

Performance Commentary

With the ongoing vaccine rollout and potential economic normalisation this year, we believe the wheels are in motion for a continued rotation towards value assets. Following an exceptionally strong finish last year, the first month of 2021 was more challenging for the fund and equity markets in general. In January we reduced exposure to positions that are approaching our price target, including our industrial positions in SAF Holland, Norma and Toyota Industries. We also closed our position in US regional bank Citizen Financial, after the shares doubled since we entered the position last year and now accurately reflect the company's underlying potential. The US communications company Avaya was the strongest contributor in January followed by Canadian resource company Parex Resources. Avaya is a turnaround case which is gaining momentum and is a key beneficiary of the current digital transformation among enterprises. The fund's largest positions gold miner Roxgold and copper miner Ivanhoe Mines were the main detractors as the shares pulled back somewhat following an exceptionally strong 2020. Both Roxgold and Ivanhoe Mines remain significantly undervalued with tangible catalysts for re-rating in the near term. We initiated a new position in Japanese cement producer Sumitomo Osaka Cement, which trades at levels that do not accurately reflect its asset base and current earnings power.

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 a bias towards small and mid-cap companies.

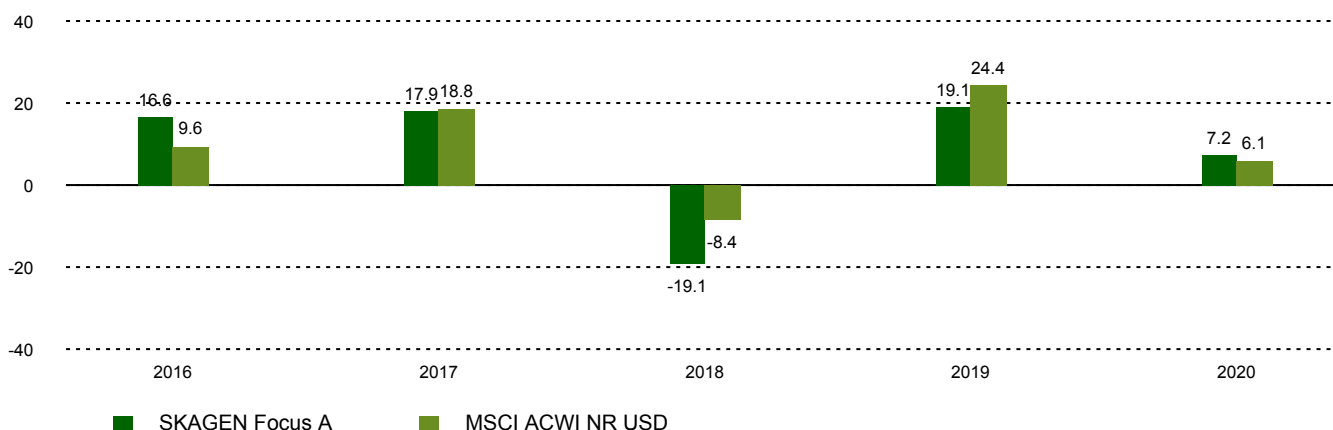
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	-1.1%	0.9%
Year to date	-1.1%	0.9%
Last year	14.7%	7.7%
Last 3 years	0.3%	6.4%
Last 5 years	9.2%	10.8%
Last 10 years	n/a	n/a
Since start	4.0%	8.0%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	15.31 CHF
Fixed management fee	1.60%
Total expense ratio (2020)	1.72%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	137.46 CHF
Number of holdings	38
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Avaya Holdings Corp	2.36	0.33
Parex Resources Inc	3.18	0.27
Stock Spirits Group PLC	3.24	0.26
Hitachi Ltd	5.08	0.20
Wienerberger AG	2.96	0.18



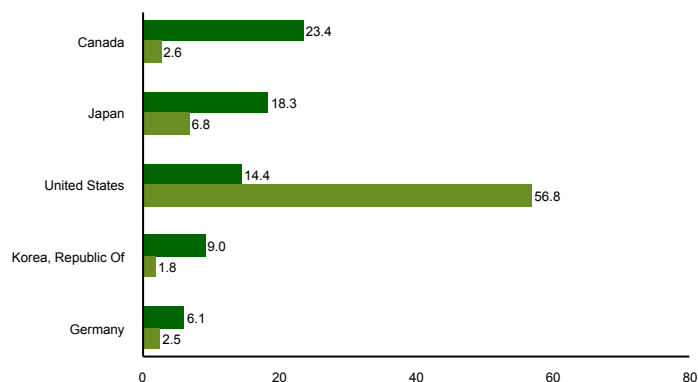
Largest detractors

Holding	Weight (%)	Contribution (%)
Roxgold Inc	5.68	-0.85
Ivanhoe Mines Ltd	6.87	-0.63
KB Financial Group Inc	4.14	-0.42
Korean Reinsurance Co	3.56	-0.32
Lincoln National Corp	3.25	-0.32

Top ten investments

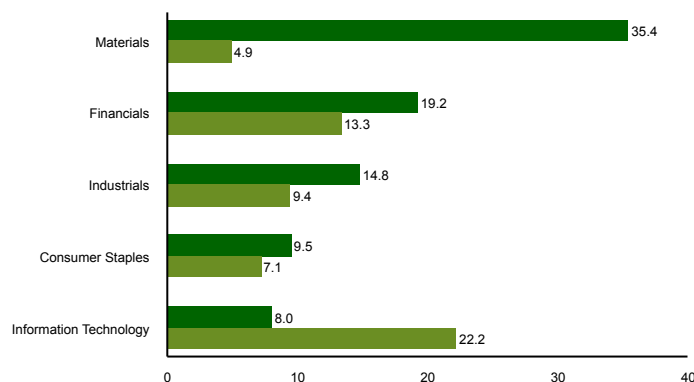
Holding	Sector	Country	%
Ivanhoe Mines Ltd	Materials	Canada	6.1
Roxgold Inc	Materials	Canada	5.8
Hitachi Ltd	Information Technology	Japan	5.3
West Fraser Timber Co Ltd	Materials	Canada	5.2
KB Financial Group Inc	Financials	Korea, Republic Of	3.9
Korean Reinsurance Co	Financials	Korea, Republic Of	3.5
UPM-Kymmene Oyj	Materials	Finland	3.4
Parex Resources Inc	Energy	Canada	3.4
Stock Spirits Group PLC	Consumer Staples	United Kingdom	3.4
Albertsons Cos Inc	Consumer Staples	United States	3.2
Combined weight of top 10 holdings			43.3

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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