



SKAGEN Focus LUX B EUR

Q1 2025 Quarterly Report

All data in EUR as of 31/03/2025 unless otherwise stated

This is marketing communication



INVESTMENT OBJECTIVE

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.

The Luxembourg SICAV was launched in 2019.

FUND INFORMATION

Start date	27/09/2019
Benchmark	MSCI ACWI
ISIN	LU1932704841
Morningstar Category	Global Flex-Cap Equity
Fixed Fee	0.60%
SFDR Category	Article 8
Portfolio Managers	Jonas Edholm David Harris



Jonas Edholm & David Harris

- ❖ Jonas Edholm joined SKAGEN in January 2015
- ❖ Previously Founder and Portfolio Manager, Labrusca Family Office, Stockholm, Sweden
- ❖ David Harris joined SKAGEN in January 2015
- ❖ Previously Analyst, Labrusca Family Office

INVESTMENT COMMENTARY

Has the Great Rotation finally begun? In the first quarter of 2025, concerns over US trade tariffs and government firings, which could disrupt US economic growth, have fuelled increased volatility in global equity markets. US stocks have fallen, and investors are growing anxious that Trump may be willing to tolerate economic and market weakness in pursuit of other objectives, such as tariffs and a smaller government. The selloff has been especially hard on US mega-cap tech stocks, which entered the year with stretched valuations and overly ambitious expectations. The initial negative impact on US equity markets is likely due to a sharp and dramatic rise in the political country risk premium for US equities. A wave of anti-US sentiment is emerging in Europe, Canada, and potentially in other nations. The unpredictable policy communication from the US administration is creating uncertainty and potentially stalling corporate decision-making. As a result, equity markets are forecasting a negative impact on the aggregated earnings of US companies.

Meanwhile, in Europe, several interesting developments are catching the attention of financial markets. European equity markets now appear particularly well positioned to benefit from capital outflows from the US. We all remember Mario Draghi's "whatever it takes" statement during the euro crisis in 2011, which paved the way for a massive rescue package. In a similar vein, Germany's new Chancellor, Merz, has pledged to do "whatever it takes" to restart and defend the European economy. The German government has made a historic move, announcing a plan for an unprecedented fiscal package, including billions of euros in additional spending on defence and infrastructure. This could mark the beginning of a new era of economic growth. The package includes measures such as exempting defence spending above 1% of GDP from the national debt brake, creating a special infrastructure fund to modernize Germany's outdated infrastructure (also exempted from the debt brake), and accelerating planning and permits for new defence projects to allow for the rapid deployment of these new defence funds. We believe these investment packages will not only support the German industry but also inject growth into various value chains across Europe, including the construction, industrial, and automotive sectors.

Against this backdrop, SKAGEN Focus slightly outperformed both its benchmark index and a global small and mid-cap index during the quarter. Guided by a value strategy, the fund maintains a relatively modest 10% exposure to US equity markets, while significantly focusing on deeply discounted European small and mid-cap equities, which stand to benefit from the evolving market conditions. The strongest contributor to fund performance was our Italian-based cement producer, Cementir. The stock reached our price target late in the quarter, and we exited the position after a very profitable three-year holding period. Another notable contributor was our largest position, Spanish stainless-steel producer Acerinox, which benefits from high margins in its US operations, while a normalisation of margins in Europe appears to be taking shape. Additionally, Japanese financial conglomerate Japan Post Holdings made a solid contribution, reaching our price target and exiting the fund after a three-year holding period. On the downside, methanol producer Methanex experienced an outage at a key asset, temporarily disrupting production and negatively impacting the stock's performance. Vale Indonesia, our integrated nickel producer, saw a decline as the government considers higher mining taxes, while nickel prices remain depressed.

We have increased our position in Austrian brick producer Wienerberger, which stands to benefit from rising construction activity in Europe and the potential rebuilding of Ukraine. The stock is trading at a substantial discount to our price target. We have also built positions in Japanese construction machinery makers Takeuchi Manufacturing and South Korea's Doosan Bobcat. Both are listed in Japan and Korea but have significant exposure to Europe and seem to be underappreciated by the market. Another sector that has caught our attention is European chemicals, which are trading at a substantial discount to their normalised earnings potential. We have taken fresh positions in Belgium's Solvay and Germany's Wacker Chemie. Additionally, we have directly acquired Mexican assets, including transportation company Traxion and the highly discounted regional bank Banco del Bajío. From a broader perspective, we believe there could be positive surprises regarding the severity of tariffs in the coming months, potentially removing an overhang and boosting these stocks from their rock-bottom valuation levels. Furthermore, we have increased our position in US homebuilder Beazer Homes, which is currently trading well below its conservative book value. While this position has been a negative contributor so far this year, we find it attractive at these price points.

At the end of the quarter, our portfolio consists of 47 positions, with the top 10 holdings accounting for 32% of the total concentration. Almost ninety percent of the portfolio is invested in small and mid-cap stocks, and we see a substantial weighted upside to our aggregate price target, which is approximately 87%. The fund's valuation multiples remain highly attractive, trading at around 0.6 times book value and 9 times price/earnings. If the current environment persists ("the Great Rotation"), with capital flowing out of the US into discounted sectors abroad, particularly in Europe, the fund is well-positioned to generate significant value for unitholders in 2025 and beyond.



SKAGEN Focus LUX B EUR

Q1 2025 Quarterly Report

All data in EUR as of 31/03/2025 unless otherwise stated

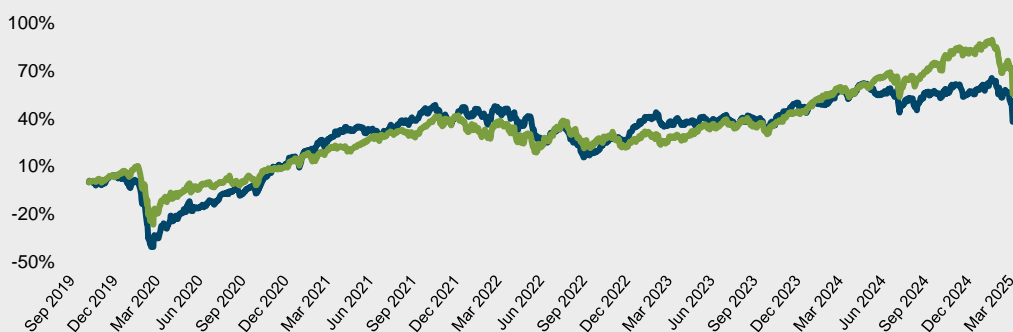
This is marketing communication



FUND PERFORMANCE

	Q1 2025	1-Year	3-Year	Since Start
SKAGEN Focus LUX B EUR	-4.3%	-5.6%	1.3%	7.7%
MSCI ACWI	-5.4%	7.1%	8.0%	10.4%
Relative Return	1.1%	-12.7%	-6.7%	-2.7%

— SKAGEN Focus LUX B EUR — MSCI ACWI



As at 31/03/2025 in EUR, net of fees

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and management fees. The return may become negative as a result of negative price developments. There is a risk associated with investing in the fund due to market movements, currency developments, interest rate levels, economic, sector and company-specific conditions.

RISK PROFILE

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level. Other risks not included in the summary risk indicator but materially relevant: Event risk, liquidity risk, operational risk, counterparty risk, derivatives risk. Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. This product does not include any protection from future market performance so you could lose some or all of your investment.

PORTFOLIO STATISTICS

No. of holdings	42
Top 10 weighting	31.3%
Active Share	100%
Turnover ratio	77%
Investment horizon ¹	2-3 years

PERFORMANCE ATTRIBUTION²

Largest contributors ▲

Holding	Weight	Contribution
Befesa SA	2.3%	0.3%
Cementir Holding NV	1.4%	0.2%
Takuma Co Ltd	3.0%	0.1%
Hyundai Mobis Co Ltd	3.0%	0.1%
Hyakugo Bank Ltd/The	2.0%	0.1%

Largest detractors ▼

Holding	Weight	Contribution
Methanex Corp	2.4%	-0.6%
Vale Indonesia Tbk PT	1.6%	-0.5%
Interfor Corp	2.6%	-0.4%
Cascades Inc	1.5%	-0.4%
Norma Group SE	1.9%	-0.3%

PORTFOLIO INFORMATION

COUNTRY EXPOSURE³

	Fund	Benchmark
South Korea	17.5%	0.9%
Japan	12.1%	4.8%
Canada	8.9%	2.8%
France	8.9%	2.5%
United States	7.8%	63.2%
Germany	7.0%	2.2%
Spain	5.7%	0.7%
United Kingdom	5.1%	3.5%
Philippines	2.2%	0.1%
Finland	0.0%	0.2%

SECTOR EXPOSURE

	Fund	Benchmark
Industrials	28.3%	10.6%
Materials	24.1%	3.6%
Financials	17.6%	18.1%
Consumer Discretionary	12.0%	10.6%
Consumer Staples	6.3%	6.3%
Information Technology	3.7%	23.4%
Real Estate	2.4%	2.1%
Communication Services	2.3%	8.2%
Energy	0.0%	4.2%
Health Care	0.0%	10.3%

TOP 10 HOLDINGS

ACERINOX SA COMMON	5.7%
ALBERTSONS COS INC	3.4%
CNH INDUSTRIAL NV COMMON	3.1%
HYUNDAI MOBIS CO LTD	3.1%
TAKUMA CO LTD COMMON	3.0%
DL E&C CO LTD COMMON	2.9%
AYVENS SA COMMON STOCK	2.5%
SWIRE PACIFIC LTD COMMON	2.5%
INTERFOR CORP COMMON	2.5%
MAZDA MOTOR CORP	2.5%
Combined Weight	31.3%

¹ For guidance purposes only ² Monthly contribution to absolute return ³ Fund exposure based on country of risk



SKAGEN Focus LUX B EUR

Q1 2025 Quarterly Report

All data in EUR as of 31/03/2025 unless otherwise stated

This is marketing communication



IMPORTANT INFORMATION

This is a marketing communication, and this document is intended for professional investors only. Except otherwise stated, the source of all information is Storebrand Luxembourg SICAV as at 31/03/2025.

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. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future. The tax treatment of the gains and losses made by the investor and distributions received by the investor depends on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Sub-fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

Storebrand SICAV, (RCS Registration Number: B 234106) is an investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as a UCITS and falls under the supervision of the Luxembourg financial supervisory authority, Commission de Surveillance du Secteur Financier (the "CSSF"). Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company and further FundRock has appointed Storebrand Asset Management AS as its investment manager. Following the merger between Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team continues to manage the SKAGEN SICAV sub-funds from a new separate legal entity named SKAGEN AS under an outsourcing agreement with Storebrand Asset Management AS. The SICAV has appointed Storebrand Asset Management as Global Distributor.

No offer to purchase shares can be made or accepted prior to receipt by the offeree of the Sub-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 <https://www.skagenfunds.lu/funds>

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: <https://www.skagenfunds.com/contact/investor-rights>

Storebrand Asset Management AS or FundRock Management Company S.A. may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

The Sub-fund takes sustainability risk and ESG characteristics into account as part of its selection process. In that respect the Sub-fund promotes environmental and/or social characteristics within the meaning of Art 8 of SFDR. For the assessment areas like corporate strategy, corporate governance, transparency and the product and service range of a company are taken into account. Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English, can be found here: <https://www.skagenfunds.lu/sustainability/sustainable-investing/>

The decision to invest in the Sub-fund should take into account all the characteristics or objectives of the Sub-fund as described in its prospectus <https://www.skagenfunds.lu/funds/>

The Storebrand SICAV has registered its 7 Sub-Funds (SKAGEN Kon-Tiki Lux, SKAGEN Focus Lux, SKAGEN Global Lux, SKAGEN m2 Lux, Storebrand Global Solutions Lux, Storebrand Global ESG Plus Lux and Storebrand EM ESG Plus) for public distribution in Luxembourg, the UK, Germany, Austria, the Netherlands, Belgium, and France.

Important Information for Luxembourg Investors

Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company. FundRock Management Company S.A.'s offices are located at: 33, rue de Gasperich, 5826 Hesperange, Grand Duchy of Luxembourg.

Important Information for UK Investors

The Storebrand SICAV has appointed Storebrand Asset Management UK Ltd (SAM UK Ltd) to act as Facility Agent in the UK.

The investment products and services of SAM UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. This document does not constitute an offer to buy or sell shares in any of the products offered by SAM UK Ltd.

In the United Kingdom, this communication is issued by Storebrand Asset Management UK Ltd ("SAM UK") and approved by Robert Quinn Advisory LLP, which is authorised and regulated by the UK Financial Conduct Authority ("FCA"). SAM UK is an Appointed Representative of Robert Quinn Advisory LLP.

This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase of any financial instrument. SAM UK neither provides investment advice to, nor receives and transmits orders from, persons to whom this material is communicated, nor does it carry on any other activities with or for such persons that constitute "MiFID or equivalent third country business" for the purposes of the FCA Rules. All information provided is not warranted as to completeness or accuracy and is subject to change without notice. This communication and any investment or service to which this material may relate is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules and other persons should not act or rely on it. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Important Information for Belgian Investors

The Storebrand SICAV has appointed Caceis Belgium SA/NV to act as the Financial Service Provider for the SICAV. Caceis Belgium SA/NV's offices are located at: Avenue du port 86C B320, 1000 Brussels Belgium.

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: <https://www.skagenfunds.com/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English language, can be found here: <https://www.skagenfunds.com/sustainability/sustainable-investing>

Important Information for French Investors

The Storebrand SICAV has appointed CACEIS Bank as the Centralizing Correspondent for the SICAV. CACEIS Bank's offices are located at 1-3 Place Valhubert, F-75013 PARIS, France.

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: <https://www.skagenfunds.fr/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in French language, can be found here: <https://www.skagenfunds.fr/sustainability/sustainable-investing>

Important Information for German Investors

The Facilities Services information for German investors can be found here: <https://www.skagenfunds.de/how-to-invest/facility-services-fur-investoren/>

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 German language is available here: <https://www.skagenfunds.de/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in German language, can be found here: <https://www.skagenfunds.de/sustainability/sustainable-investing>

Important Information for Dutch Investors

The Facilities Services information for investors in the Netherlands, including all legal documents and practical information, can be found here: <https://www.skagenfunds.nl/how-to-invest/facilities-services-for-investors/>