

Performance Commentary

Global equity markets continued to climb in August. The fund generated a solid absolute performance and ended the month ahead of the underlying global equity markets. We observe that specific areas of the US equity market in particular are ignoring the many potential future headwinds. This is likely due to the continuous stream of passive index flows which largely disregard valuation and the fundamental outlook. During the month, we received buy-out offers for two positions in the fund. The UK-listed spirits producer Stock Spirits received a 44% premium cash-offer from the private equity firm CVC Capital while Brazil-based JBS made an offer for the minority stake in our US-listed chicken producer Pilgrim's Pride. Both positions were among the biggest contributors to performance in August. The US food retailer Albertsons was the biggest contributor as the share continued to price in the underlying potential following strong earnings numbers. We added high conviction positions including the video game producer Ubisoft, car rental company Sixt and China Communication Services. We closed our position in Stock Spirits following the bid and exited Konecranes and Parex close to their respective target prices. We initiated a new position in South Korea-based DB Insurance, which trades at a severely discounted valuation despite upcoming premium hikes and an improving combined ratio in the mid-term.

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.

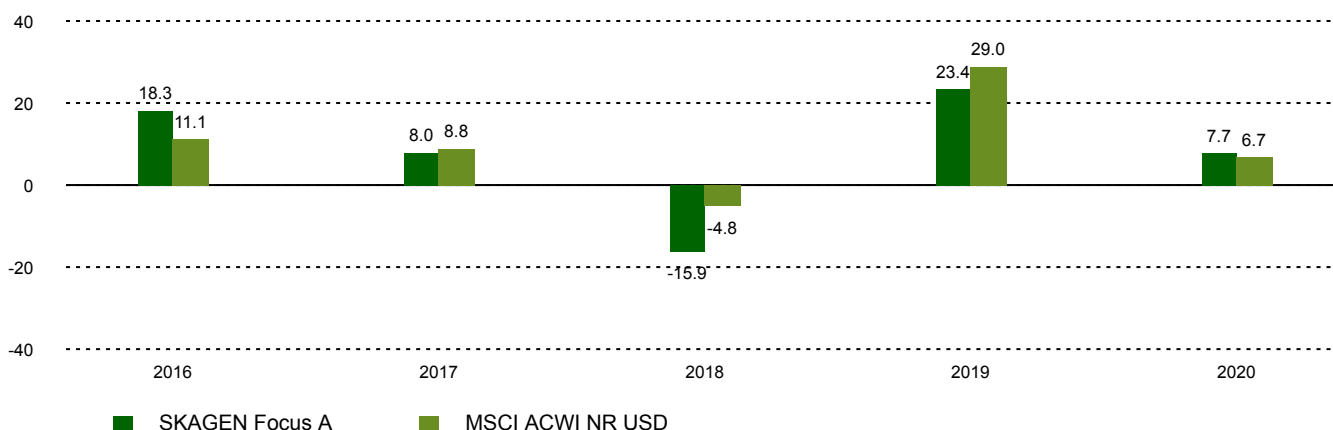
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	3.4%	3.0%
Year to date	21.9%	20.1%
Last year	46.4%	30.0%
Last 3 years	10.5%	13.8%
Last 5 years	9.5%	13.0%
Last 10 years	n/a	n/a
Since start	6.3%	9.5%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	17.45 EUR
Fixed management fee	1.60%
Total expense ratio (2020)	1.70%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	167.25 EUR
Number of holdings	42
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Albertsons Cos Inc	4.15	1.55
Stock Spirits Group PLC	0.73	0.77
Pilgrim's Pride Corp	2.35	0.69
China Communications Services	2.61	0.54
Pasona Group Inc	1.95	0.34



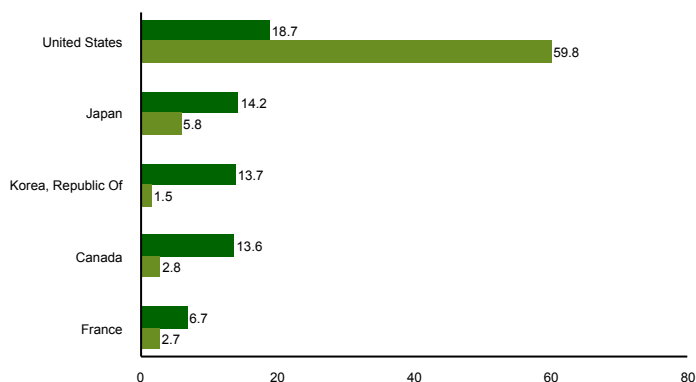
Largest detractors

Holding	Weight (%)	Contribution (%)
Avaya Holdings Corp	2.54	-0.49
Argonaut Gold Inc	3.38	-0.30
Fortuna Silver Mines Inc	3.02	-0.29
Sixt SE	4.04	-0.28
Wienerberger AG	3.51	-0.18

Top ten investments

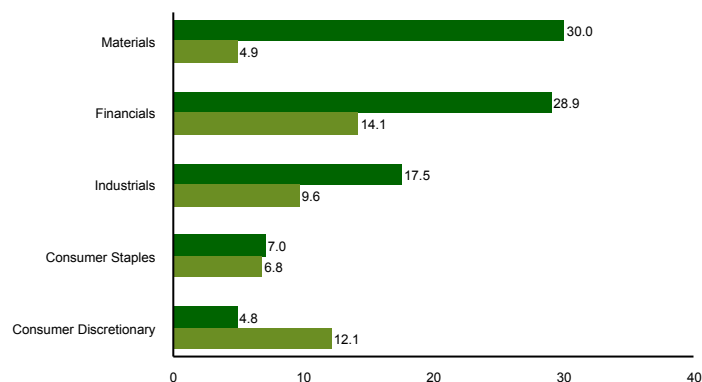
Holding	Sector	Country	%
Ivanhoe Mines Ltd	Materials	Canada	4.1
Sixt SE	Industrials	Germany	4.1
KB Financial Group Inc	Financials	Korea, Republic Of	4.0
Cascades Inc	Materials	Canada	3.6
Argonaut Gold Inc	Materials	United States	3.5
Raiffeisen Bank International AG	Financials	Austria	3.5
Albertsons Cos Inc	Consumer Staples	United States	3.3
Panasonic Corp	Consumer Discretionary	Japan	3.2
Korean Reinsurance Co	Financials	Korea, Republic Of	3.2
Wienerberger AG	Materials	Austria	3.1
Combined weight of top 10 holdings			35.6

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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