

All data in EUR as of 30/11/2018 unless otherwise stated.

Performance Commentary

EM equities were strong in November, helped by expectations of US interest rates remaining on hold and a temporary truce between US and China. With the oil price more than 20% down, our oil related names were negative contributors for the month.

We reduced oil related exposure on strength ahead of the oil price correction. Naspers reversed losses from last month as concerns around regulatory pressure on core holding Tencent waned, and they delivered in-line results. LG Electronics delivered good results, which led to a share price recovery. Trading at 2x 19e P/E, this is an example of one of the fund's deep value situations where downside seems limited. UPL, a top-5 player in agricultural solutions, recovered strongly after delivering robust Q3 numbers. We added significantly to the position in previous months, but reduced it in November on recent strength. We added Wuliangye Yibin and Suzano, and exited Anadolu Grubu in November.

The portfolio is priced at less than 8.5x 19e P/E, more than a 20% discount to the EM index. With EM trading at a 25% discount to global markets, combined with signs of relief from trade war concerns and US rates closer to neutral, we believe the outlook for EM relative to global markets continues to be very attractive.

Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	3.2%	4.5%
Year to date	-13.0%	-7.0%
Last year	-10.1%	-4.5%
Last 3 years	2.2%	6.8%
Last 5 years	1.7%	5.7%
Last 10 years	10.4%	10.4%
Since start	11.6%	7.3%

The fund selects low-priced, high-quality companies, mainly in emerging economies.

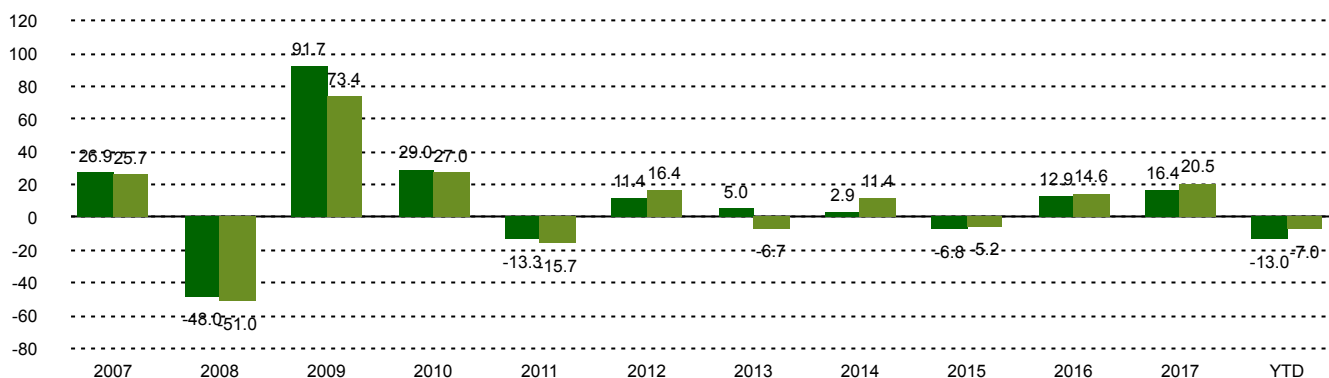
The objective is to provide the best possible risk adjusted return.

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

Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	81.34 EUR
Fixed management fee	2.00%
Total expense ratio (2017)	1.59%
Benchmark index	MSCI EM NR USD
AUM (mill.)	1884.82 EUR
Number of holdings	48
Portfolio manager	Cathrine Gether Fredrik Bjelland

Performance last ten years



■ SKAGEN Kon-Tiki A ■ MSCI EM NR USD

Please see benchmark disclaimer at bottom of next page

Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Naspers Ltd	5.05	0.78
LG Electronics Inc	3.30	0.59
UPL Ltd	2.81	0.58
Banrisul	2.82	0.40
China Unicom Hong Kong Ltd	2.93	0.39

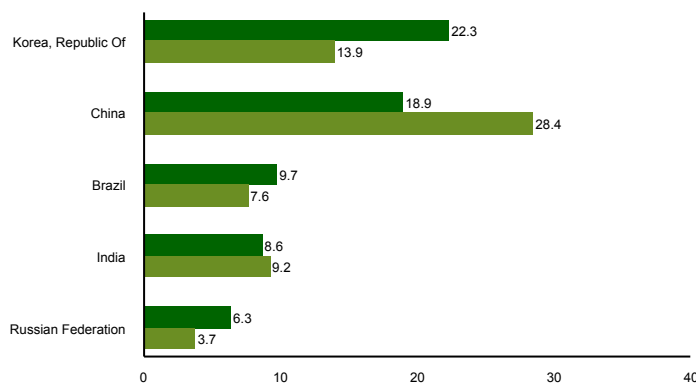
Largest detractors

Holding	Weight (%)	Contribution (%)
Borr Drilling Ltd	2.39	-0.48
Tullow Oil PLC	1.42	-0.28
Samsung SDI Co Ltd	2.00	-0.19
Samsung Electronics Co Ltd	7.86	-0.16
Indosat Tbk PT	0.86	-0.10

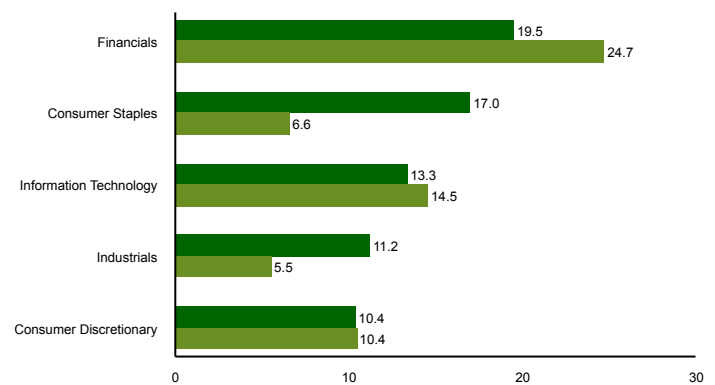
Top ten investments

Holding	Sector	Country	%
Samsung Electronics	Information Technology	Korea, Republic Of	7.4
Naspers	Communication Services	South Africa	5.1
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	3.9
X5 Retail Group	Consumer Staples	Russian Federation	3.5
LG Electronics	Consumer Discretionary	Korea, Republic Of	3.5
Bank of China	Financials	China	3.5
State Bank of India	Financials	India	3.3
China Unicom Hong Kong Ltd	Communication Services	China	3.1
Mahindra & Mahindra	Consumer Discretionary	India	2.7
UPL	Materials	India	2.7
Combined weight of top 10 holdings			38.6

Country exposure (top five)



Sector exposure (top five)



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Important information

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The benchmark index is the MSCI EM Index (net total return), this index did not exist at the inception of the fund and consequently the benchmark index prior to 1/1/2004 was the MSCI World AC Index. This is not reflected in the table/graph above which shows the MSCI EM Index since the funds inception.