

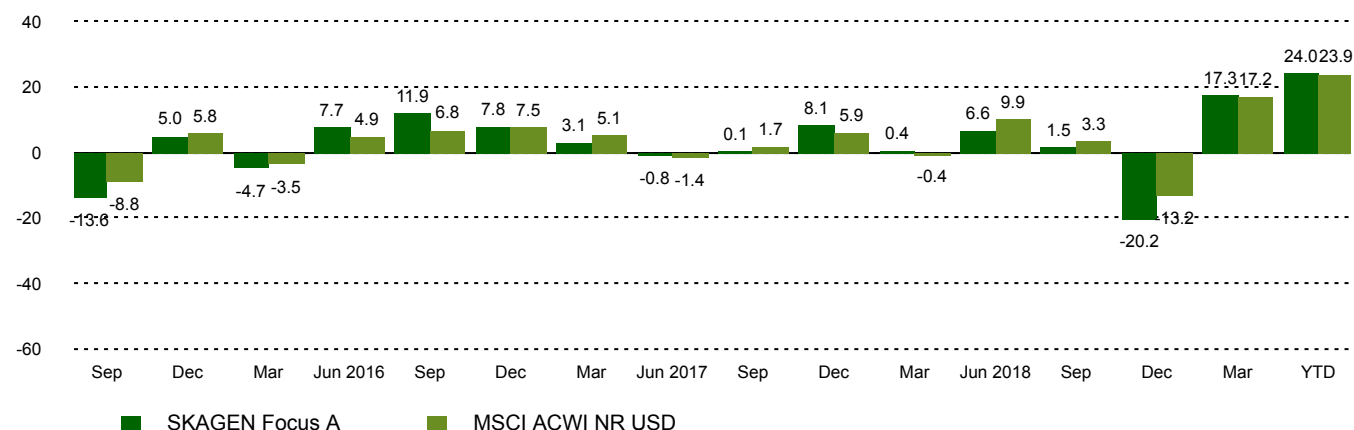
Performance Commentary

SKAGEN Focus has had decent performance so far this year, despite a moderate headwind from continued index-herd buying into so-called growth companies. In this environment, we continue to identify new contrarian investment areas and ultimately companies priced substantially below our estimate of fair value. For instance, we have gradually built a position in Canadian Lumber producer West Fraser Timber, having closely followed the collapse of lumber prices. Our analysis indicates that West Fraser is trading at levels not consistent with even current beaten down lumber price levels, and as such offers an attractive risk/reward. We scaled down our position in Pilgrim's Pride during the month, following a 70% rally this year. Pilgrim's Pride is the fund's best performer this year as the market has started to factor in higher chicken prices and opportunities for US chicken producers to increase exports to China. Our position in US insurer AIG was the largest positive contributor in April, as anticipations of cost savings, which ramped up in late 2018, and corrective actions should enable the current turnaround to reach its underwriting-profitability goal for the challenged General Insurance business. We exited KOC Holdings as the shares reached our price target and we see better opportunities elsewhere. Gold Fields also reached price target and our search within the relevant eco-system led us to our new position in Canada-domiciled gold miner Roxgold. This smaller-cap miner trades at an unusually large discount to fair value with tangible catalysts for re-rating in the mid-term.

Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	5.7%	5.8%
Year to date	24.0%	23.9%
Last year	-3.6%	13.4%
Last 3 years	14.4%	17.7%
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	5.6%	10.0%

Quarterly Performance



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
American International Group I	6.66	0.60
Pilgrim's Pride Corp	2.78	0.54
Nexans SA	2.63	0.44
Avaya Holdings Corp	3.38	0.40
Toyota Industries Corp	2.97	0.37

Largest detractors

Holding	Weight (%)	Contribution (%)
Telecom Italia SpA/Milano	4.31	-0.40
China Unicom Hong Kong Ltd	4.70	-0.30
Teikoku Sen-I Co Ltd	1.87	-0.20
OZ Minerals Ltd	2.84	-0.19
MagForce AG	1.66	-0.10

The fund is a concentrated global equity fund with a mandate to invest in all cap-sizes, geographies and sectors globally. With our concentrated portfolio of 30-35 core positions, we aim to generate absolute returns at a controlled level of absolute risk.

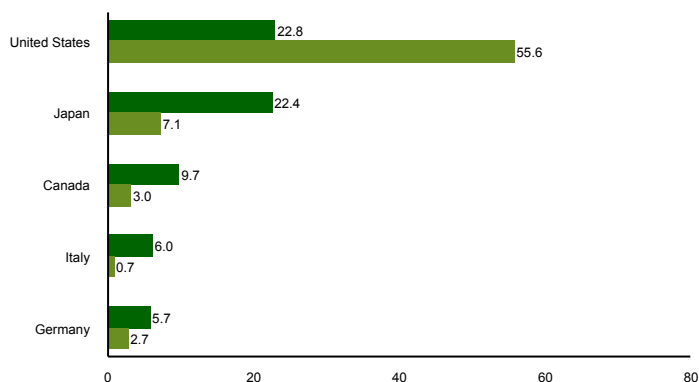
Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	135.42 SEK
Fixed management fee	1.60%
Total expense ratio (2018)	0.8%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	1927.24 SEK
Number of holdings	35
Portfolio manager	Jonas Edholm

Top ten investments

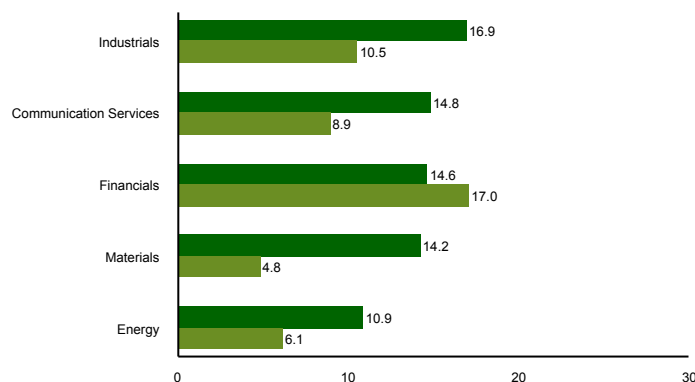
Holding	Sector	Country	%
AIG	Financials	United States	6.8
OMV AG	Energy	Austria	4.8
China Unicom Hong Kong Ltd	Communication Services	China	4.7
Bank of Kyoto	Financials	Japan	4.3
Telecom Italia Spa	Communication Services	Italy	4.1
Sao Martinho SA	Consumer Staples	Brazil	3.8
Ivanhoe Mines Ltd	Materials	Canada	3.8
Avaya Holdings Corp	Information Technology	United States	3.5
Hitachi Ltd	Industrials	Japan	3.3
Toyota Industries	Consumer Discretionary	Japan	3.2
Combined weight of top 10 holdings			42.4

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.