

## Performance Commentary

During the month we witnessed risk-off moves across asset classes as the coronavirus spread globally. US Treasury yields hit new lows and the VIX index new highs. Cyclical continued to underperform, and within cyclicals, energy was particularly weak. Shell reported disappointing full year results, and given the more uncertain outlook, share buybacks will be lower than previously expected. The auto sector was also sold down, and Mahindra was impacted due to supply disruption of certain components due to the coronavirus in China. Atlantic Sapphire had an incident in their R&D facilities where fish in one of their tanks in Denmark died due to high nitrogen sulfide levels. This has impacted sentiment but does not alter the long-term case. Operations at Golar LNG might be turning a corner with longer term projects coming online, the cyclical shipping business becoming a smaller part of the company and strong growth opportunities coming from their Power business in Brazil. Our electric vehicle battery producers, Samsung SDI and LG Chem, also got wind in their sails on the back of greater confidence in the medium-term growth and profitability opportunities. The portfolio consists of 43 attractively valued companies trading at less than 9x 2020 P/E and 0.9x current P/B versus the MSCI EM index at more than 12x and 1.5x.

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.

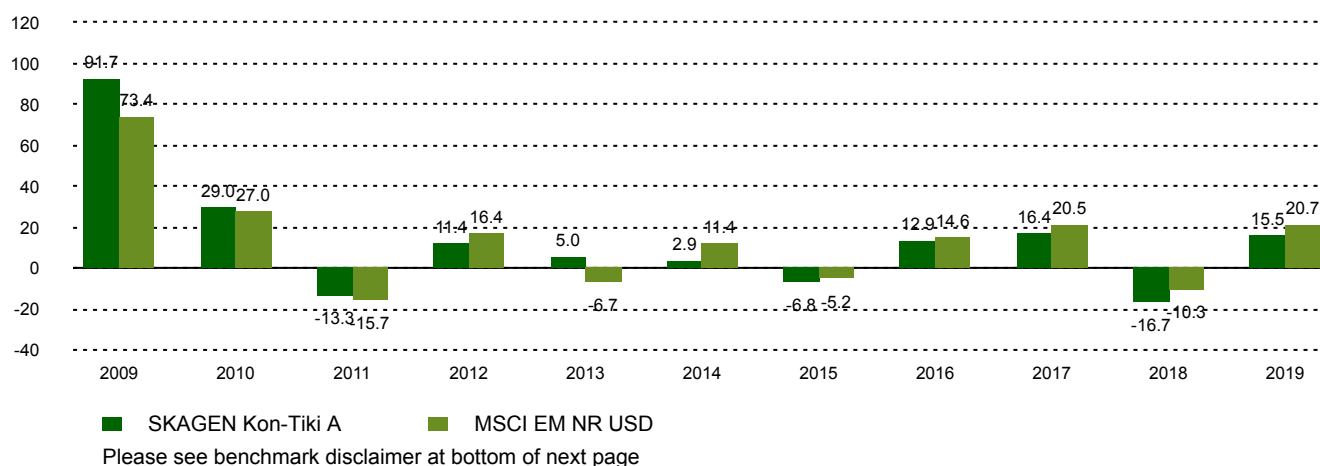
## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	-7.7%	-5.0%
Year to date	-11.0%	-8.1%
Last year	-7.4%	1.1%
Last 3 years	-3.1%	3.5%
Last 5 years	-0.8%	3.1%
Last 10 years	3.4%	5.4%
Since start	10.7%	7.2%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	80.15 EUR
Fixed management fee	2.00%
Total expense ratio (2019)	1.51%
Benchmark index	MSCI EM NR USD
AUM (mill.)	1387.56 EUR
Number of holdings	43
Portfolio manager	Cathrine Gether Fredrik Bjelland

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Golar LNG Ltd	1.45	0.49
Samsung SDI Co Ltd	2.09	0.21
LG Chem Ltd	2.39	0.13
Bank of China Ltd	3.06	0.11
Beijing Enterprises Water Group Ltd	1.92	0.11



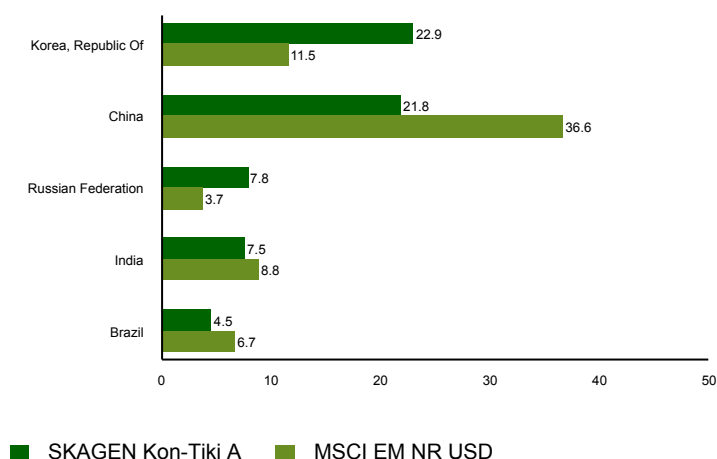
### Largest detractors

Holding	Weight (%)	Contribution (%)
Atlantic Sapphire AS	3.46	-0.78
Royal Dutch Shell PLC	2.98	-0.49
Mahindra & Mahindra Ltd	2.09	-0.45
Aeroflot PJSC	3.01	-0.44
X5 Retail Group NV	2.58	-0.35

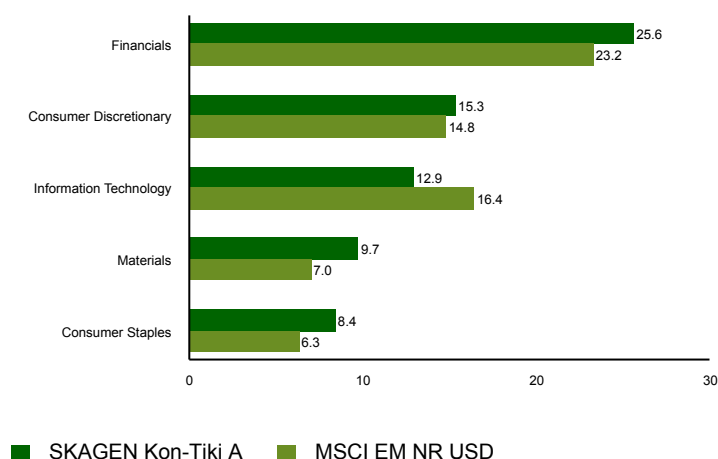
## Top ten investments

Holding	Sector	Country	%
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	7.4
Ping An Insurance Group Co of China Ltd	Financials	China	7.3
Hyundai Motor Co	Consumer Discretionary	Korea, Republic Of	4.3
Naspers Ltd	Consumer Discretionary	South Africa	3.4
LG Electronics Inc	Consumer Discretionary	Korea, Republic Of	3.3
Bank Of China Ltd	Financials	China	3.2
State Bank of India	Financials	India	3.0
Royal Dutch Shell PLC	Energy	Netherlands	2.9
Ivanhoe Mines Ltd	Materials	Canada	2.9
Sberbank of Russia PJSC	Financials	Russian Federation	2.8
Combined weight of top 10 holdings			40.5

## Country exposure (top five)



## Sector exposure (top five)



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## Important information

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. 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. CACEIS Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin is the Paying Agent in Ireland.

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.