

**IMPORTANT INFORMATION:** This is marketing communication. The report should not be perceived as a recommendation to buy or sell fund units. Prior to subscription, we encourage you to read the fund's prospectus and key investor information document which are available at [www.skagenfunds.com](http://www.skagenfunds.com), from our local representatives and from our distributors.

## Performance Commentary

The year started off on a surprisingly strong note as financial markets looked past the current economic conditions and focused on the potential of a normalised interest rate environment and a moderate economic expansion further ahead. SKAGEN Focus generated a good absolute return during the month, well ahead of global equity markets. The strongest contributor to fund performance was methanol producer Methanex. Methanol prices have held up well and the company is moving towards the launch of additional capacity which will lead to substantial free cash flow for shareholders. Our semiconductor producer STM delivered a solid earnings report and earnings outlook, especially within their automotive segment, despite worries over a slowdown in demand. We have increased our position in KB Financial as our conviction in near-term catalysts for the position has increased. The company was approached by a local activist to revise its capital allocation framework and increase shareholder pay-out ratios towards the global peer group average. The bank is still trading at exceptionally low multiples versus its generated economic return. We have sold out of Ubisoft, which was among our weaker performers in the month. Our investment case for the company has gradually been eliminated due to severe issues with corporate governance and a broad deterioration of the business fundamentals.

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 the majority of exposure invested in small and mid-cap companies. Subscriptions are made in fund units and not directly in stocks or other securities. The fund has risk profile 6. The benchmark reflects the fund's investment mandate. Since the fund is actively managed, the portfolio will deviate from the composition of the benchmark.

## Historical performance (net of fees)

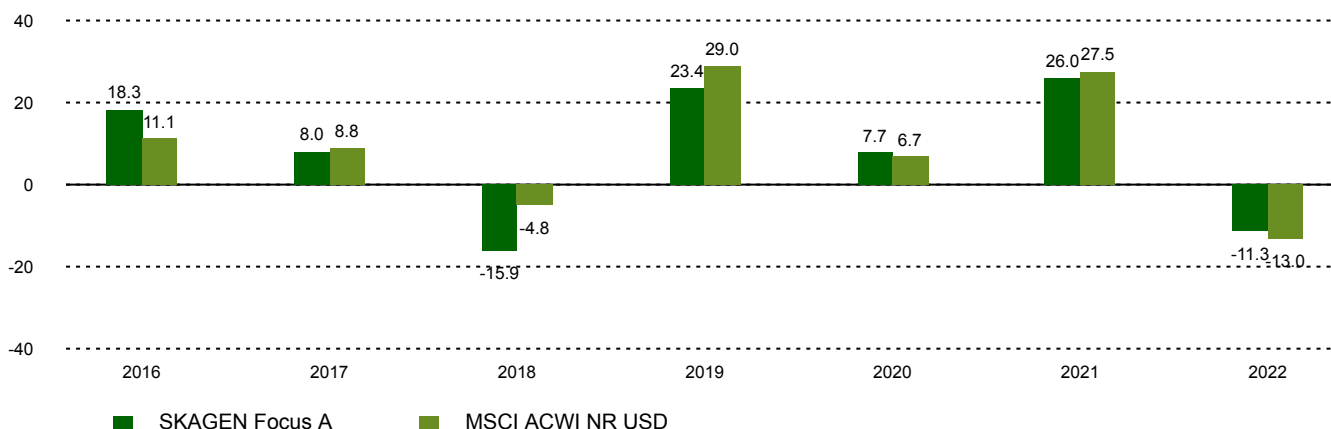
Period	SKAGEN Focus A	Benchmark index
Last month	9.2%	5.3%
Year to date	9.2%	5.3%
Last 12 months	-3.0%	-5.0%
Last 3 years	11.8%	7.2%
Last 5 years	6.0%	8.4%
Last 10 years	n/a	n/a
Since start	5.2%	7.3%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	17.47 EUR
Fixed management fee	1.60% + performance fee*
Total expense ratio (2021)	1.40%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	243.07 EUR
Number of holdings	49
Portfolio manager	Jonas Edholm

\*10.00% performance fee calculated daily and charged annually if the fund's value development is better than the benchmark index. The total management fee charged represents a maximum of 3.20% p.a. and a minimum of 0.80% p.a. The performance fee may be charged even if the fund's units have depreciated in value if the value development is better than the benchmark index.

## Performance last ten years



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.

All data in EUR as of 31/01/2023 unless otherwise stated.

## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
STMicroelectronics	2.63	0.79
KB Financial Group Inc	3.69	0.62
Methanex Corp	3.51	0.58
Vitesco Technologies Group	2.88	0.58
Iveco Group NV	1.47	0.48



### Largest detractors

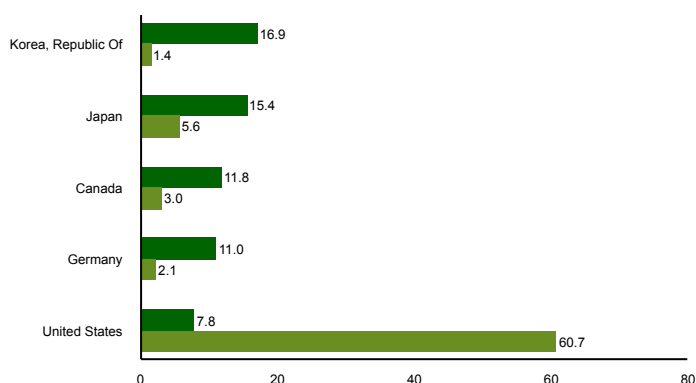
Holding	Weight (%)	Contribution (%)
Ubisoft Entertainment	0.42	-0.16
Fortuna Silver Mines Inc	1.16	-0.06
Hyundai Mobis Co Ltd	0.66	-0.05
Sumitomo Osaka Cement Co	0.60	0.00
Canfor Pulp Products	1.78	0.02

Weights shown are the average for the period. Absolute contribution based on NOK returns at fund level.

## Top ten investments

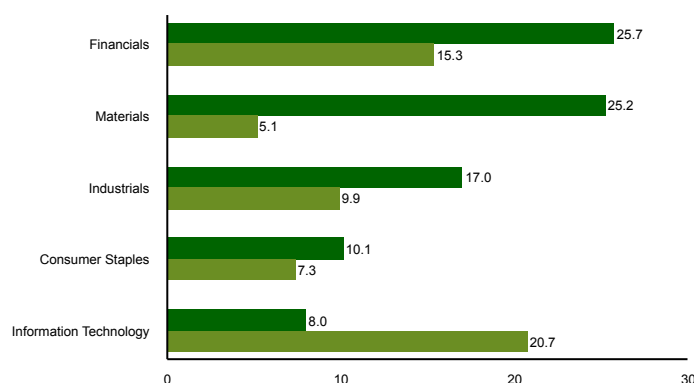
Holding	Sector	Country	%
KB Financial Group Inc	Financials	Korea, Republic Of	3.8
Methanex Corp	Materials	Canada	3.7
Textainer Group Holdings Ltd	Industrials	China	3.1
Komatsu Ltd	Industrials	Japan	3.1
Endeavour Mining PLC	Materials	Burkina Faso	3.0
Panasonic Holdings Corp	Consumer Discretionary	Japan	2.8
DB Insurance Co Ltd	Financials	Korea, Republic Of	2.7
Korean Reinsurance Co	Financials	Korea, Republic Of	2.7
STMicroelectronics NV	Information Technology	Singapore	2.6
China Communications Services Corp Ltd	Industrials	China	2.6
Combined weight of top 10 holdings			30.2

## Country exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

## Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

## Important information

This report is intended for investment professionals only. All information is based on the most up-to-date data available. Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as per the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. 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.



+47 51 80 37 09



contact@skagenfunds.com



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