

Performance Commentary

The fund generated solid absolute returns in July thanks to positive contributions from several larger positions. AIG was the strongest performer on further indications of major price hikes in several insurance lines. Our position in Japanese staffing company Pasona was boosted by an earnings report showing that the core business is finally starting to generate positive contributions. We increased our position in Japanese Softbank, which traded higher on the earlier than expected launch of the second Vision Fund and the increased likelihood of a Sprint/T-Mobile merger. Our position in Canfor Pulp was weak given the difficult environment for pulp prices. However, we believe the current environment offers us a rare opportunity to buy pulp-related assets at low prices, as we focus on the normalised earnings level over a cycle. We increased our position in Canadian Roxgold, following a reassuring company update. We also added to our position in Hitachi Construction Machinery, as we believe the shares offer tremendous value with interesting structural catalysts in the mid-term. We exited our position in XFAB, choosing to concentrate our semi-conductor exposure on STMicroelectronics, which we believe offers a superior risk/reward dynamic. Finally, we initiated a position in the recent DowDuPont spin-off, Dow Inc, one of the largest global chemical producers, at a substantial discount to fair value and attractive cash flow yield.

The fund is a concentrated global equity fund with a mandate to invest in all cap-sizes, geographies and sectors globally. With our concentrated portfolio of 30-35 core positions, we aim to generate absolute returns at a controlled level of absolute risk.

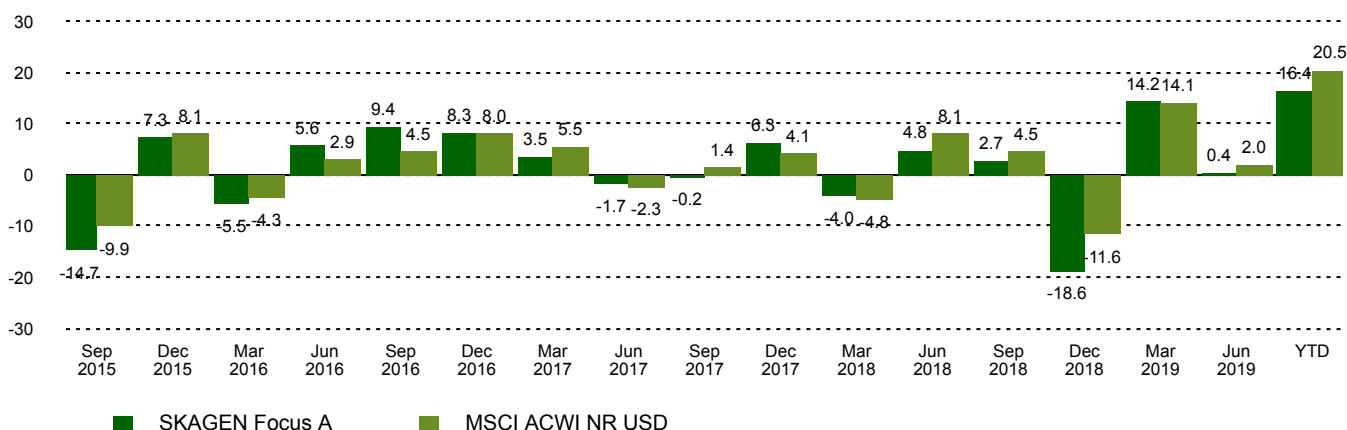
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	1.4%	3.5%
Year to date	16.4%	20.5%
Last year	-4.5%	9.1%
Last 3 years	5.8%	10.6%
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	1.3%	6.2%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	12.54 EUR
Fixed management fee	1.60%
Total expense ratio (2018)	0.8%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	186.03 EUR
Number of holdings	34
Portfolio manager	Jonas Edholm

Quarterly Performance



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
American International Group Inc	7.42	0.62
Pasona Group Inc	3.05	0.44
Sao Martinho SA	4.54	0.31
Fortuna Silver Mines Inc	0.68	0.31
STMicroelectronics NV	3.17	0.24

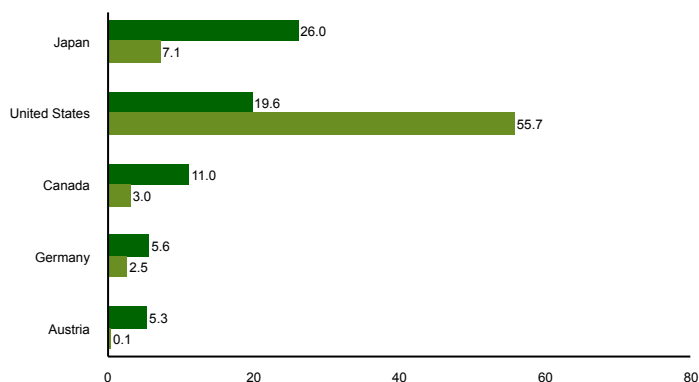
Largest detractors

Holding	Weight (%)	Contribution (%)
China Unicom Hong Kong Ltd	4.92	-0.36
KCC Corp	2.02	-0.27
thyssenkrupp AG	1.81	-0.18
MagForce AG	1.78	-0.14
Hyundai Motor Co	2.39	-0.12

Top ten investments

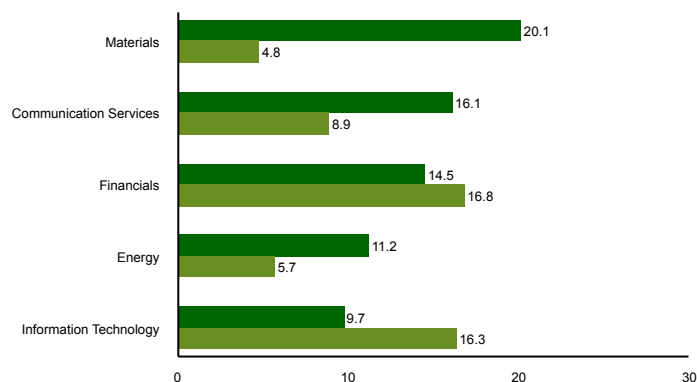
Holding	Sector	Country	%
American International Group Inc	Financials	United States	7.5
OMV AG	Energy	Austria	5.3
China Unicom Hong Kong Ltd	Communication Services	China	4.8
Sao Martinho SA	Consumer Staples	Brazil	4.7
Bank of Kyoto Ltd/The	Financials	Japan	4.4
Ivanhoe Mines Ltd	Materials	Canada	4.4
Hitachi Ltd	Information Technology	Japan	4.2
Telecom Italia SpA/Milano	Communication Services	Italy	3.9
Toyota Industries Corp	Consumer Discretionary	Japan	3.3
STMicroelectronics NV	Information Technology	Switzerland	3.3
Combined weight of top 10 holdings			45.7

Country exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

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Important information

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