

Performance Commentary

Following the virus outbreak outside China, the US equity market experienced its fastest decline ever recorded which led to a fall in other global equity markets. We believe the subsequent 50 bps "emergency" rate cut by the Fed and actions by other central banks may eventually lead to a change of leadership in global equity markets. An easier Fed would likely weaken the USD and gradually shift focus towards ignored and cheap equity areas. However, the correction has so far done little to alter the polarisation between expensive quality/growth stocks and increasingly solid value areas such as commodities and emerging markets/Japan, which are well-represented in the fund. In February, Warren Buffet's Berkshire Hathaway revealed a large position in US food retailer Kroger, which is a top 10 position in Focus. We had increased our holding prior to that event and Kroger was the strongest performer in February. UniCredit delivered strong results while increasing capital return targets, following an impressive execution of their transformation program. OMV was weaker on the back of falling energy prices. The overall weakness in South Korea enabled us to increase our position in the undervalued financial group KB Financial at four times earnings power. We increased our position in Tokyo Broadcasting Systems, where management finally embarked on a path that could lead to significant improvement in shareholder returns.

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.

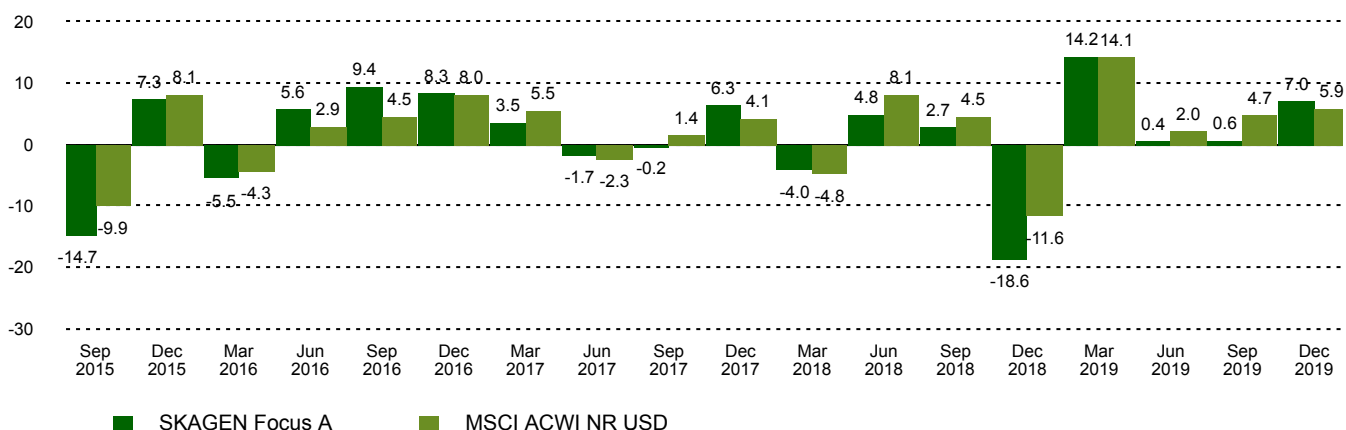
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	-11.3%	-9.7%
Year to date	-16.7%	-8.7%
Last year	-9.4%	5.7%
Last 3 years	-3.3%	5.1%
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	-1.4%	4.9%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	11.08 EUR
Fixed management fee	1.60%
Total expense ratio (2019)	1.23%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	111.30 EUR
Number of holdings	35
Portfolio manager	Jonas Edholm

Quarterly Performance



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Kroger Co/The	3.79	0.26
Avaya Holdings Corp	3.68	0.15
Telecom Italia SpA/Milano	2.00	0.15
Continental AG	0.74	0.00
Befesa SA	0.07	0.00

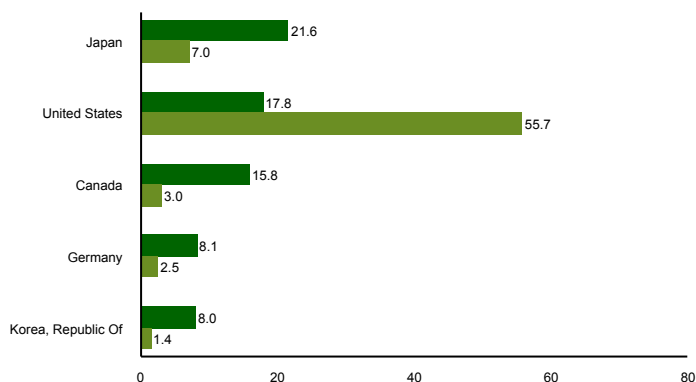
Largest detractors

Holding	Weight (%)	Contribution (%)
Roxgold Inc	4.20	-0.80
Fortuna Silver Mines Inc	2.83	-0.72
OMV AG	4.40	-0.67
Lincoln National Corp	3.17	-0.61
Pasona Group Inc	3.08	-0.59

Top ten investments

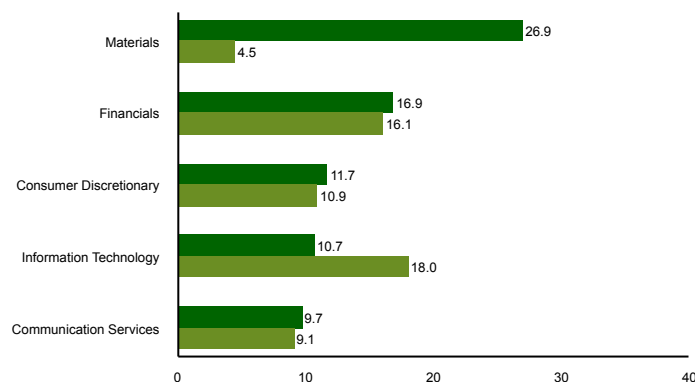
Holding	Sector	Country	%
China Unicom Hong Kong Ltd	Communication Services	China	4.7
Hitachi Ltd	Information Technology	Japan	4.4
OMV AG	Energy	Austria	4.4
Ivanhoe Mines Ltd	Materials	Canada	4.1
Roxgold Inc	Materials	Canada	4.1
Toyota Industries Corp	Consumer Discretionary	Japan	4.1
Dow Inc	Materials	United States	4.0
Avaya Holdings Corp	Information Technology	United States	3.9
Korean Reinsurance Co	Financials	Korea, Republic Of	3.8
Kroger Co	Consumer Staples	United States	3.8
Combined weight of top 10 holdings			41.4

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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