

## Performance Commentary

Emerging Markets equities continued to underperform Developed Markets as Chinese regulatory pressures resurfaced in the tutoring and private education sector. Coupled with continued scrutiny of internet and technology sector practices, investors re-assessed the risks associated with government intervention and overseas listing structures on former high-flying Chinese equities. Partly because of its value-oriented portfolio and relatively lower exposure to China, SKAGEN Kon-Tiki outperformed its benchmark. However, the fund's principal performance driver was continued good operating performance amongst many of the portfolio companies. Two of our Indian holdings, Tech Mahindra and UPL, rose on strong quarterly results driven by new order wins, healthy margins and encouraging outlooks. Mexican chemicals group Orbia also surprised positively as earnings from its upstream businesses benefited from a combination of strong demand and tight supply. Chinese internet company Alibaba suffered in line with the sector sell-off while Ping An also sold off as the market value of its separately listed subsidiaries fell and new business momentum remained weak. Unfortunately, land-based salmon farming company Atlantic Sapphire suffered another fish mortality event. We exited LX Holdings, which was recently spun out of LG Corp, and Chinese property services company Justbon, which was acquired by a competitor. The portfolio consists of 48 companies trading at less than 9x current year earnings and 1.1x price to book, representing a near 40% discount to the MSCI EM index.

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.

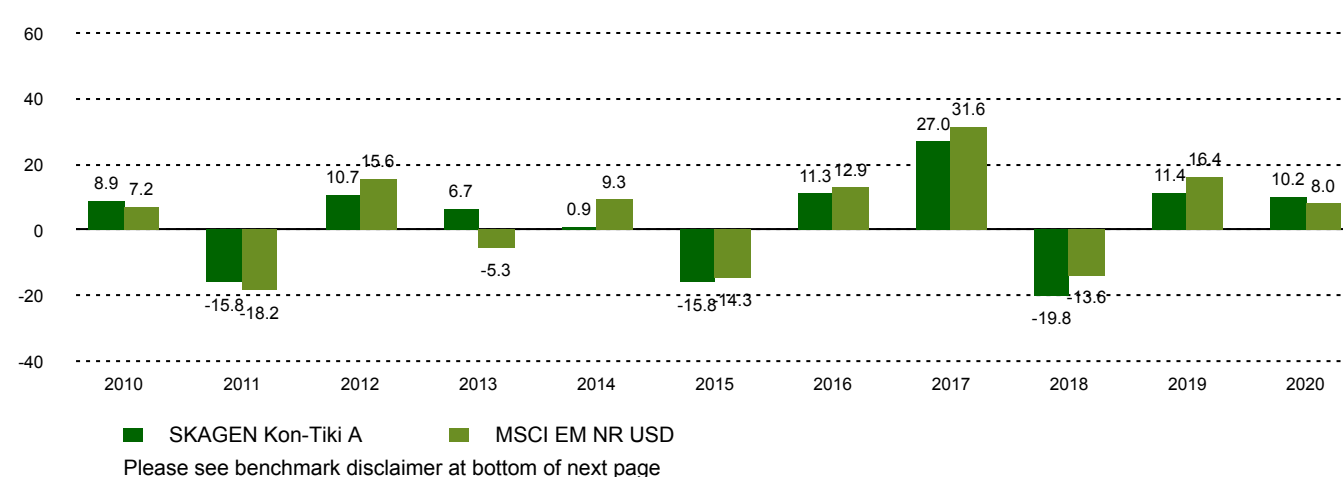
## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	114.58 CHF
Fixed management fee	2.00%
Total expense ratio (2020)	2.18%
Benchmark index	MSCI EM NR USD
AUM (mill.)	1677.83 CHF
Number of holdings	48
Portfolio manager	Fredrik Bjelland Cathrine Gether

## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	-7.5%	-8.6%
Year to date	6.2%	2.8%
Last year	35.0%	19.8%
Last 3 years	4.7%	4.9%
Last 5 years	6.9%	8.9%
Last 10 years	3.8%	5.1%
Since start	9.7%	6.1%

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Tech Mahindra Ltd	1.85	0.28
UPL Ltd	4.36	0.27
Orbia Advance Corp	2.72	0.21
Sberbank of Russia	3.37	0.18
Ivanhoe Mines Ltd	2.63	0.15



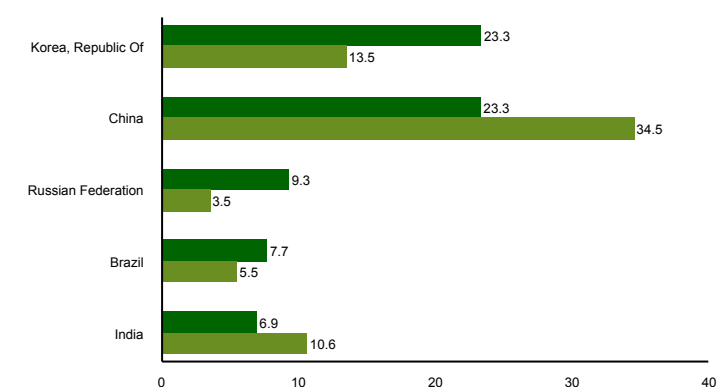
### Largest detractors

Holding	Weight (%)	Contribution (%)
Ping An Insurance Group Co	5.94	-0.63
Atlantic Sapphire ASA	2.38	-0.40
Alibaba Group Holding Ltd	3.09	-0.38
Hyundai Motor Co	4.28	-0.37
Suzano SA	3.40	-0.34

## Top ten investments

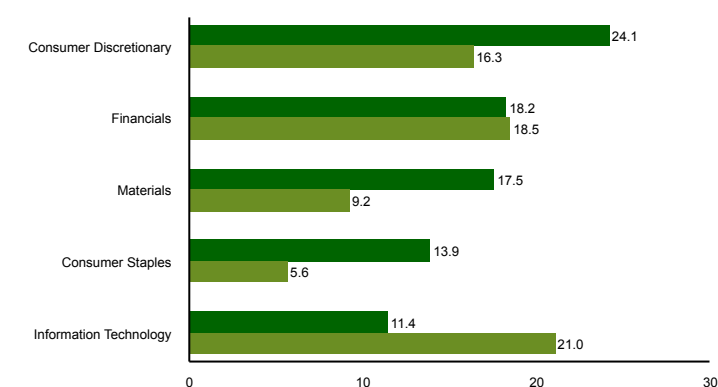
Holding	Sector	Country	%
LG Electronics Inc	Consumer Discretionary	Korea, Republic Of	7.9
Ping An Insurance Group Co of China Ltd	Financials	China	5.9
Naspers Ltd	Consumer Discretionary	South Africa	5.1
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	4.3
Hyundai Motor Co	Consumer Discretionary	Korea, Republic Of	4.2
UPL Ltd	Materials	India	4.1
Sberbank of Russia PJSC	Financials	Russian Federation	3.5
Sendas Distribuidora SA	Consumer Staples	Brazil	3.4
Suzano SA	Materials	Brazil	3.3
Alibaba Group Holding Ltd	Consumer Discretionary	China	3.2
Combined weight of top 10 holdings			44.9

## 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](http://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.