

Performance Commentary

SKAGEN Focus ended the month ahead of underlying equity markets. The start of the investment year unveiled a substantial rotation into value areas of the market as central banks are communicating a more aggressive tightening bias than expected. In general, we believe this environment will work to compress elevated valuation multiples. The strongest contributor in January was German Commerzbank which has undergone a restructuring process which should boost profitability in the medium term. We also observed a strong re-rating in China Communications Services and property casualty insurer Korean Re in the period. Cascades, the Canadian packaging company, was lower in the month as they flagged temporary cost pressures but also announced solid price hikes for containerboard later in the year. The shares of electrode producer GrafTech were lower, but we take a positive view of the company's mid-term earnings power and strategic positioning and used the weakness to increase our position. We trimmed our position in Japanese Aichi Bank as the stock is approaching our price target. We initiated a position in the recently spun off Italian commercial vehicle producer Iveco, which trades at a substantial discount to mid-term earnings power and balance sheet value.

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.

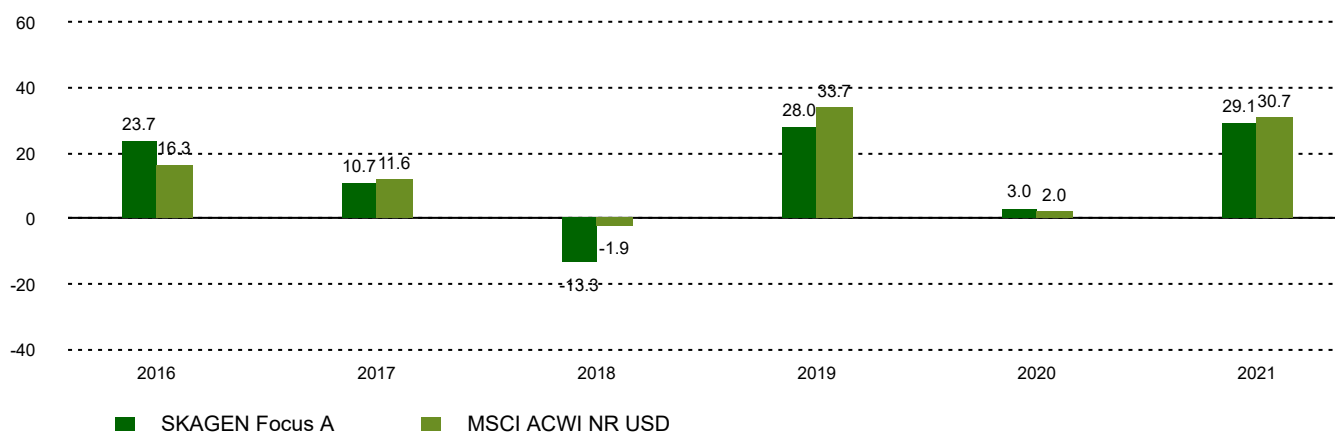
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	1.5%	-2.0%
Year to date	1.5%	-2.0%
Last year	31.4%	25.9%
Last 3 years	15.1%	16.8%
Last 5 years	10.9%	14.1%
Last 10 years	n/a	n/a
Since start	8.5%	11.3%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	188.55 SEK
Fixed management fee	1.60%
Total expense ratio (2021)	1.40%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	1875.62 SEK
Number of holdings	46
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Commerzbank AG	3.33	0.41
China Communications Services	3.12	0.31
Resona Holdings Inc	2.75	0.30
Korean Reinsurance Co	3.12	0.29
KB Financial Group Inc	3.73	0.28



Largest detractors

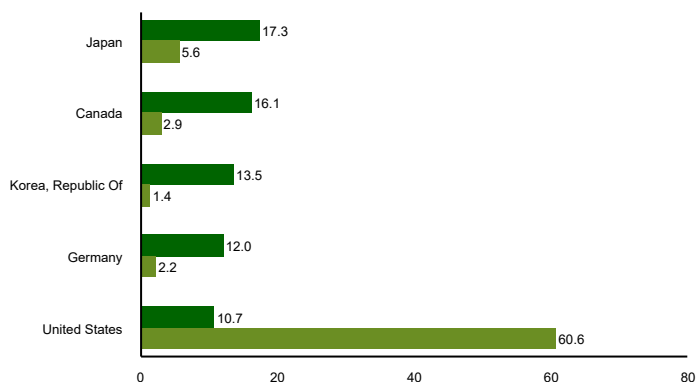
Holding	Weight (%)	Contribution (%)
Cascades Inc	5.17	-0.45
GrafTech International	2.99	-0.32
Canfor Pulp Products Inc	2.96	-0.32
Fortuna Silver Mines Inc	1.96	-0.25
Sixt SE	2.98	-0.24

Absolute contribution based on NOK returns at fund level

Top ten investments

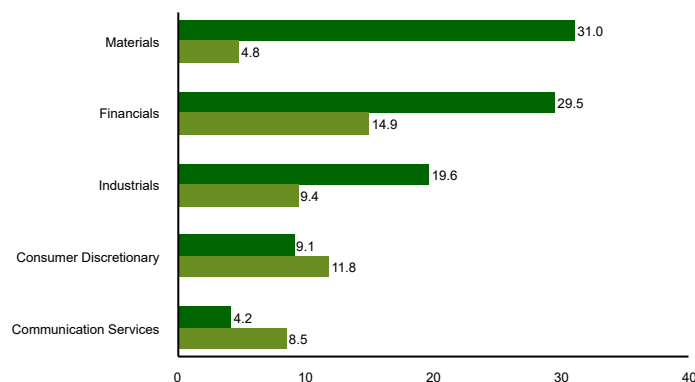
Holding	Sector	Country	%
Cascades Inc	Materials	Canada	4.8
Panasonic Corp	Consumer Discretionary	Japan	4.1
KB Financial Group Inc	Financials	Korea, Republic Of	3.8
Marcus Corp/The	Communication Services	United States	3.6
China Communications Services Corp Ltd	Industrials	China	3.4
Ivanhoe Mines Ltd	Materials	Canada	3.4
Korean Reinsurance Co	Financials	Korea, Republic Of	3.3
Nova Ljubljanska Banka dd	Financials	Slovenia	3.0
Vitesco Technologies Group AG	Consumer Discretionary	Germany	3.0
GrafTech International Ltd	Industrials	United States	3.0
Combined weight of top 10 holdings			35.2

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

Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. 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. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. 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.