

Performance Commentary

The global equity markets continued to grind higher in May, with the substantial rotation into value assets creating an underlying tailwind for the fund. SKAGEN Focus generated solid absolute and relative returns in May driven by company specific re-rating catalysts. One of the largest contributors was gold miner Roxgold following solid fundamental progress and the re-rating of Fortuna Silver. The latter is in process of acquiring the company with its own shares. Another solid position was car-rental company SIXT on indications that revenue may normalise ahead of expectations. We hold the preference share in the company, which trades at a 40% discount to the already discounted ordinary shares. We scaled back our position in copper producer Ivanhoe Mines as the stock has re-rated sharply and is closing in on our price target. Japanese Sumitomo Osaka Cement was weaker in the month as the company guided for higher input costs but continues to trade at a vast discount to fair value. Pulp producer Ence gave back some of its recent gains as pulp prices seem to be consolidating at current levels. We exited our position in waste recycling company Befesa as the stock hit our price target and was replaced by an increased position in graphite electrode producer GrafTech.

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.

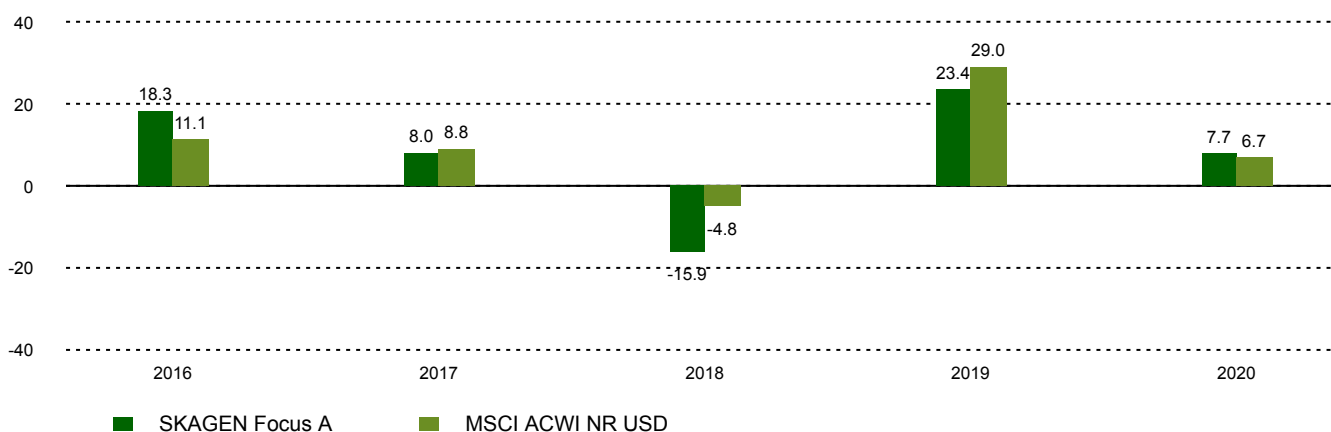
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	1.7%	0.0%
Year to date	19.5%	10.9%
Last year	62.4%	29.5%
Last 3 years	8.7%	12.0%
Last 5 years	10.7%	12.0%
Last 10 years	n/a	n/a
Since start	6.3%	8.5%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	17.11 EUR
Fixed management fee	1.60%
Total expense ratio (2020)	1.70%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	172.58 EUR
Number of holdings	42
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Roxgold Inc	5.48	0.77
Nova Ljubljanska Banka	2.32	0.41
Argonaut Gold Inc	2.46	0.39
KB Financial Group Inc	3.94	0.30
Ivanhoe Mines Ltd	5.07	0.29



Largest detractors

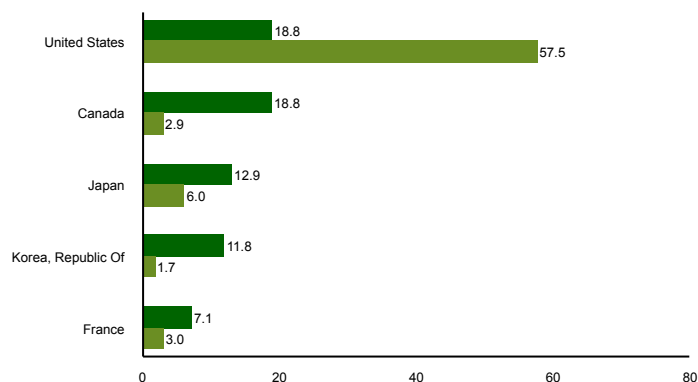
Holding	Weight (%)	Contribution (%)
Parex Resources Inc	2.69	-0.21
Sumitomo Osaka Cement Co	1.66	-0.21
UPM-Kymmene Oyj	2.71	-0.07
Daiwa Industries Ltd	1.05	-0.06
MagForce AG	1.55	-0.05

Absolute contribution based on NOK returns at fund level

Top ten investments

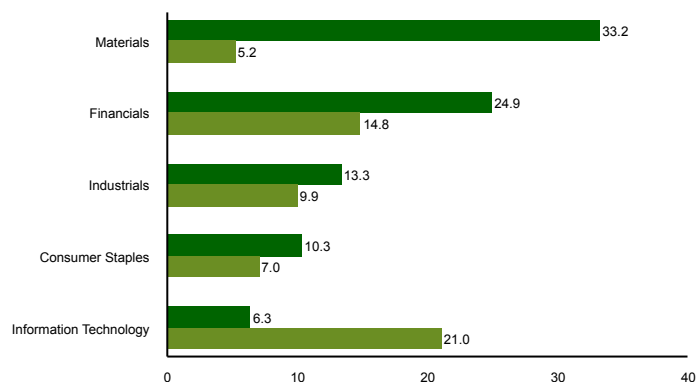
Holding	Sector	Country	%
Roxgold Inc	Materials	Canada	5.5
KB Financial Group Inc	Financials	Korea, Republic Of	4.2
Ivanhoe Mines Ltd	Materials	Canada	4.1
Hitachi Ltd	Information Technology	Japan	3.7
Albertsons Cos Inc	Consumer Staples	United States	3.7
Sixt SE	Industrials	Germany	3.5
Korean Reinsurance Co	Financials	Korea, Republic Of	3.3
Argonaut Gold Inc	Materials	United States	3.2
Wienerberger AG	Materials	Austria	3.2
Pilgrim's Pride Corp	Consumer Staples	United States	2.9
Combined weight of top 10 holdings			37.2

Country exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR USD

Contact



+46 8 555 979 00



kundservice@skagenfonder.se



SKAGEN AS, Box 11, 101 20
Stockholm

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.