

Performance Commentary

The global equity market recovery picked up pace in May as COVID-19 data points continued to improve and fiscal and monetary stimulus measures started to come through. Risk-on sentiment was evident across most geographies and asset classes as recent FX and commodity weakness also partly reversed. The fund performed ahead of its benchmark in the month, largely driven by contributions from our more cyclical holdings. Indian farm equipment and auto manufacturer Mahindra & Mahindra rebounded strongly on resumption of production while Mongolian copper mine Turquoise Hill Resources benefitted from improved commodity prices. Korean battery producer Samsung SDI continued to rise on strong underlying demand for electric vehicles and the launch of new EU subsidies. The main detractors were our more defensive large-cap holdings Ping An Group, Samsung Electronics and Naspers, which did not fully participate in the rally. However, we would highlight that their longer-term contributions to the fund remain strong. We exited our position in State Bank of India on a worsening asset quality outlook and a desire to reallocate capital to better opportunities elsewhere. As a result, the portfolio now consists of 45 holdings trading on 12x 2020 P/E and 0.8x current P/B.

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.

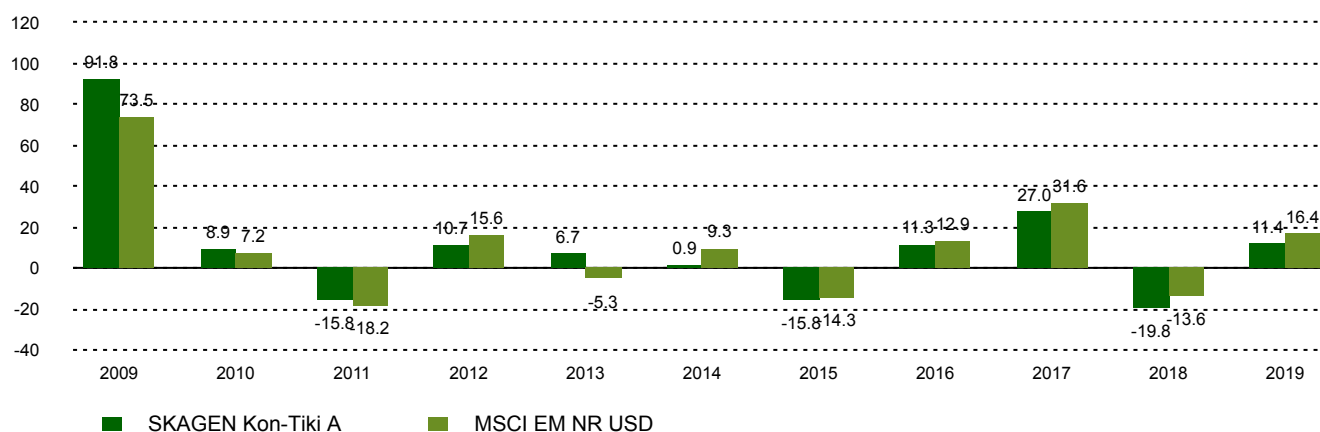
Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	77.86 CHF
Fixed management fee	2.00%
Total expense ratio (2019)	1.51%
Benchmark index	MSCI EM NR USD
AUM (mill.)	1297.23 CHF
Number of holdings	45
Portfolio manager	Cathrine Gether Fredrik Bjelland

Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	-0.4%	-0.9%
Year to date	-20.4%	-16.9%
Last year	-18.6%	-8.7%
Last 3 years	-7.1%	-0.5%
Last 5 years	-2.8%	1.2%
Last 10 years	-1.2%	0.6%
Since start	8.0%	4.8%

Performance last ten years



Please see benchmark disclaimer at bottom of next page

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Mahindra & Mahindra Ltd	3.39	0.37
Turquoise Hill Resources Ltd	0.94	0.35
Hisense Home Appliances Group	1.10	0.22
Samsung SDI Co Ltd	1.04	0.22
Orbia Advance Corp	1.11	0.19



Largest detractors

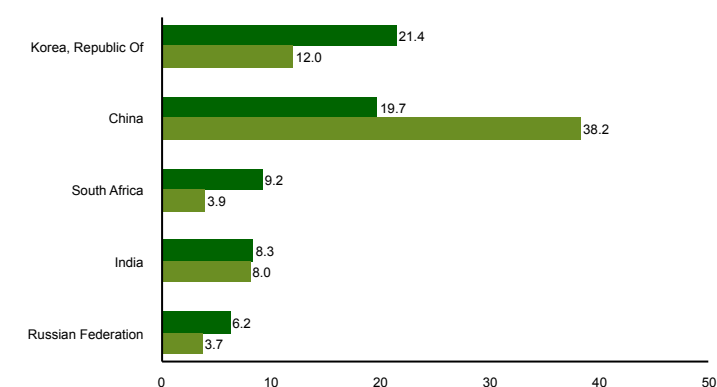
Holding	Weight (%)	Contribution (%)
Ping An Insurance Group Co	7.42	-0.62
Korean Reinsurance Co	2.32	-0.43
Samsung Electronics Co	7.49	-0.39
Naspers Ltd	7.77	-0.38
Bank of China Ltd	3.64	-0.36

Absolute contribution based on NOK returns at fund level

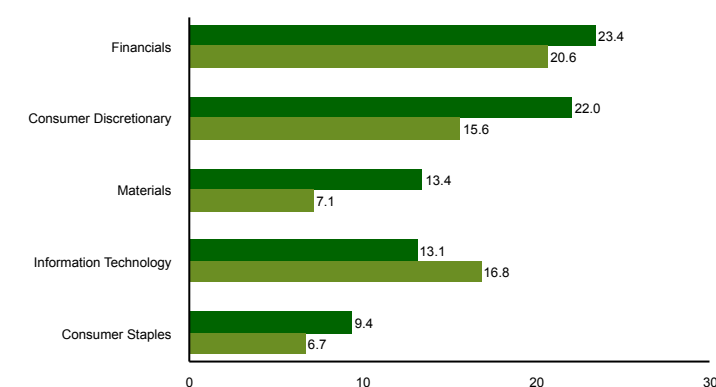
Top ten investments

Holding	Sector	Country	%
Ping An Insurance Group Co of China Ltd	Financials	China	7.7
Naspers Ltd	Consumer Discretionary	South Africa	7.6
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	7.4
UPL Ltd	Materials	India	4.2
Hyundai Motor Co	Consumer Discretionary	Korea, Republic Of	3.9
Bank Of China Ltd	Financials	China	3.8
Mahindra & Mahindra Ltd	Consumer Discretionary	India	3.6
Atlantic Sapphire AS	Consumer Staples	Norway	3.5
Ivanhoe Mines Ltd	Materials	Canada	3.3
LG Electronics Inc	Consumer Discretionary	Korea, Republic Of	3.3
Combined weight of top 10 holdings			48.4

Country exposure (top five)


■ SKAGEN Kon-Tiki A
■ MSCI EM NR USD

Sector exposure (top five)


■ SKAGEN Kon-Tiki A
■ MSCI EM NR USD

Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

Important information

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 performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. The return may become negative as a result of negative price developments. Key Investor Information Documents (KIIDs) and Prospectuses for all our funds are available on www.skagenfunds.ch. This document 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 document. Information for Swiss Investors: ACOLIN Fund Services AG, Leutschenbachstrasse 50, 8050 Zurich, Schweiz is the Legal Representative in Switzerland. The prospectus, the key information documents or the key investor information documents, the statutes and the current Semi-Annual and Annual Report may be obtained, free of charge, from the Swiss Representative. Frankfurter Bankgesellschaft (Schweiz) AG, Börsenstrasse 16, 8001 Zurich, is the Paying Agent in Switzerland. This is an advertising document.

Benchmark disclaimer: 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.