

**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

SKAGEN Focus generated a positive absolute return in July but lagged global equity markets. The aggressive tightening by global central banks, in particular the Fed in the US, has resulted in recession fears which are now partly baked into global equity markets. Longer bond yields have fallen back and the USD has rallied, also creating a rotation back into longer duration stocks. One of the fund's best contributors in July was the German powertrain producer Vitesco, a spin-off from Continental, which is relatively unknown among investors. The company is experiencing strong momentum in its EV-related orderbook and the Schaeffler family recently increased its stake. Recession fears resulted in a setback for industrial commodity prices and the weakest positions in the month were nickel ore miner Nickel Asia Corp and copper miner Atalaya Mines. We continue to look for substantially undervalued equities and have initiated a position in the US apparel company Levi's. Fears of a consumer-led recession have uncovered an opportunity to acquire one of the strongest brands globally, at a substantial discount to fair value. We reduced our position in Japanese elevator producer Fujitec as an activist catalyst propelled the equity towards our price target. We subsequently increased our position in Japanese cement company Sumitomo Osaka Cement at a highly attractive price point.

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)

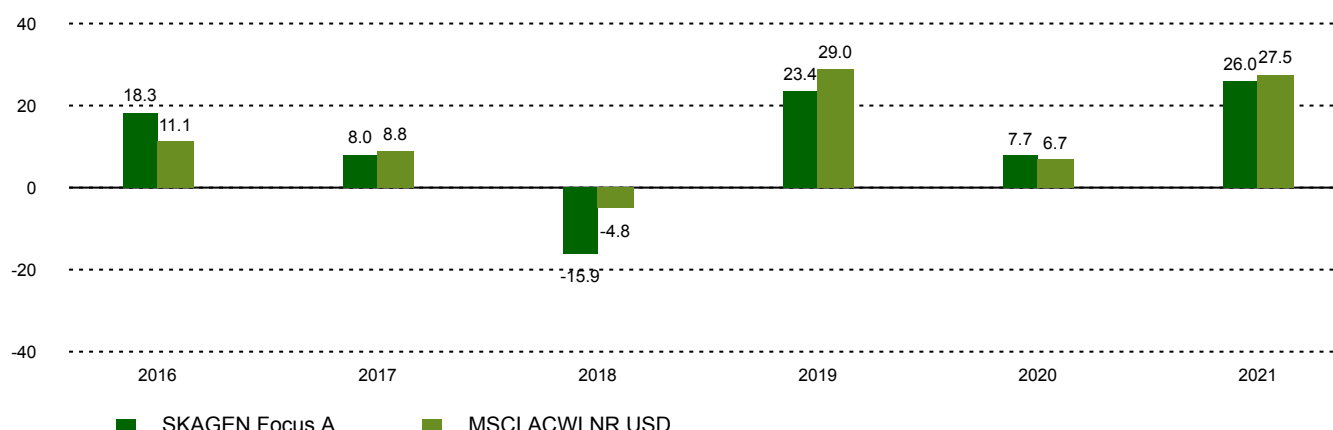
Period	SKAGEN Focus A	Benchmark index
Last month	6.9%	9.7%
Year to date	-6.2%	-4.8%
Last 12 months	0.3%	4.1%
Last 3 years	10.5%	11.5%
Last 5 years	7.2%	11.0%
Last 10 years	n/a	n/a
Since start	5.1%	8.4%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	16.93 EUR
Fixed management fee	1.60% + performance fee*
Total expense ratio (2021)	1.40%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	238.87 EUR
Number of holdings	50
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.

## Contributors in the month



## Largest contributors

Holding	Weight (%)	Contribution (%)
Vitesco Technologies Group	3.09	0.96
Textainer Group Holdings	2.83	0.57
STMicroelectronics	2.23	0.38
Canfor Corp	1.89	0.34
Marcus Corp/The	3.39	0.28



## Largest detractors

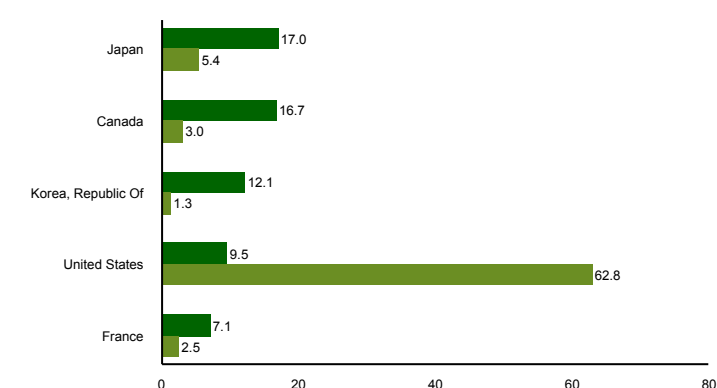
Holding	Weight (%)	Contribution (%)
MagForce AG	0.51	-0.57
Nova Ljubljanska Banka	2.21	-0.25
Nickel Asia Corp	1.33	-0.21
Ubisoft Entertainment	3.33	-0.18
Faurecia SE	1.41	-0.18

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

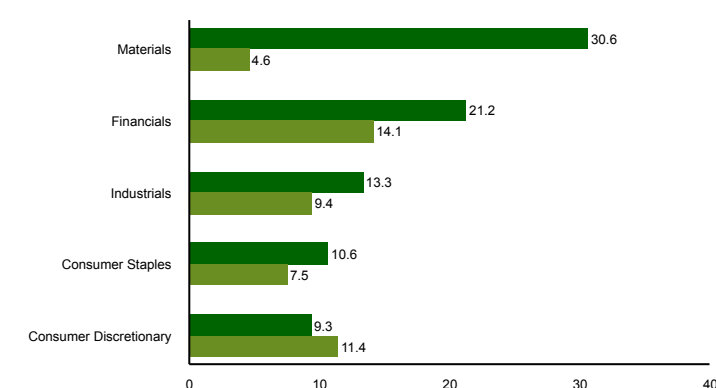
## Top ten investments

Holding	Sector	Country	%
Marcus Corp/The	Communication Services	United States	3.5
Textainer Group Holdings Ltd	Industrials	China	3.2
Ubisoft Entertainment SA	Communication Services	France	3.2
Vitesco Technologies Group AG	Consumer Discretionary	Germany	3.2
Kimberly-Clark de Mexico SAB de CV	Consumer Staples	Mexico	3.0
China Communications Services Corp Ltd	Industrials	China	2.9
KB Financial Group Inc	Financials	Korea, Republic Of	2.9
Ivanhoe Mines Ltd	Materials	Canada	2.8
Kyocera Corp	Information Technology	Japan	2.8
Cascades Inc	Materials	Canada	2.8
Combined weight of top 10 holdings			30.4

## Country exposure (top five)



## Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

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## 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.



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