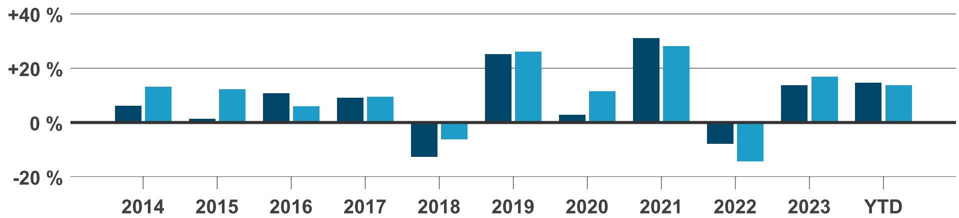
SKAGEN Vekst A

RISK PROFILE	YTD RETURN	ANNUAL RETURN
4 of 7	14.59 %	11.58 %
	30.09.2024	Average last 5 years

Monthly report for September as of 30.09.2024. 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)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Fund	6.1	1.4	10.8	9.1	-12.6	25.1	2.8	31.1	-7.8	13.7	14.6
Index	13.2	12.2	6.0	9.5	-6.2	26.2	11.6	28.1	-14.3	16.9	13.8

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	-0.12	-0.75
Year to date	14.59	13.76
Last 12 months	18.40	23.34
Last 3 years	8.16	7.18
Last 5 years	11.58	11.54
Last 10 years	7.70	9.67
Since inception	12.40	9.86

Returns over 12 months are annualised.

Key figures	1 year	3 years	5 years
Standard deviation	8.46	12.82	16.92
Standard deviation index	9.78	14.42	15.80
Tracking error	6.48	6.94	7.54
Information ratio	-0.76	0.14	0.00

Active share: 82 %

Fund facts

ISIN: NO0008000445
Launch date, share class: 01.12.1993
Launch date, fund: 01.12.1993
Domicile: NO
NAV: 441.26 EUR
AUM: 1,066 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: 53
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.

Q3 commentary 2024

Global equity markets were characterised by large dispersions in returns among sectors and geographies in September. The Chinese stock market had a very strong rebound following the announcement of an aggressive stimulus package. On the other hand, speculation around Saudi Arabia moving towards a focus on market share at the expense of maintaining supply discipline led to a lower oil price. SKAGEN Vekst delivered a marginally positive return for the month, which was better than the overall market. The relative outperformance was driven by very strong performance from our Chinese holdings. For Q3, SKAGEN Vekst delivered a solid absolute return, while also comfortably beating the benchmark, again driven by strong performance from our key Chinese holdings.

The announcement of aggressive fiscal and monetary stimulus coming out of China, where the country lowered interest rates and injected liquidity into banks, led to very strong performance in the local stock market. This also helped our large Chinese holdings like the financial conglomerate Ping An Insurance and the IT conglomerate Alibaba. While both stocks rose significantly, they came up from extremely depressed levels. Thus, we still see significant upside in both stocks. The Danish logistics company DSV was also among the largest contributors to the fund’s absolute return in September on the back of the announcement that they had signed an agreement to acquire DB Schenker. DSV has a phenomenal track record in M&A execution, and while this deal is their biggest yet, we expect synergies will elevate DB Schenker’s margins to match DSV’s. As expected, all sell-side analysts had to revise their earnings numbers higher to adjust for the latest deal. Our expectation is they will have to continue to move their numbers higher over the coming years as DSV executes their plans for the combined entity.

The Danish pharma giant Novo Nordisk was the largest negative contributor to the fund's absolute return after announcing headline results from a clinical trial for Monlunabant to treat obesity. The data was clearly softer than expected, and while Novo will move on to the next phase of the trial, we see a small likelihood of this getting to market. It is important to note, that we have never included Monlunabant in our forward earnings estimates and were somewhat surprised by how much the share price was affected. We therefore used the weakness to add to our position. Our large oil companies like CNOOC and Shell were among the largest detractors in September following the decline in oil price. We have gradually decreased our position in both companies this year, as strong share price development has reduced the fundamental upside. While both companies continue to execute well on both cost discipline and capital allocation, they are obviously reliant on the oil price. The indication that Saudi Arabia might shift focus towards market share at the expense of supply discipline is a clear negative. We therefore used the rebound in the oil price around renewed geopolitical risk in the Middle East to further reduce our position. The Korean IT conglomerate Samsung Electronics also had a difficult month as the stock continues to be penalised for being late in launching its high bandwidth memory chips, which are in high demand due to the current AI capex cycle. We still believe it is a question of time before Samsung gets through the qualification process with key clients, and see significant upside in this scenario, given the current low valuation.

We initiated one new position in September in the Brazilian stock exchange B3 S.A. Brasil, Bolsa, Balcao. B3 is one of the leading financial market infrastructure companies in the world offering trading and post-trade solutions in equity, rates and commodities as well as vehicle and real estate financing and data and technology services. After a strong boom in equity trading volumes during Covid, activity has moderated towards more normalised levels over the past few years which has created some headwinds for B3. Coupled with rising interest rates, this has put downward pressure on the stock. The stock is currently among the absolute cheapest among peers globally and the discount to peers is at a multi-year high. This is clearly also driven by a Brazil/specific risk premium but given the solid business model and long-term prospects we find the size of the discount unwarranted. We used the weakness in Korean financials to add to our position in KB Financial. The stock continues to trade at a very attractive valuation despite the clear improvements around capital allocation and risk control. We also added to the Korean Telecom company SK Telecom, as we do not believe the continued improvement around capital allocation is captured in the current stock price. We used the weakness in UPM to add to our position. While the market was disappointed by the lack of new growth investments at its capital markets day, we see opportunities for a significant increase in dividends and buybacks. The strong rebound in China also had a positive effect on companies with exposure to China, like the Danish brewing company Carlsberg. After meeting Carlsberg and other peers during the past month, we are increasingly concerned that the market might be disappointed that demand in China deteriorated further over the summer. Thus, we used the strength to reduce our position in Carlsberg. AI-related stocks had a strong comeback in September, and we used this strength to further reduce our exposure in Broadcom and SK Square. We also continued to reduce Wilhelmsen Holdings as very strong performance has reduced our fundamental upside.

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. We still 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 over the coming 12 months. However, if inflation surprises 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. It is also worth pointing out, that the fund has shown better downside protection than the overall market in periods when large IT companies sell off aggressively – like we saw in the latter part of July this year.

Contribution last month

Largest contributors	Weight (%)	Contribution (%)
Ping An Insurance Group Co of China Ltd	2.48	0.90
Alibaba Group Holding Ltd	1.85	0.64
DSV A/S	3.03	0.42
Boliden AB	2.95	0.32
Yara International ASA	2.95	0.24

Largest detractors	Weight (%)	Contribution (%)
Novo Nordisk A/S	8.68	-1.44
Samsung Electronics Co Ltd	2.43	-0.36
HitecVision AS	1.15	-0.28
H Lundbeck A/S	2.38	-0.23
Shell PLC	2.75	-0.22

Absolute contribution based on NOK returns at fund level.

Portfolio information

Top 10 investments	Share (%)
Novo Nordisk A/S	**8.1**
KB Financial Group Inc	**4.0**
Nordea Bank Abp	**3.6**
Telenor ASA	**3.5**
Boliden AB	**3.3**
Ping An Insurance Group Co of China Ltd	**3.3**
UPM-Kymmene Oyj	**3.3**
Essity AB	**3.2**
Yara International ASA	**3.2**
DSV A/S	**3.2**
Total share	**38.5 %**

Country exposure	Share (%)
Denmark	**20.2**
United States	**13.3**
Norway	**11.3**
South Korea	**11.0**
Finland	**10.5**
China	**10.3**
Sweden	**9.5**
Brazil	**3.7**
United Kingdom	**2.3**
Hong Kong SAR China	**1.7**
Total share	**93.8 %**

Sector exposure	Share (%)
Financials	**20.6**
Industrials	**15.4**
Materials	**10.5**
Health care	**10.3**
Communication Services	**9.6**
Information technology	**8.5**
Consumer Staples	**7.6**
Energy	**6.7**
Consumer discretionary	**3.6**
Real estate	**3.1**
Total share	**95.9 %**

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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