

## Performance Commentary

The stronger support for an economic recovery with continued massive monetary stimulus pushed up inflation expectations and 10-year treasury yields. These developments further underpinned the rotation into value assets. The fund delivered a strong absolute and relative return in February. Our largest position, Ivanhoe Mines, was the best contributor, as the company made significant progress in readying its Kamola-Kakula copper mine for production and copper prices strengthened further. Our undervalued US communications company Avaya delivered strong numbers as the working from home environment has boosted its revenue base and Avaya is transitioning faster than expected from on-site to the cloud. US insurance company Lincoln National benefited significantly from rising interest rates and was another strong contributor. We increased our overall exposure to the traditional banking sector, adding to Resona Holdings and NLB Group, which we think trade at a substantial discount to fair value and have tangible catalysts for rerating. We initiated a position in the Canada-based packaging material and tissue producer, Cascades. With most of its costs deriving from recycled material, we view the company as an undiscovered gem in the circular economy, trading at levels that do not accurately reflect its asset base and current earnings power, with several catalysts for rerating.

SKAGEN Focus is a high conviction equity fund that seeks to generate long-term capital growth by investing in a portfolio of global companies with a bias towards small and mid-cap companies.

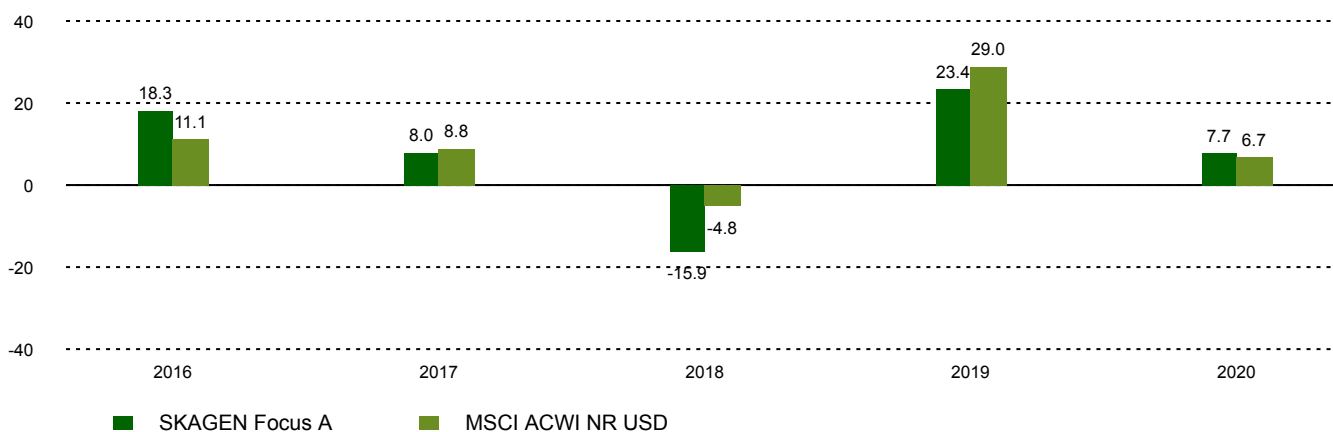
## Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	6.5%	1.9%
Year to date	5.5%	3.0%
Last year	36.4%	20.3%
Last 3 years	5.8%	10.2%
Last 5 years	10.5%	11.7%
Last 10 years	n/a	n/a
Since start	4.3%	7.4%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	15.11 EUR
Fixed management fee	1.60%
Total expense ratio (2020)	1.72%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	122.75 EUR
Number of holdings	41
Portfolio manager	Jonas Edholm

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Ivanhoe Mines Ltd	6.50	1.75
Lincoln National Corp	3.68	0.83
Avaya Holdings Corp	2.92	0.83
Ence Energia y Celulosa	2.33	0.64
Hitachi Ltd	5.54	0.63



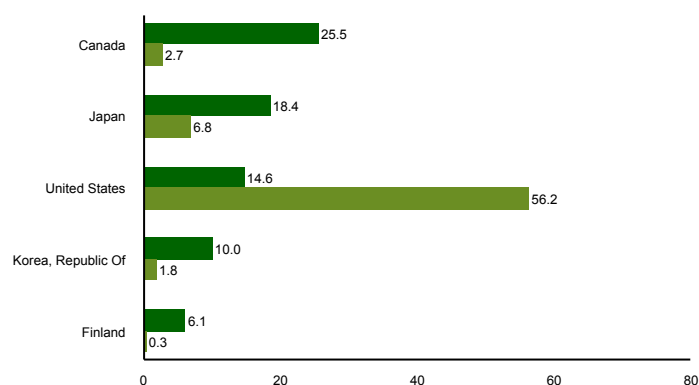
### Largest detractors

Holding	Weight (%)	Contribution (%)
Albertsons Cos Inc	2.78	-0.19
Argonaut Gold Inc	1.49	-0.14
Pasona Group Inc	2.35	-0.12
Daiwa Industries Ltd	0.74	-0.09
Ontex Group NV	0.95	-0.08

## Top ten investments

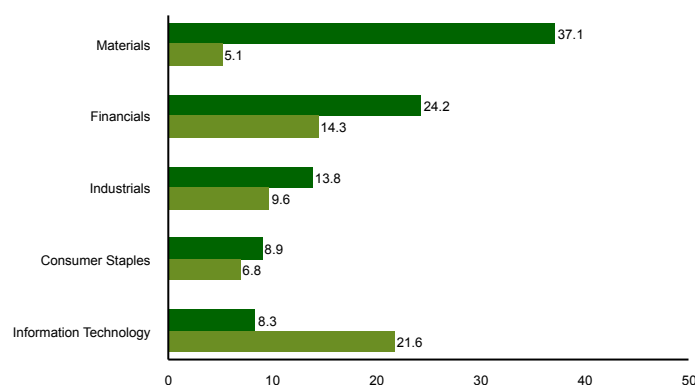
Holding	Sector	Country	%
Ivanhoe Mines Ltd	Materials	Canada	7.2
Hitachi Ltd	Information Technology	Japan	5.5
Roxgold Inc	Materials	Canada	5.1
West Fraser Timber Co Ltd	Materials	Canada	5.0
Lincoln National Corp	Financials	United States	4.0
KB Financial Group Inc	Financials	Korea, Republic Of	3.9
Korean Reinsurance Co	Financials	Korea, Republic Of	3.5
UPM-Kymmene Oyj	Materials	Finland	3.4
Parex Resources Inc	Energy	Canada	3.2
Stock Spirits Group PLC	Consumer Staples	United Kingdom	3.1
Combined weight of top 10 holdings			43.8

## Country exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

## Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

## Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

## Important information

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. 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. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio. CACEIS Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin is the Paying Agent in Ireland.