund's top performers for the quarter were the Swedish logistics operator and developer Catena, the US tower company American Tower and Swedish Castellum. Catena delivered a solid third quarter report at the end of October and continues to stand out in the Swedish real estate market with its good balance sheet, strong development pipeline and ability to drive rental growth and better yields. Its share price performance was further fuelled in December by the Fed's optimism around rate cuts in the coming year. American Tower, which owns and operates towers and communications sites in the US and across the globe with long-dated rental contracts, saw its share re-price during the year in the constantly changing interest rate environment, but the optimism around a more favourable rate environment in the last quarter contributed positively to its share price.

The fund's bottom performer during the fourth quarter was the US movie theatre and hotel operator Marcus Corporation for no company-specific reason. Another poor performer was the US digital infrastructure fund manager Digital Bridge which took a breather after seeing its share price increase more than 60% in USD in 2023. During the fourth quarter the company announced that Thomas Mayrhofer would take over as CFO from Q2-2024. With his background from the Carlyle Group and alternative asset manager EJF Capital, we believe that Mayrhofer will be an asset to the company as it enters the final phase of its transformation story with the de-consolidation of the last datacentre operating company. This will meaningfully simplify the story towards a cleaner pure play alternative investment manager focusing on digital infrastructure. Despite the strong share price performance in 2023, we continue to see significant potential in Digital Bridge for 2024 as it still trades at a significant discount to its investment manager peers, with an attractive growth opportunity in the digital infrastructure space. The Hong Kong real estate company CK Asset Holdings was the fund's third worst performer. As mentioned, the Hong Kong property market was one of the worst performing markets in 2023. The residential property market continues to be weak and transaction volumes were significantly down in 2023. Sentiment within the sector is weak, and negative news such as land sales withdrawal and lower economic growth is likely to continue to put pressure on house prices. CK Asset is a defensive developer that is very cash rich and should be able to withstand the challenging environment, as well as being positioned to take advantage of any good opportunities that may arise in a tougher environment.

For the month of December, the top contributors were Catena, European self-storage company Shurgard and global logistics owner and operator Prologis. Both Shurgard and Prologis rallied after the Fed meeting in December, and Prologis also held a very well received investor day in mid-December, where they disclosed their potential and projections for double digit growth in the coming years. The fund's worst contributor in December was the global datacentre owner and operator Equinix for no company specific reason, Digital Bridge and Spanish office player Arima.

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. After underperforming the wider equity market for another year, we believe the outlook for global real estate is positive in 2024. The potentially more favourable interest rate environment should bring with it lots of exciting opportunities for long-term stock pickers like SKAGEN m².



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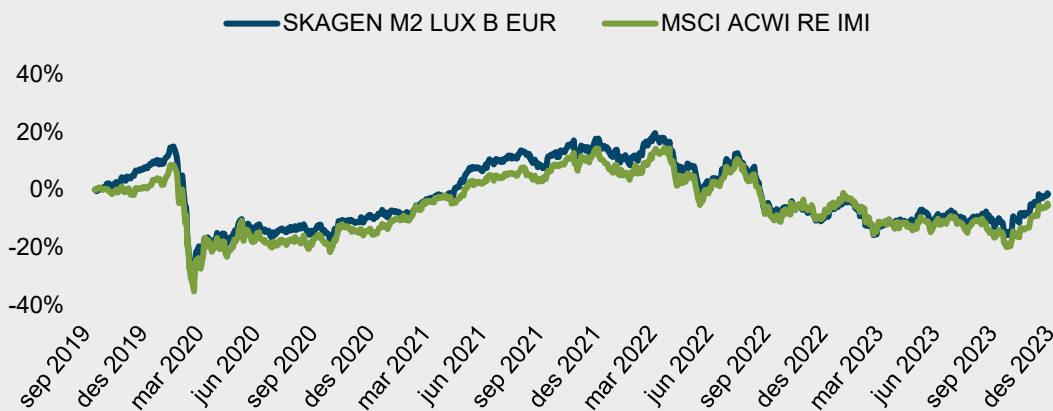
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FUND PERFORMANCE

	Q4 2023	2023	3-Year	Since Start
SKAGEN m² LUX B EUR	9.2%	9.8%	2.6%	-0.4%
MSCI ACWI Real Estate IMI	10.6%	4.9%	3.0%	-1.3%
Relative Return	-1.4%	4.9%	-0.5%	1.0%



As at 31/12/2023 in EUR, net of fees

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and management fees. The return may become negative as a result of negative price developments. There is a risk associated with investing in the fund due to market movements, currency developments, interest rate levels, economic, sector and company-specific conditions.

RISK PROFILE

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level. Other risks not included in the summary risk indicator but materially relevant: Event risk, liquidity risk, operational risk, counterparty risk, derivatives risk. Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. This product does not include any protection from future market performance so you could lose some or all of your investment.

PORTFOLIO STATISTICS

No. of holdings	36
Top 10 weighting	47.9%
Active Share	86%
Turnover ratio	43%
Investment horizon ¹	5 years

PERFORMANCE ATTRIBUTION²

Largest contributors ▲

Holding	Weight	Contribution
Self Storage Group ASA	5.1%	2.2%
LOG Commercial Properties e Participacoes SA	3.1%	1.4%
Catena AB	5.2%	1.3%
CTP NV	3.4%	1.3%
Tokyu Fudosan Holdings Corp	3.6%	1.2%

Largest detractors ▼

Holding	Weight	Contribution
ESR Group Ltd	3.1%	-1.4%
Allied Properties Real Estate Investment Trust	1.2%	-0.5%
CK Asset Holdings Ltd	1.9%	-0.5%
CapitaLand Investment Ltd/Singapore	3.3%	-0.5%
Arima Real Estate SOCIMI SA	2.4%	-0.4%

PORTFOLIO INFORMATION

COUNTRY EXPOSURE		
	Fund	Benchmark
United States	40.2%	59.8%
Japan	6.8%	8.6%
Belgium	8.4%	0.7%
United Kingdom	7.2%	3.0%
Norway	0.0%	0.0%
Hong Kong	5.0%	4.7%
Singapore	5.6%	2.7%
Sweden	11.5%	1.5%
Brazil	3.9%	0.3%
Canada	0.0%	1.7%

TOP 10 HOLDINGS	
Catena AB NPV	6.5%
Digitalbridge Group Inc	5.2%
Shurgard Sel Sto	4.9%
American Tower	4.9%
Grainger Plc	4.7%
Equinix Inc	4.7%
Prologis Inc	4.6%
Cbre Group Inc	4.2%
Ctp N.V	4.2%
Independence Rlty	3.9%
Combined weight	47.9%

¹ For guidance purposes only ² Contribution to absolute return year-to-date



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IMPORTANT INFORMATION

This is a marketing communication, and this document is intended for professional investors only. Except otherwise stated, the source of all information is Storebrand Luxembourg SICAV as at 31.12.2023.

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. 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 depends on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Sub-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.

Storebrand SICAV, (RCS Registration Number: B 234106) is an investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as a UCITS and falls under the supervision of the Luxembourg financial supervisory authority, Commission de Surveillance du Secteur Financier (the "CSSF"). Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company and further FundRock has appointed Storebrand Asset Management AS as its investment manager. Following the merger between Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team continues to manage the SKAGEN SICAV sub-funds from a new separate legal entity named SKAGEN AS under an outsourcing agreement with Storebrand Asset Management AS. The SICAV has appointed Storebrand Asset Management as Global Distributor.

No offer to purchase shares can be made or accepted prior to receipt by the offeree of the Sub-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.lu/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>

Storebrand Asset Management AS or FundRock Management Company S.A. may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

The Sub-fund takes sustainability risk and ESG characteristics into account as part of its selection process. In that respect the Sub-fund promotes environmental and/or social characteristics within the meaning of Art 8 of SFDR. For the assessment areas like corporate strategy, corporate governance, transparency and the product and service range of a company are taken into account. Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English, can be found here: <https://www.skagenfunds.lu/sustainability/sustainable-investing/>

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

The Storebrand SICAV has registered its 7 Sub-Funds (SKAGEN Kon-Tiki Lux, SKAGEN Focus Lux, SKAGEN Global Lux, SKAGEN m2 Lux, Storebrand Global Solutions Lux and Storebrand Global ESG Lux) for public distribution in Luxembourg, the UK, Germany, Austria, the Netherlands, Belgium, and France.

Important Information for Luxembourg Investors

Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company. FundRock Management Company S.A.'s offices are located at: 33, rue de Gasperich, 5826 Hesperange, Grand Duchy of Luxembourg.

Important Information for UK Investors

The Storebrand SICAV has appointed Storebrand Asset Management UK Ltd (SAM UK Ltd) to act as Facility Agent in the UK.

The investment products and services of SAM UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. This document does not constitute an offer to buy or sell shares in any of the products offered by SAM UK Ltd.

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Important Information for Belgian Investors

The Storebrand SICAV has appointed Caceis Belgium SA/NV to act as the Financial Service Provider for the SICAV. Caceis Belgium SA/NV's offices are located at: Avenue du port 86C B320, 1000 Brussels Belgium.

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>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English language, can be found here: <https://www.skagenfunds.com/sustainability/sustainable-investing>

Important Information for French Investors

The Storebrand SICAV has appointed CACEIS Bank as the Centralizing Correspondent for the SICAV. CACEIS Bank's offices are located at 1-3 Place Valhubert, F-75013 PARIS, France.

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.fr/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in French language, can be found here: <https://www.skagenfunds.fr/sustainability/sustainable-investing>

Important Information for German Investors

The Facilities Services information for German investors can be found here: <https://www.skagenfunds.de/how-to-invest/facilities-services-fur-investoren/>

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 German language is available here: <https://www.skagenfunds.de/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in German language, can be found here: <https://www.skagenfunds.de/sustainability/sustainable-investing>

Important Information for Dutch Investors

The Facilities Services information for investors in the Netherlands, including all legal documents and practical information, can be found here:

<https://www.skagenfunds.nl/how-to-invest/facilities-services-for-investors/>