SKAGEN

Part of Storebrand

SKAGEN Vekst A

RISK PROFILE	YTD RETURN	ANNUAL RETURN
4 of 7	4.23 %	14.04 %
	31.07.2025	Average last 5 years

Monthly report for July as of 31.07.2025. All data in EUR unless otherwise stated.

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. The fund's Key Investor Information Document and prospectus are available on www.skagenfunds.com

Fund facts

ISIN: NO0008000445
Launch date, share class: 01.12.1993
Launch date, fund: 01.12.1993
Domicile: NO
NAV: 448.95 EUR
AUM: 1,057 MEUR
Benchmark index: MSCI Nordic/MSCI AC ex. Nordic
Minimum purchase: 50 EUR
Fixed management fee: 1.00 %
Performance fee: 10.00 % (see prospectus for details)
Ongoing cost: 1.00 %
Number of holdings: 51
SFDR: Article 8

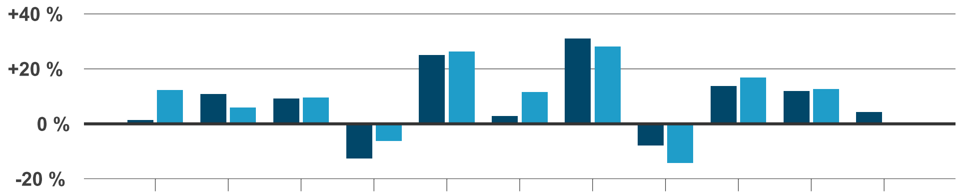
Søren Milo Christensen
Managed fund since 09 April 2018

Sondre Solvoll Bakketun
Managed fund since 08 November 2022

Investment strategy

SKAGEN Vekst invests in companies that are attractively priced relative to expected profitability and growth. The majority of the fund is invested in the Nordic region and the remainder worldwide. The fund is suitable for investors with a minimum five-year investment horizon. Subscriptions are made in fund units and not directly in stocks or other securities. The benchmark reflects the fund's investment mandate. Since the fund is actively managed, the portfolio will deviate from the composition of the benchmark. Effective 01.01.2014, the fund's investment mandate changed from investing a minimum of 50% of its assets in Norway to investing a minimum of 50% of its assets in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today.

Historical return in EUR (net of fees)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Fund	1.4	10.8	9.1	-12.6	25.1	2.8	31.1	-7.8	13.7	11.9	4.2
Index	12.2	6.0	9.5	-6.2	26.2	11.6	28.1	-14.3	16.9	12.6	-0.3

Prior to 01.01.2014, the benchmark index was an evenly composed benchmark index consisting of the Oslo Stock Exchange Benchmark Index (OSEBX) and the MSCI All Country World. The benchmark index prior to 01.01.2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).

Period	Fund (%)	Index (%)
Last month	0.05	0.30
Year to date	4.23	-0.31
Last 12 months	2.10	-1.14
Last 3 years	7.63	6.91
Last 5 years	14.04	10.28
Last 10 years	7.63	7.80
Since inception	12.12	9.54

Returns over 12 months are annualised.

Key figures	1 year	3 years	5 years
Standard deviation	9.64	11.64	13.15
Standard deviation index	12.45	12.51	13.88
Tracking error	4.98	5.65	6.87
Information ratio	0.65	0.13	0.55

Active share: 83 %

Monthly commentary, July 2025

July was a busy month, marked by a wave of earnings reports and a steady stream of trade-related news. Global equity markets generally delivered positive returns, buoyed by strong corporate results. However, the Danish stock market stood out as a notable exception, weighed down by disappointing guidance for 2025 from bellwether Novo Nordisk. This development also impacted SKAGEN Vekst, which posted a slightly negative return for the month, trailing the benchmark marginally.

The largest positive contributor to the fund's absolute return in July was the Korean IT conglomerate, Samsung Electronics. Semiconductor stocks performed well during the month, supported by robust earnings and optimistic CAPEX guidance from the major US technology companies. Samsung reinforced this trend during its earnings call, citing continued strong memory demand driven by AI-related applications. Additionally, the company announced a landmark chip supply agreement with Tesla. This is an important vote of confidence in Samsung's advanced foundry capabilities, an area where it has historically struggled to gain meaningful traction against TSMC. While the valuation has improved, the stock still trades at a notable discount compared to peers with similar exposure – a gap we expect to narrow as Samsung continues to strengthen its performance in both memory and foundry. The US bank Citigroup also had a strong month driven by a very strong second-quarter earnings report that hit on all the key aspects of our investment thesis with i) robust top-line growth across its business segments, while ii) maintaining disciplined cost control – benefiting from prior investments in systems and group simplification, and iii) using earnings to repurchase shares at a very attractive valuation. We believe the bank is in the early stages of a multi-year improvement cycle, offering a compelling combination of rising profitability and an expanding book value per share as the company buys back its own shares. This isn't reflected in the current share price, which still trades at a steep discount compared to its peers. Ping An, the Chinese insurance company, was also among the top contributors in July, supported by improved sentiment in the Chinese stock market and some analyst upgrades. There was no material company-specific news during the month. Despite these gains, the stock continues to trade at less than 1x book value – a valuation we find highly compelling given the company's consistent return on equity well above 10% and its long runway for profitable growth.

As mentioned above, the Danish pharmaceutical giant Novo Nordisk was the largest detractor from the fund's absolute return in July, following disappointing guidance for the second half of 2025. The revised outlook was primarily driven by weaker-than-expected sales of Wegovy (obesity treatment) in the US, where competition from compounders has had a greater impact than previously anticipated. Additionally, the company cited slower-than-expected market penetration and intensifying competition more broadly. Novo also announced a new CEO – an internal candidate – whereas the market had hoped for a fresh start with an external appointment. While these developments are clearly negative and have led us to revise both our short-term (increased competition from compounders) and long-term (slower market penetration for obesity treatments) expectations, we believe the share price reaction has been excessive. At current levels, the market appears to be pricing Novo as an ex-growth company – a view we do not share. We maintain a high degree of confidence that the issue with compounders in the US will be addressed. Furthermore, we continue to see strong market growth potential both in the US and globally. It is also worth noting that Novo plans to launch an oral version of its obesity treatment in early 2026. In addition, the company is expected to release the first data from its Phase III trial of semaglutide in Alzheimer's disease, which, if successful, could unlock a significant new market opportunity. We used the recent share price weakness to add to our position in July.

Nokia was another weak performer in July. The company reported earnings below expectations for the second quarter and had to issue a profit warning ahead of the earnings release as they cut the earnings outlook for 2025. The main reasons for the weak results and lowered outlook were adverse FX movements and tariff uncertainties. Nevertheless, management remained confident in the underlying business and signalled positive underlying demand within most business areas. We also note that this was the new CEO's first full quarter release thus we can probably factor in a little bit of extra prudence in the updated guidance. We took advantage of the weakness and added to our position as we bought back some of the shares we sold earlier this year. The Swedish personal care company Essity also faced a challenging month following a disappointing second-quarter result, driven by increased competition and weak demand. This manifested in lower-than-expected volumes and a negative product mix, which weighed on profitability. We view these pressures as part of a cyclical pattern in the industry, where periods of heightened competition temporarily impact margins. Internally, the company continues to execute well – driving cost efficiencies, strengthening its brands, and actively buying back shares. Thus, we remain committed to our strategy of accumulating Essity during periods of depressed profitability and valuation, and trimming our position when competitive pressures ease and profitability improves. In addition to Novo Nordisk and Essity, we also took advantage of share price weakness in several other holdings during the month. We added to our positions in the Danish logistics company DSV, the Mexican retailer Walmex, and the fish farming company Bakkafrost. Conversely, we used the rise in the Danish wind turbine manufacturer Vestas and the Swedish industrial firm SKF to reduce our exposure in those names.

Over the past 18 months, we have reduced our exposure to the US equity market, which we view as overvalued – both relative to global peers and to its own historical norms. Within the US, growth stocks in particular appear priced at levels that have historically led to poor future returns. In contrast, many markets outside the US are trading near historical averages, offering more compelling opportunities. We are especially optimistic about Korea, where depressed valuations stand in stark contrast to the potential for positive structural change. At sector level, we have gradually reduced our exposure to IT. While AI represents a transformative long-term opportunity, much of this potential is already reflected in elevated share prices. The recent surge in capital investment has largely been driven by fears among major IT players of losing their competitive moats. Over time, these investments will need to deliver tangible economic returns to justify current valuations. We also see rising risks that the market may begin to question the core investment thesis of dominant IT companies – namely, their ability to generate high-margin, low-capital-intensity earnings growth. We continue to favour attractively valued companies in the financial, industrial, and energy sectors, which we believe are better positioned in an environment where inflation remains above post-pandemic lows. From a macroeconomic perspective, we think markets are underestimating the likelihood of persistently higher inflation and interest rates – particularly in the US, where factors such as large budget deficits, tighter immigration policies, and increased tariffs on foreign goods make a meaningful decline in inflation unlikely. We are also surprised that the stubbornly high, and rising, 30-year bond yields in the US and other developed markets have not received more attention from equity investors. We have positioned the fund to offer strong downside protection should the US market's "Goldilocks" scenario – or similarly optimistic expectations for the IT sector – fail to materialize. However, if consensus forecasts of declining inflation, steady economic growth, and robust IT sector profits prove accurate, we expect the fund may underperform the broader market but still deliver solid absolute returns over the next 12 months.

Contribution last month

Largest contributors	Weight (%)	Contribution (%)
Samsung Electronics Co Ltd	3.16	0.45
Citigroup Inc	3.27	0.36
Ping An Insurance Group Co of China Ltd	3.46	0.32
ISS A/S	3.91	0.22
Vestas Wind Systems A/S	0.68	0.15

Largest detractors	Weight (%)	Contribution (%)
Novo Nordisk A/S	6.44	-1.91
Nokia Oyj	1.78	-0.35
Essity AB	2.86	-0.24
B3 SA - Brasil Bolsa Balcao	1.55	-0.24
Carlsberg AS	2.44	-0.23

Absolute contribution based on NOK returns at fund level.

Portfolio information

Top 10 investments	Share (%)
Novo Nordisk A/S	**5.1**
Nordea Bank Abp	**4.1**
ISS A/S	**4.0**
Hana Financial Group Inc	**3.8**
Ping An Insurance Group Co of China Ltd	**3.7**
Citigroup Inc	**3.5**
Samsung Electronics Co Ltd	**3.5**
Yara International ASA	**3.4**
DSV A/S	**3.2**
KB Financial Group Inc	**3.2**
Total share	**37.6 %**

Country exposure	Share (%)
Denmark	**18.2**
South Korea	**13.0**
United States	**12.7**
Sweden	**12.6**
Finland	**9.9**
Norway	**9.4**
China	**5.6**
Brazil	**4.9**
United Kingdom	**2.2**
Hong Kong SAR China	**2.1**
Total share	**90.6 %**

Sector exposure	Share (%)
Financials	**24.6**
Industrials	**18.7**
Materials	**10.1**
Consumer Staples	**9.3**
Information technology	**8.0**
Health care	**7.0**
Real estate	**4.9**
Communication Services	**4.2**
Energy	**4.1**
Consumer discretionary	**3.1**
Total share	**94.1 %**

Sustainability

SKAGEN's approach to sustainability
Our ESG approach is built on four pillars. In keeping with SKAGEN's active investment philosophy, our sustainability activities centre on active engagement with our holding companies, which is where we believe we can have the greatest impact. We recognise, however, that the full potential of a sustainable investment strategy is best realised when combining the following four pillars.

- ✓ Exclusion
- ✓ Enhanced due diligence
- ✓ ESG factsheet
- ✓ Active ownership

IMPORTANT INFORMATION

This is a marketing communication. Except otherwise stated, the source of all information is Storebrand Asset Management AS. Statements reflect the portfolio managers viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future.

The tax treatment of the gains and losses made by the investor and distributions received by the investor depend on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

Storebrand Asset Management AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds and has its registered office at Professor Kohts vei 9, 1366 Lysaker, Norway. Storebrand Asset management AS is part of the Storebrand Group and owned 100% by Storebrand ASA. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

Following the merger of Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team will continue to manage the funds' portfolios from the new separate legal entity, SKAGEN AS, while Storebrand Asset Management AS carries out the role of the management company.

No offer to purchase units can be made or accepted prior to receipt by the offeree of the Fund's prospectus and PRIIPS KID (for UK: KIID) and the completion of all appropriate documentation. You can download more information including subscription/redemption forms, full prospectus, PRIIPs KID (for UK: KIID), General Commercial Terms, Annual Reports and Monthly Reports in English language from SKAGEN's webpages.

Investors rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: www.skagenfunds.com/contact/investor-rights/ The investor rights summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

Storebrand Asset Management AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

For further information about sustainability-related aspects of the Fund, including the sustainability disclosure summary in English, please refer to: www.skagenfunds.com/sustainability/sustainable-investing/ The sustainability disclosure summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus.

Important information for UK Investors
Storebrand Asset Management AS has established a subsidiary in the UK. Storebrand Asset Management UK Ltd.is located at 15 Stratton Street, London, W1J 8LQ. Storebrand Asset Management UK Ltd is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority. Storebrand Asset Management UK Ltd is incorporated in England and the registered office is at 15 Stratton Street, London, England, W1J 8LQ. The investment products and services of Storebrand Asset Management UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. For more information, please contact Storebrand Asset management UK Ltd.'s team.

Important Information for Luxembourg Investors
For more information, please contact SKAGEN's Stavanger based International team: international@skagenfunds.com
For Facilities Services information please refer to our webpages.

Important Information for Irish Investors
For more information, please contact SKAGEN's Stavanger based International team: international@skagenfunds.com
For Facilities Services information please refer to our webpages.

Important Information for Dutch Investors
For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com
For Facilities Services information please refer to our webpages.

Important Information for Icelandic Investors
For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com
For Facilities Services information please refer to our webpages.