



Fund facts

ISIN: NO0008000445

Launch date, share class: 01.12.1993

Launch date, fund: 01.12.1993

Domicile: NO

NAV: 434.65 EUR

AUM: 1,040 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 charge: 1.00 %

Number of holdings: 52

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.

SKAGEN Vekst A

RISK PROFILE



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YTD RETURN

12.87 %

31.05.2024

ANNUAL RETURN

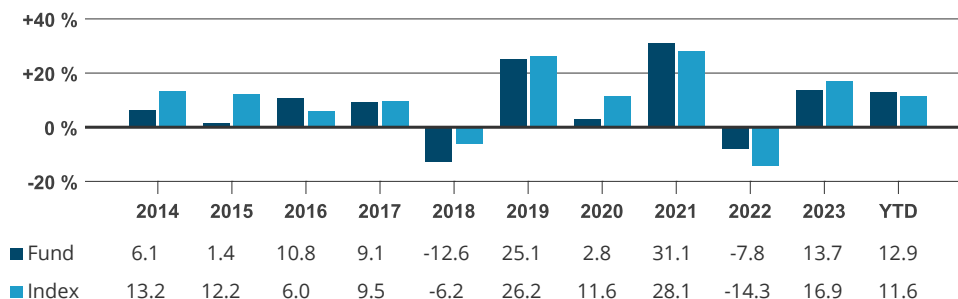
12.47 %

Average last 5 years

Monthly report for May as of 31.05.2024. 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

Historical return in EUR (net of fees)



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 (%) | Key figures | 1 year | 2 years | 3 years |
|-----------------|----------|-----------|--------------------------|--------|---------|---------|
| Last month | 3.23 | 3.79 | Standard deviation | - | - | 12.87 |
| Year to date | 12.87 | 11.64 | Standard deviation index | - | - | 14.69 |
| Last 12 months | 22.04 | 23.35 | Tracking error | - | - | 7.62 |
| Last 3 years | 9.48 | 8.16 | Information ratio | - | - | 0.17 |
| Last 5 years | 12.47 | 12.73 | Active share: 82 % | | | |
| Last 10 years | 7.40 | 9.91 | | | | |
| Since inception | 12.49 | 9.90 | | | | |

Returns over 12 months are annualised.

Monthly commentary, May 2024

SKAGEN Vekst hit a historical milestone in May, as the price passed NOK 5000 during the month, meaning that investors who had been with us from fund launch, had made 50 times their initial investment. Global stock markets generally recovered from the weak period in April. However, Norwegian-based investors still experienced negative returns for the month, following a significant strengthening of the Norwegian kroner. SKAGEN Vekst experienced a similar development but marginally lagged the benchmark, due to a weak share price development in Samsung Electronics and Shell.

The Korean conglomerate Samsung Electronics was dragged down by news that its high bandwidth memory chips failed tests conducted by Nvidia. This is clearly a setback given Nvidia's dominating market share in graphic processing units for artificial intelligence application. It is worth pointing out, that Samsung continues to supply other customers like Advanced Micro Devices with high bandwidth memory chips, and we believe it is a matter of time before Samsung also starts to supply Nvidia. It is increasingly clear that AI will accelerate demand for memory chips and provide the industry with yet another revenue stream. The last downturn also proved that the now consolidated industry has become more rational, with all key players limiting supply additions. Thus, at 12x earnings and 1x book, Samsung Electronics continues to be a key holding in SKAGEN Vekst. The global oil company Shell also had a difficult month as oil prices came down in May. In terms of company-specific news, Shell reported a strong set of Q1 results at the beginning of the month. This resonated with all key parts of our investment thesis given the strong operational performance combined with continued cost and capital discipline. We are very impressed with the new management team, and believe the market significantly



underestimates the strong cash flow potential in the coming years. We therefore expect Shell to gradually close some of the valuation gap to its US peers. However, even with no re-valuation, we expect to harvest more than 10% in annual returns from dividends and buy-backs alone.

Millicom was among the largest positive contributors to returns in May as the company delivered very strong results for the first quarter. Both top-line growth and margin improvements came in strong as well as cash flow generation. This helped improve confidence in the free cash flow target for the year of USD 550 million. Compared to the pre-Q1 results market capitalisation this implies a free cash flow yield of around 15%. In addition, the stock price got an extra boost from the announced interest in a complete cash buyout of the company by the largest shareholder. Another strong positive contributor in May was Cadeler. The company has announced several new contracts in addition to one more vessel added to its newbuild program. The new contracts reflect continued tightness in the market for offshore wind installation vessels as terms are increasingly favourable on both pricing and duration. We see the ordering of another newbuild as further evidence of the strong outlook management sees for the industry.

The stock price of TGS dropped back significantly from late April to mid-May in tandem with the oil price and we took advantage of this to further build our position in the company. TGS is now an almost 1 percent position in the fund. Solid results from Nvidia led to strong share price performance of all AI-related stocks. We used this opportunity to reduce our exposure to the US tech company Broadcom. We continue to have a meaningful position in the stock, as it still trades at a significant discount to peers with similar characteristics. We also continued to reduce our exposure to the Norwegian shipping conglomerate Wilh. Wilhelmsen holding. While the stock trades at a significant discount to underlying values, we are increasingly concerned about the massive supply of new car carriers over the coming years. We have also been disappointed by the lack of more aggressive initiatives to close the material discount the shares trade at.

Overall, we still favour attractively priced companies within the financial, industrial, and energy sectors. These are also sectors where earnings expectations and valuation will not be unduly hurt in an environment where inflation does not return to the abnormally low levels we saw in the aftermath of the pandemic. Following the past months' rise, we again see substantial downside risk in a lot of highly priced growth companies, particularly in the US stock market. If the current consensus of falling inflation and interest rates proves to be right, we expect the fund to lag the overall market, but still provide a decent absolute return in 2024. However, if inflation continues to surprise on the upside, the fund should provide much better downside protection than the benchmark – similar to what we saw in 2022, in the autumn of 2023, and again in April this year.

Contribution last month

|  Largest contributors | Weight (%) | Contribution (%) |  Largest detractors | Weight (%) | Contribution (%) |
|-------------------------------------------------------------------------------------------------------|------------|------------------|------------------------------------------------------------------------------------------------------|------------|------------------|
| Millicom International Cellular SA | 1.98 | 0.27 | Samsung Electronics Co Ltd | 2.94 | -0.38 |
| Cadeler A/S | 1.00 | 0.25 | Shell PLC | 3.12 | -0.14 |
| H Lundbeck A/S | 2.07 | 0.13 | CK Asset Holdings Ltd | 1.48 | -0.13 |
| Yara International ASA | 2.91 | 0.11 | Korean Reinsurance Co | 1.79 | -0.12 |
| TGS Nopec Geophysical Company ASA | 0.53 | 0.11 | Tyson Foods Inc | 1.08 | -0.11 |

Absolute contribution based on NOK returns at fund level.

Portfolio information

| Top 10 investments | Share (%) | Country exposure | Share (%) | Sector exposure | Share (%) |
|------------------------|---------------|--------------------|---------------|------------------------|---------------|
| Novo Nordisk A/S | 8.6 | Denmark | 20.2 | Financials | 20.0 |
| KB Financial Group Inc | 3.8 | United States | 13.3 | Industrials | 15.6 |
| Nordea Bank Abp | 3.6 | Norway | 11.4 | Health care | 10.7 |
| Telenor ASA | 3.4 | South Korea | 11.0 | Information technology | 10.7 |
| ISS A/S | 3.2 | Finland | 10.2 | Communication Services | 10.2 |
| Boliden AB | 3.2 | China | 9.2 | Materials | 10.0 |
| Cnooc Ltd | 3.1 | Sweden | 9.2 | Energy | 7.4 |
| UPM-Kymmene Oyj | 3.1 | Netherlands | 3.1 | Consumer Staples | 6.8 |
| Shell PLC | 3.1 | Brazil | 3.0 | Consumer discretionary | 2.4 |
| Broadcom Inc | 3.1 | Guatemala | 2.1 | Real estate | 2.4 |
| Total share | 38.0 % | Total share | 92.7 % | Total share | 96.2 % |

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.