

Performance Commentary

SKAGEN Focus delivered a strong absolute return in August. Both Hitachi and Hitachi Construction Machinery were among the biggest contributors. Hitachi is leading the way in Japan in terms of adopting higher ESG standards, while its underlying business is well positioned to benefit from a global economic recovery. On the detractor side, junior gold miner Roxgold, gave back some of its earlier gains while US life insurer Lincoln National, despite a record-low valuation, is out of favour as low interest rates for longer are pressuring the outlook. We continued to add to our position in Japanese elevator producer Fujitec, following promising communication from the company regarding the need for a strategic review of capital allocation. We also added to our position in truck component maker SAF-Holland, which at current levels discounts an overly pessimistic outlook and is a prime beneficiary of a recovery in the sector. We trimmed our positions in China Unicom, OZ Minerals and Hornbach Holdings on strength and closed our position in Fortuna Silver Mines as the share price has more than doubled since inception in July 2019. We initiated a new position in Lotte Fine Chemical, which appears to be perceived as a commoditised chemicals producer but in fact holds several high margin assets in cellulose.

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.

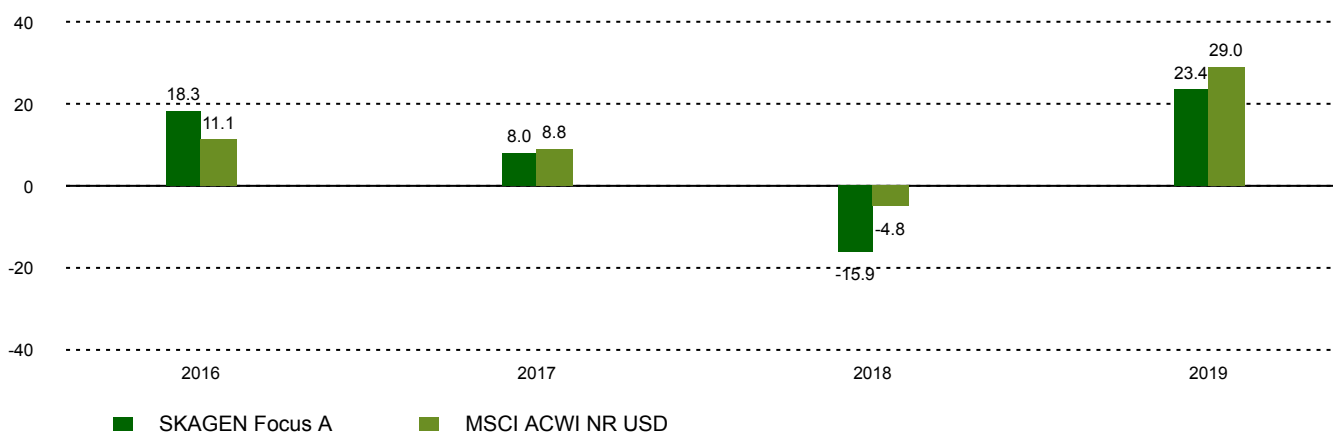
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	7.7%	5.3%
Year to date	-10.4%	-1.4%
Last year	-0.5%	7.6%
Last 3 years	0.8%	8.8%
Last 5 years	4.2%	8.9%
Last 10 years	n/a	n/a
Since start	0.1%	6.0%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	11.92 EUR
Fixed management fee	1.60%
Total expense ratio (2019)	1.23%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	108.03 EUR
Number of holdings	34
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
China Unicom Hong Kong Ltd	2.87	0.60
Hitachi Construction Machinery	3.48	0.56
Ivanhoe Mines Ltd	6.67	0.47
Toyota Industries Corp	4.25	0.41
Hitachi Ltd	5.03	0.36



Largest detractors

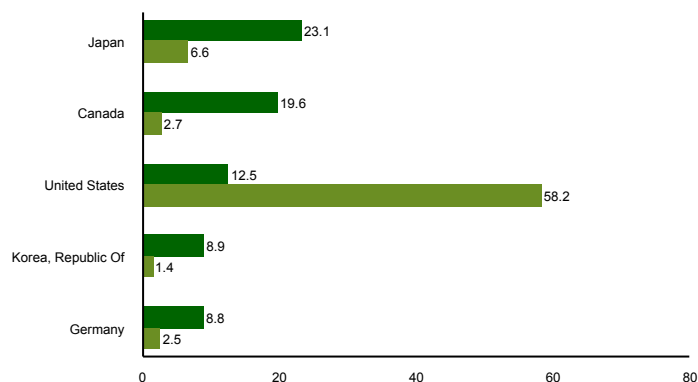
Holding	Weight (%)	Contribution (%)
Roxgold Inc	7.75	-0.33
MagForce AG	1.89	-0.25
Lincoln National Corp	1.99	-0.16
Stock Spirits Group PLC	3.08	-0.13
Eagle Materials Inc	2.72	-0.07

Absolute contribution based on NOK returns at fund level

Top ten investments

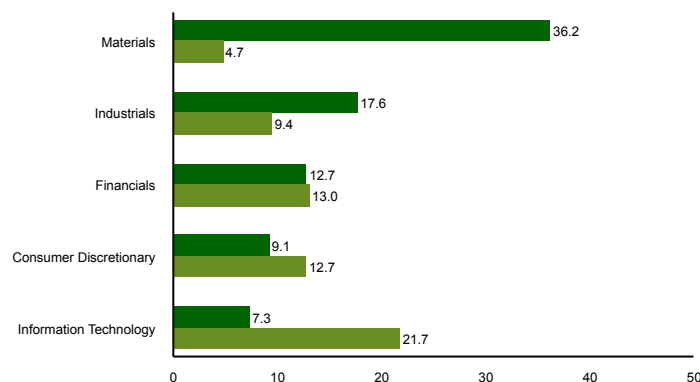
Holding	Sector	Country	%
Roxgold Inc	Materials	Canada	7.5
Ivanhoe Mines Ltd	Materials	Canada	6.8
West Fraser Timber Co Ltd	Materials	Canada	5.3
Hitachi Ltd	Information Technology	Japan	5.0
Toyota Industries Corp	Consumer Discretionary	Japan	4.3
Oz Minerals Ltd	Materials	Australia	4.2
KB Financial Group Inc	Financials	Korea, Republic Of	3.9
Korean Reinsurance Co	Financials	Korea, Republic Of	3.8
Hitachi Construction Machinery Co Ltd	Industrials	Japan	3.6
UPM-Kymmene Oyj	Materials	Finland	3.5
Combined weight of top 10 holdings			48.0

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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