

## Performance Commentary

Following a strong start to the year, the month of April was slightly slower, consistent with our target universe of activist situations globally. We remain confident about the outlook for the fund as the vast majority of our portfolio companies remain deeply misunderstood and underappreciated by the market.

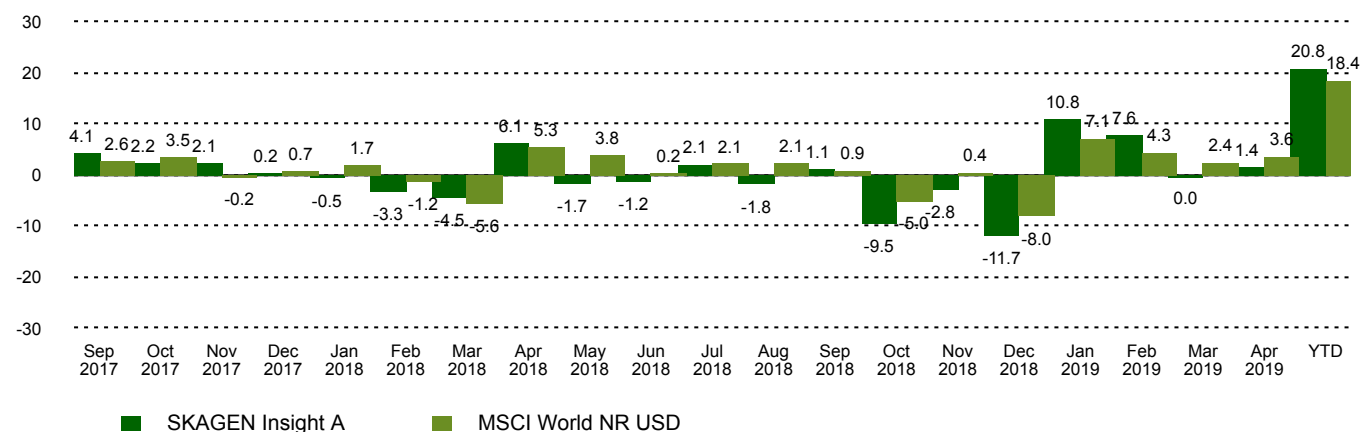
Energy company Rexel and electronics and telecoms company Eltel were the fund's largest positive contributors. Mainstream investors have been reassured about the rights issue in Eltel after two consecutive quarters of stable underlying operational trends. The company has also agreed a new deal with its lenders and announced its intention to sell remaining operations outside its Nordic core. We consider this to be a very positive development.

There is a lot of value potential across the portfolio as many of our holdings have previously traded down due to the concerns of myopic investors and not to deteriorating fundamentals. Based on our estimates, SKAGEN Insight trades at a normalised P/E multiple of 10x, a discount of around 40% to the market. The fund has a portfolio of deeply undervalued and underappreciated companies where fundamental trends are moving in the right direction and activists are increasingly becoming the catalyst for positive change.

## Historical performance (net of fees)

| Period        | SKAGEN Insight A | Benchmark index |
|---------------|------------------|-----------------|
| Last month    | 1.4%             | 3.6%            |
| Last 2 months | 1.3%             | 6.1%            |
| Last 3 months | 9.0%             | 10.6%           |
| Year to date  | 20.8%            | 18.4%           |
| Since start   | -0.8%            | 12.8%           |

## Monthly performance



## Contributors in the month

### Largest contributors

| Holding                | Weight (%) | Contribution (%) |
|------------------------|------------|------------------|
| Rexel SA               | 4.06       | 0.76             |
| Eltel AB               | 4.99       | 0.37             |
| Maxell Holdings Ltd    | 4.47       | 0.32             |
| Armstrong Flooring Inc | 5.13       | 0.31             |
| Pasona Group Inc       | 5.56       | 0.27             |

Absolute contribution based on NOK returns at fund level

### Largest detractors

| Holding                   | Weight (%) | Contribution (%) |
|---------------------------|------------|------------------|
| Teikoku Sen-I Co Ltd      | 7.96       | -0.81            |
| Telecom Italia SpA/Milano | 4.57       | -0.42            |
| Conduent Inc              | 3.98       | -0.33            |
| Assertio Therapeutics Inc | 1.00       | -0.20            |
| Newell Brands Inc         | 2.38       | -0.17            |

SKAGEN Insight invests in a diversified and actively managed portfolio of companies exposed to some of the most attractive activist campaigns globally. Activists seek to unlock value by urging companies to make improvements. SKAGEN Insight "shadows" activists by investing in these companies. 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.

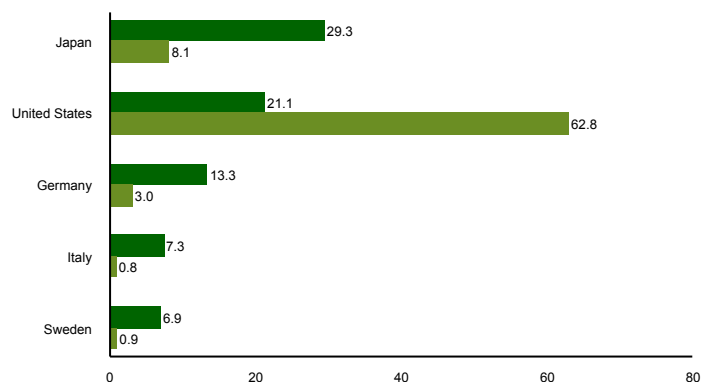
## Fund Facts

|                            |                               |
|----------------------------|-------------------------------|
| Type                       | Equity                        |
| Domicile                   | Norway                        |
| Launch date                | 21.08.2017                    |
| Morningstar category       | Global Large-Cap Blend Equity |
| ISIN                       | NO0010801558                  |
| NAV                        | 10.60 EUR                     |
| Fixed management fee       | 1.5%                          |
| Total expense ratio (2018) | 1.50%                         |
| Benchmark index            | MSCI World NR USD             |
| AUM (mill.)                | 24.55 EUR                     |
| Number of holdings         | 30                            |
| Portfolio manager          | Tomas Johansson               |

## Top ten investments

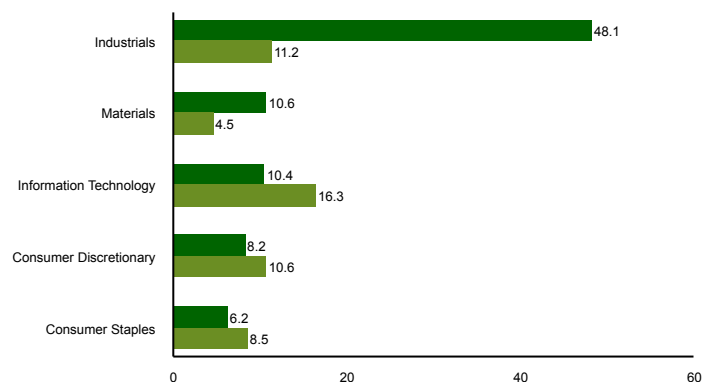
| Holding                            | Sector                 | Country       | %    |
|------------------------------------|------------------------|---------------|------|
| thyssenkrupp                       | Materials              | Germany       | 8.6  |
| Teikoku Sen-I Co                   | Industrials            | Japan         | 7.7  |
| Pasona Group Inc                   | Industrials            | Japan         | 5.8  |
| Armstrong Flooring                 | Industrials            | United States | 5.1  |
| Eltel                              | Industrials            | Sweden        | 5.1  |
| Maxell Holdings                    | Information Technology | Japan         | 4.6  |
| Rexel                              | Industrials            | France        | 4.5  |
| Telecom Italia Spa                 | Communication Services | Italy         | 4.4  |
| General Electric                   | Industrials            | United States | 4.4  |
| Kyushu Railway Company             | Industrials            | Japan         | 4.3  |
| Combined weight of top 10 holdings |                        |               | 54.5 |

## Country exposure (top five)



■ SKAGEN Insight A ■ MSCI World NR USD

## Sector exposure (top five)



■ SKAGEN Insight A ■ MSCI World NR USD

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## Important information

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