

VIKTIG INFORMASJON: Dette er markedsføring. Rapporten er ikke en anbefaling om å kjøpe eller selge fondsandeler. Før tegning oppfordres det til å lese fondets prospekt og nøkkelinformasjon, som er tilgjengelig på www.skagenfondene.no og hos våre distributører.

Successfully navigated a difficult year

Despite a minor setback in December, equity markets moved higher in the final quarter of 2022. SKAGEN Vekst also posted a strong absolute return for the quarter, beating its benchmark index by a good margin. This outperformance was driven by strong performance by several of our Chinese holdings that benefitted from a reversal of the country's strict Covid lockdown measures. For the full year of 2022, SKAGEN Vekst significantly outperformed the overall market, for the second year in a row.

Contributors and detractors

The Chinese insurance company Ping An was the largest contributor to the fund's absolute return. The company has struggled to increase new sales under China's strict Covid-related lockdown measures. Thus, a change to these policies should be a significant help. The stock trades at a very attractive valuation, and we see 100% upside if the company can return to its pre-Covid historical growth rates. The Norwegian fertiliser company Yara was another strong performer. The company once again delivered outstanding results showing strong profitability in a difficult operating environment. The stock continues to trade at a very attractive valuation, and with its strong balance sheet, we expect solid dividends in the coming years. The Norwegian shipping company Wilh. Wilhelmsen Holding also did well following very strong results for the third quarter. Despite the strong performance, the stock still trades at a 55% discount to its underlying values (most of which are separately listed). This should be compared to an average discount of 45% over the past 10 years and a typical discount of around 30% when the shipping market is as strong as is currently the case.

The Norwegian conglomerate Bonheur was the largest negative contributor to the fund's absolute return. The company has been hit by

windfall taxes on revenues from its electricity generation in several countries. While this is clearly negative, we find it more than reflected in the current valuation of the stock. With the current forward curve on power prices, the company should still generate record profits even after the windfall tax. Its offshore wind service showed some of its potential in the latest earnings report, but we see significantly higher earnings potential once the construction of new offshore windfarms gets underway from 2025. We also expect the cruise business to see substantial earnings improvements in coming years.

Portfolio activity

We added a new position in the Norwegian salmon producer Salmar after the stock fell sharply following the Norwegian government's decision to implement a resource tax on fish farming. We believe a worst-case scenario is currently priced into the stock and even though we are not counting on any large changes being made to the proposed resource tax, we think any changes that might come are likely to be on the positive side. We also believe the companies will be able to adapt their operations to the new tax more than the market currently seems to believe. We also see significant synergy potential from the recent acquisition of NRS/NTS even if the company leverage ratio will be elevated for some time.

We also added the Danish facility services company ISS to the portfolio in the quarter. ISS has spent the past ten years selling businesses (below where the stock is trading) leading to diseconomies of scale. We think the company is now at an interesting inflection point with the change in top management. The new team has presented a credible plan to increase margins and with the reduced financial leverage, the company will start to build scale via acquisitions.



Foto: Shutterstock

After increasing almost 1000% since the bottom in March 2020, we sold out of Flex LNG as the stock hit our target price. We also exited Høgh Autoliners, as the shares hit our target price following a very strong share price development this year. The Norwegian fast-moving branded consumer goods company Orkla also left the portfolio. The lack of execution on the restructuring plan to increase margins has removed the main catalyst in our investment case.



Foto: Shutterstock

Outlook

It is important to remember that the strong performance in stocks over the past decade has been very unevenly distributed. Even after the latest correction, quality growth stocks generally continue to trade at an elevated valuation, while more capital-intensive industries trade at more reasonable prices. We think the odds of sustainably higher inflation and higher interest rates have risen significantly over the past 18 months. While sanctions against Russia have increased the short-term pressure on commodities, we also see long-term second order effects through a reversal of the globalisation we have become accustomed to. We are therefore comfortable with our current exposure towards companies that do well in an environment with higher inflation and interest rates – such as financial and energy-related companies. We also see several emerging market stocks trading at very attractive levels following ten years of underperformance. This is particularly compelling as many EM countries have not yet benefitted from a reopening of their economies.

SKAGEN Vekst investerer i selskaper som er lavt priset i forhold til forventet lønnsomhet og vekst. Fondet investerer hovedsakelig i Norden og sekundært i resten av verden. Målet er å oppnå best mulig risikostjert avkastning for den risikoen fondet tar. Fondet passer til investorer som har minst fem års investeringshorisont. Det tegnes i fondsandeler, og ikke direkte i aksjer eller andre verdipapirer. Fondet har risikoprofil 5. Referanseindeksen reflekterer fondets investeringsmandat. Siden fondet er aktivt forvaltet vil imidlertid porteføljen avvike fra indeksens sammensetning.

Historisk avkastning

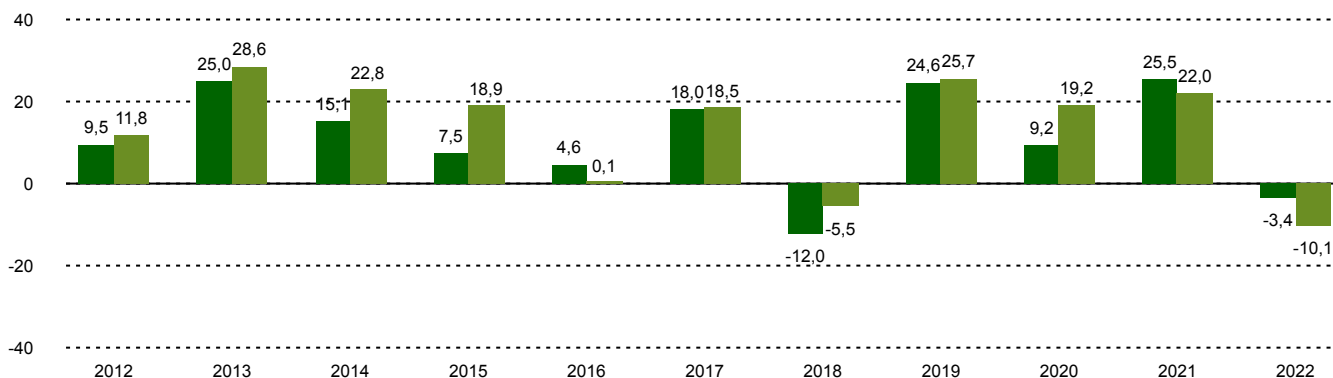
Periode	SKAGEN Vekst A	Referanseindeks
Siste måned	0,0%	-2,2%
Hittil i kvartal	6,7%	4,7%
Hittil i år	-3,4%	-10,1%
Siste 12 måneder	-3,4%	-10,1%
Siste 3 år	9,8%	9,3%
Siste 5 år	7,8%	9,2%
Siste 10 år	10,7%	13,2%
Siden start	13,1%	10,3%

Fondsfakta

Type	Aksjefond
Domisil	Norge
Start dato	01.12.1993
Morningstarkategori	Globale, Store selskaper, Verdi
ISIN	NO0008000445
NAV	3561,14 NOK
Årlig forvaltningshonorar	1.00% + resultatavhengig forvaltningsgodtgjørelse*
Totalkostnad (2021)	2.80%
Referanseindeks	MSCI Nordic IMI + ACWI ex Nordic NR NOK
Forvaltningskapital (mill.)	8538,71 NOK
Antall poster	52
Porteføljeforvalter	Søren Milo Christensen

*10,00% resultatavhengig forvaltningsgodtgjørelse beregnes daglig og belastes årlig for avkastning utover 6 % p.a. Andelsklassen har høyvannmerke. Variabelt forvaltningshonorar belastes kun dersom andelsverdien 31.12 er høyere enn ved forrige belastning. Resultatavhengig forvaltningsgodtgjørelse kan belastes selv om fondets andeler har gått ned i verdi dersom verdiutviklingen er bedre enn referanseindeksen.

Avkastning siste 10 år



■ SKAGEN Vekst A ■ MSCI Nordic IMI + ACWI ex Nordic NR NOK Fondets investeringsmandat ble endret med virkning fra 01.01.2014 fra at fondet investerte minst 50 % av sine midler i Norge til at fondet investerer minst 50 % av sine midler i Norden. Dette betyr at avkastning før endringen ble oppnådd under andre omstendigheter enn i dag. Fondets referanseindeks er MSCI Nordic/MSCI AC ex. Nordic. Før 01.01.2014 var referanseindeksen en likt sammensatt referanseindeks av Oslo Børs Hovedindeks (OSEBX) og MSCI All Country World. Referanseindeksen før 01.01.2010 var Oslo Børs Hovedindeks (OSEBX).

Historisk avkastning er ingen garanti for fremtidig avkastning. Fremtidig avkastning vil blant annet avhenge av markedsutviklingen, forvalterens dyktighet, fondets risikoprofil og forvaltningshonorar. Avkastningen kan bli negativ som følge av kurstap. Det er knyttet risiko til investeringer i fondet på grunn av markedsbevegelser, utvikling i valuta, rentenivåer, konjunkturer, bransje- og selskapsespesifikke forhold.

Bidragsytere i kvartalet



Største positive bidragsytere

Navn	Vekt (%)	Bidrag (%)
Novo Nordisk	8,76	1,71
Yara International	4,48	0,60
Essity AB	3,29	0,60
Ping An Insurance Group	3,04	0,60
Wilh Wilhelmsen Holding	1,47	0,55



Største negative bidragsytere

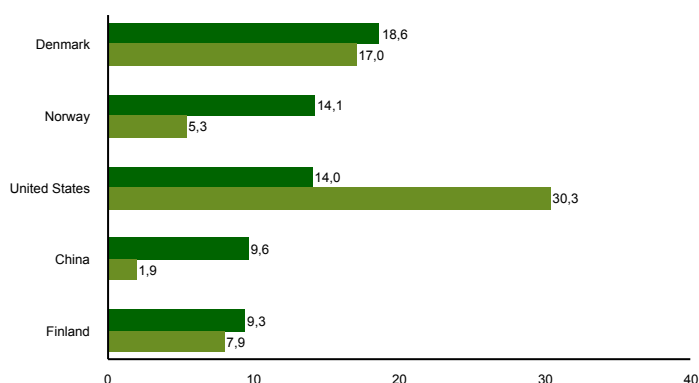
Navn	Vekt (%)	Bidrag (%)
Bonheur ASA	4,19	-0,32
Alphabet Inc	1,62	-0,29
CK Asset Holdings	2,76	-0,23
China Mobile Ltd	2,76	-0,21
Tyson Foods Inc	1,38	-0,21

Veksten viser gjennomsnittet for perioden. I NOK for alle andelsklasser

10 største investeringer

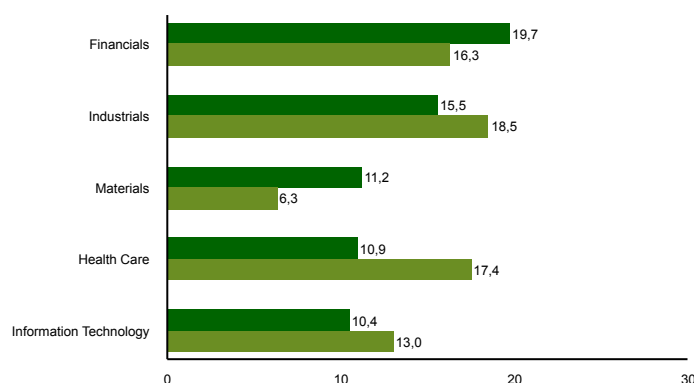
Navn	Sektor	Land	%
Novo Nordisk A/S	Health Care	Denmark	9,1
Yara International ASA	Materials	Brazil	4,3
Nordea Bank Abp	Financials	Finland	4,2
Bonheur ASA	Industrials	Norway	4,0
Telenor ASA	Communication Services	Norway	3,8
Essity AB	Consumer Staples	Sweden	3,7
Ping An Insurance Group Co of China Ltd	Financials	China	3,6
Broadcom Inc	Information Technology	United States	3,5
Shell PLC	Energy	Netherlands	3,5
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	3,2
Samlet vektning			42,9

Landeksponering (topp 5)



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

Bransjefordeling (topp 5)



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

Viktig informasjon

All informasjon er basert på mest oppdaterte tall tilgjengelig. Med mindre noe annet er opplyst, vil avkastningsdata være relatert til andelsklasse A og vises etter fradrag for honorarer. Forvaltningskapital per utgangen av forrige måned. All informasjon er fremstilt av SKAGEN AS (SKAGEN) med mindre noe annet er opplyst. SKAGEN fraskriver seg ethvert ansvar for direkte- og indirekte tap samt utgifter pådratt i forbindelse med bruk av eller forståelsen av innholdet i rapporten. Ansatte i SKAGEN vil kunne eie finansielle instrumenter utstedt av selskaper som er omtalt i rapporten eller som fondene har i sine porteføljer.



+47 51 80 39 00



kundeservice@skagenfondene.no



SKAGEN AS, Postboks 160, 4001 Stavanger