SKAGEN
Part of Storebrand

SKAGEN Vekst A

RISK PROFILE	YTD RETURN	ANNUAL RETURN
4 of 7	0.50 %	17.00 %
	31.03.2025	Average last 5 years

Monthly report for March as of 31.03.2025. 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

Fund facts

ISIN: NO0008000445
Launch date, share class: 01.12.1993
Launch date, fund: 01.12.1993
Domicile: NO
NAV: 432.88 EUR
AUM: 1,012 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 cost: 1.00 %
Number of holdings: 52
SFDR: Article 8

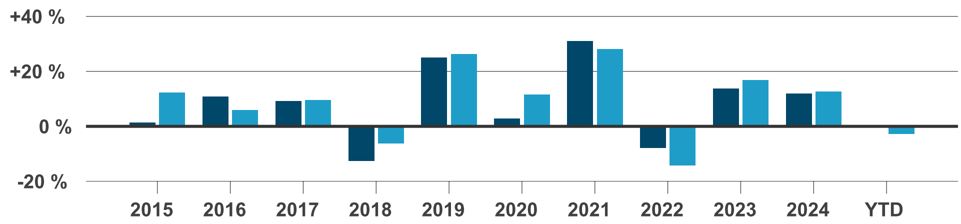
Søren Milo Christensen
Managed fund since 09 April 2018

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.

Historical return in EUR (net of fees)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Fund	1.4	10.8	9.1	-12.6	25.1	2.8	31.1	-7.8	13.7	11.9	0.5
Index	12.2	6.0	9.5	-6.2	26.2	11.6	28.1	-14.3	16.9	12.6	-2.7

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 (%)
Last month	-4.75	-7.90
Year to date	0.50	-2.69
Last 12 months	5.84	0.53
Last 3 years	6.95	5.37
Last 5 years	17.00	14.08
Last 10 years	6.88	7.36
Since inception	12.13	9.57

Returns over 12 months are annualised.

Key figures	1 year	3 years	5 years
Standard deviation	8.08	12.47	13.42
Standard deviation index	11.78	14.43	14.48
Tracking error	6.62	6.56	7.05
Information ratio	0.80	0.24	0.41
Active share: 82 %			

Q1 commentary, March 2025

Global stock markets faced a challenging month as the Trump administration pressed for higher tariffs against America’s largest trading partners. This fuelled concerns about rising inflation and slower economic growth, leading market participants to adjust their expectations. As we have highlighted in previous months, the US market had not anticipated any major risks, making it particularly vulnerable to the shift in outlook. European stocks fared better, supported by lower valuations and the prospect of increased defence spending. SKAGEN Vekst was not immune to the sell-off but outperformed the benchmark, largely due to its lower exposure to the US. Despite a strong start to the year, the weak performance in March resulted in a negative return for SKAGEN Vekst in the first quarter. However, thanks to its reduced US weighting and strong performances from Alibaba, Nordea, and Telenor, the fund outpaced the benchmark during the first three months of 2025.

The largest positive contributor to the fund’s absolute return in March was Brazilian financial market infrastructure company B3. Its strong performance was driven by two key factors. First, the company received a favourable ruling in a tax dispute concerning goodwill amortization. While the ruling will not impact its financials, the market had been concerned about the issue, which led to a significant uptick in the stock price. Second, B3 reported solid trading figures for February, with equity volumes rising 12% from January. We used the spike in the share price following the tax ruling to slightly reduce our position. Hong Kong-listed conglomerate CK Hutchison Holding also had a strong month after announcing an in-principle agreement to sell its ports assets to a consortium led by BlackRock. However, we began to see concerning signals from China, where political leadership expressed disappointment that the company had not consulted Beijing prior to the deal. Later in the month, China's State Administration for Market Regulation launched an investigation into potential violations of anti-monopoly laws, which effectively stalled the deal. Despite this setback, the stock continued to perform strongly in March. We believe this was due to the market being reminded of the significant discount at which the stock is currently priced relative to its underlying value. We find it hard to justify a 50%+ discount, given the company's track record of making value-accretive deals. Another strong performer in March was Telenor. The stock has been robust throughout the year and delivered solid results in February. However, we believe the recent strong performance was partly driven by a flight to safety amid market turmoil, so we took the opportunity to reduce our position.

The Danish pharma giant Novo Nordisk was the largest detractor to the fund's absolute return in March. The main issue was the continued lack of a rebound in prescriptions in the crucial US market, despite the company's efforts to make additional starter dose supplies available. While this has been a negative surprise for us, we still see a very favourable risk-return profile for the stock at current levels. We anticipate progress in limiting the supply of compounded versions of Novo's weight loss medication in the US. Furthermore, we believe the market is underestimating the immense opportunity Novo has outside the US – a region they have not aggressively targeted so far due to supply constraints. The company is also set to launch an oral version of their popular weight loss treatment in early 2026, which should drive further growth. Lastly, by late 2025, we expect the first Phase III study for semaglutide in Alzheimer's disease, which could unlock a significant new market opportunity for Novo. US bank Citigroup also faced challenges last month, as recession fears in the US have negatively impacted the banking sector. However, it's important to note that we expect Citigroup to be more resilient in a potential downturn compared to the past, given that the bank has significantly reduced its balance sheet risk. Citigroup is also in a much stronger financial position, holding ample regulatory capital. As a result, we continue to see attractive upside potential in the stock, especially now that the bank has aggressively begun buying back its own shares at a significant discount to book value. After a strong February, driven by solid results, Boliden experienced a setback in March. While metals prices rose slightly, the weaker US dollar hurt earnings expectations in local currencies, and general macroeconomic uncertainty likely contributed to the stock's weakness. In March, we participated in Boliden's capital markets day in Bergen and Odda, where we spent a couple of days with management and toured the new, modern facilities at the Odda zinc smelter. Our impression was that participants were generally very satisfied with the event, and we believe all attendees left with a stronger conviction in the attractiveness of Boliden's existing asset portfolio.

We took advantage of the recent pullback in the consumer discretionary space and initiated a small position in Hugo Boss during March. After a couple of years at the helm, the management team of Hugo Boss has shown good progress on its plan to reposition and revitalize the brand. With the focus now moving to margin improvements we see solid cash flow potential going forward, combined with a management team with willingness to return this to shareholders through dividends and share buybacks. Given the uncertain consumer backdrop, we take a cautious approach when sizing the position, but we are reassured by the company's relatively stable operating history. We continued to build our position in the Swedish industrial company SKF and the Mexican retailer Wal-Mex. We used the strength in the insurance sector to reduce our position in AIG, and we also exited Chubb as the stock reached our target price.

Over the past 12 months, we have reduced our exposure to the US stock market, which we view as overvalued relative to both global markets and its own historical norms. Within the US, growth stocks, in particular, appear priced at levels that have historically resulted in poor future returns. In contrast, many markets outside the US are trading near historical averages, presenting compelling opportunities. We are particularly optimistic about China and Korea, where depressed valuations stand in stark contrast to the potential for positive change. On a sector level, we have reduced our exposure to IT over the past year. While AI presents a remarkable opportunity, this is increasingly reflected in inflated share prices. The strong growth in the sector has largely been driven by a fear among major IT players of losing their competitive edge. This sustained capital investment will eventually need to deliver tangible economic benefits to justify current valuations. Additionally, we see rising risks of the market questioning the key investment merit of dominant IT companies – low capital-intensive earnings growth. We continue to favour attractively valued companies in the financial, industrial, and energy sectors, which remain resilient in an environment where inflation does not revert to post-pandemic lows. From a macroeconomic perspective, we believe the market underestimates the likelihood of persistently higher inflation and interest rates. This is particularly evident in the US, where factors such as substantial budget deficits, immigration restrictions, and increased tariffs on foreign goods make a significant decline in inflation unlikely. We have positioned the fund to offer strong downside protection should the US market's "Goldilocks" scenario – or similar expectations for the IT sector – fail to materialize. However, if consensus predictions of declining inflation, steady economic growth, and robust IT sector profits prove accurate, we anticipate the fund may underperform the broader market but still deliver solid absolute returns over the next 12 months.

Contribution last month

Largest contributors	Weight (%)	Contribution (%)
B3 SA - Brasil Bolsa Balcao	1.58	0.19
CK Hutchison Holdings Ltd	1.90	0.13
Telenor ASA	3.81	0.12
Millicom International Cellular SA	1.10	0.09
Shell PLC	2.73	0.07

Largest detractors	Weight (%)	Contribution (%)
Novo Nordisk A/S	7.73	-2.41
Citigroup Inc	2.99	-0.52
Boliden AB	3.24	-0.42
UPM-Kymmene Oyj	3.25	-0.41
Skf AB	2.49	-0.35

Absolute contribution based on NOK returns at fund level.

Portfolio information

Top 10 investments	Share (%)
Novo Nordisk A/S	**7.0**
Nordea Bank Abp	**3.9**
Telenor ASA	**3.8**
ISS A/S	**3.7**
DSV A/S	**3.5**
Ping An Insurance Group Co of China Ltd	**3.5**
Yara International ASA	**3.2**
Essity AB	**3.2**
Boliden AB	**3.1**
Citigroup Inc	**3.1**
Total share	**38.0 %**

Country exposure	Share (%)
Denmark	**20.5**
Sweden	**13.2**
United States	**12.8**
South Korea	**10.8**
Norway	**10.7**
Finland	**10.5**
China	**5.8**
Brazil	**4.9**
United Kingdom	**2.1**
Hong Kong SAR China	**1.8**
Total share	**93.2 %**

Sector exposure	Share (%)
Financials	**22.7**
Industrials	**18.7**
Materials	**10.2**
Consumer Staples	**9.4**
Health care	**9.0**
Information technology	**8.4**
Communication Services	**6.7**
Energy	**4.7**
Real estate	**4.4**
Consumer discretionary	**3.7**
Total share	**97.9 %**

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

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
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Important Information for Dutch Investors
For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com
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Important Information for Icelandic Investors
For more information, please contact SKAGEN's Stavanger based international team: international@skagenfunds.com
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