

Performance Commentary

October was another strong month both for the equity market and for SKAGEN Vekst. As global markets prepared for another round of trade talks, the central banks once again lowered their growth rates on the back of lower growth and uncertainty. For global investors looking for positive real returns, there seems to be little or no alternative to equities in the current market. SKAGEN Vekst ended the month close to an all-time high in Norwegian kroner on the back of strong equity markets as quarterly figures from companies relieved some uncertainty among investors. The fund delivered somewhat weaker returns than the index and the Nordic markets in a volatile month. This was mainly due to our exposure to financials and to one renewable energy company in the industrial sector, namely Bonheur. On the positive side, the strong real return came from exposure to technology and energy shares. In October, one of our strongest performers was the Russian oil and gas company Gazprom, which delivered strong figures and a further commitment to increased dividends to shareholders. We expect companies with attractive yield to continue their positive development as investors have no (or few) alternatives to make returns elsewhere in the financial markets.

The fund selects low-priced, high-quality companies in the Nordic region and from around the world.

The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

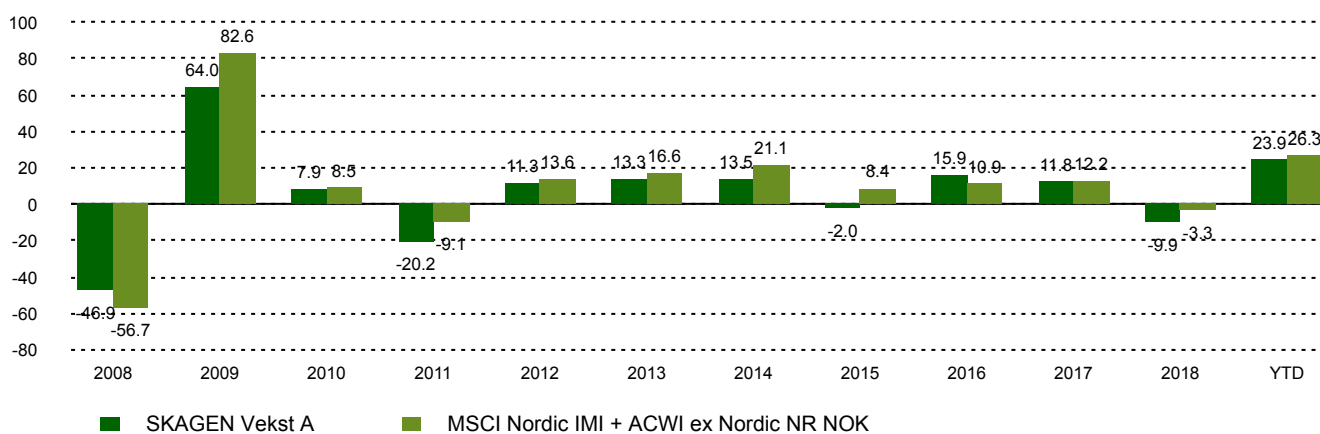
Historical performance (net of fees)

Period	SKAGEN Vekst A	Benchmark index
Last month	0.3%	1.5%
Year to date	23.9%	26.3%
Last year	11.3%	15.2%
Last 3 years	9.7%	12.2%
Last 5 years	7.6%	11.3%
Last 10 years	6.5%	11.3%
Since start	13.1%	10.1%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	01.12.1993
Morningstar category	Global Flex-Cap Equity
ISIN	NO0008000445
NAV	2736.79 SEK
Fixed management fee	1.00%
Total expense ratio (2018)	1.00%
Benchmark index	MSCI Nordic IMI + ACWI ex Nordic NR NOK
AUM (mill.)	7811.81 SEK
Number of holdings	53
Portfolio manager	Søren Christensen

Performance last ten years



See next page for info about fund's mandate change.

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Novo Nordisk A/S	6.51	0.47
Gazprom PJSC	2.67	0.45
Holmen AB	1.73	0.43
Samsung Electronics Co Ltd	4.47	0.34
Citigroup Inc	4.54	0.23



Largest detractors

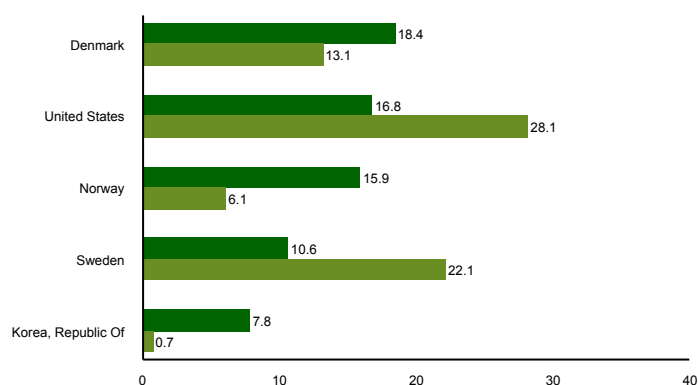
Holding	Weight (%)	Contribution (%)
Bonheur ASA	4.19	-0.42
Yara International ASA	3.65	-0.33
HitecVision AS	0.74	-0.15
American International Group Inc	2.92	-0.12
Chubb Ltd	1.73	-0.08

Absolute contribution based on NOK returns at fund level

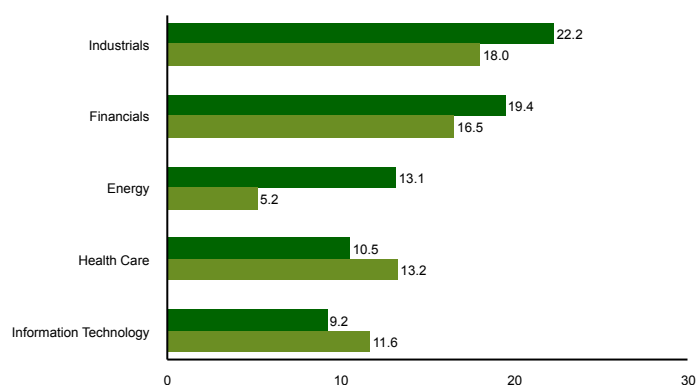
Top ten investments

Holding	Sector	Country	%
Novo Nordisk A/S	Health Care	Denmark	6.7
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	4.6
Citigroup Inc	Financials	United States	4.4
Bonheur ASA	Industrials	Norway	4.1
Royal Dutch Shell PLC	Energy	Netherlands	3.9
Yara International ASA	Materials	Norway	3.5
Kinnevik AB	Financials	Sweden	3.3
CK Hutchison Holdings Ltd	Industrials	Hong Kong	3.2
Gazprom PJSC	Energy	Russian Federation	2.9
American International Group Inc	Financials	United States	2.8
Combined weight of top 10 holdings			39.4

Country exposure (top five)



Sector exposure (top five)



■ SKAGEN Vekst A
 ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK
 ■ SKAGEN Vekst A
 ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK

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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.

Effective 1/1/2014, the Fund's investment mandate changed from investing a minimum of 50% of its funds in Norway to investing a minimum of 50% of its funds in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today. Prior to 1/1/2014, 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 1/1/2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).