

Performance Commentary

May got off to a tumultuous start as trade tensions between the US and China resurfaced and caught global equity markets off-guard. The sell-off accelerated when it became evident that the souring of relations extends beyond just trade. Chinese telecom equipment manufacturer Huawei was placed on the US Commerce Department 'Entity List', effectively banning the sale of Huawei products in the US on security grounds and severely limiting the company's ability to source key components from US suppliers. China retaliated by introducing new tariffs and creating an 'Unreliable Entity List' of foreign companies damaging the legitimate interests of Chinese companies. Despite the challenging backdrop, SKAGEN Kon-Tiki held up well, significantly outperforming our benchmark. State Bank of India performed strongly on the back of the recent election while a successful primary placement for Atlantic Sapphire further de-risked its growth ambitions. On the negative side, Samsung Electronics suffered from trade war concerns and a weaker Korean won while Borr Drilling was caught up in a sector sell-off on weaker oil prices. We tendered our shares in Russian food retailer Lenta, which was subject to an offer from Severgroup but did not add any new companies. The portfolio remains attractively valued, trading on 9x 2019 P/E and 0.9x 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.

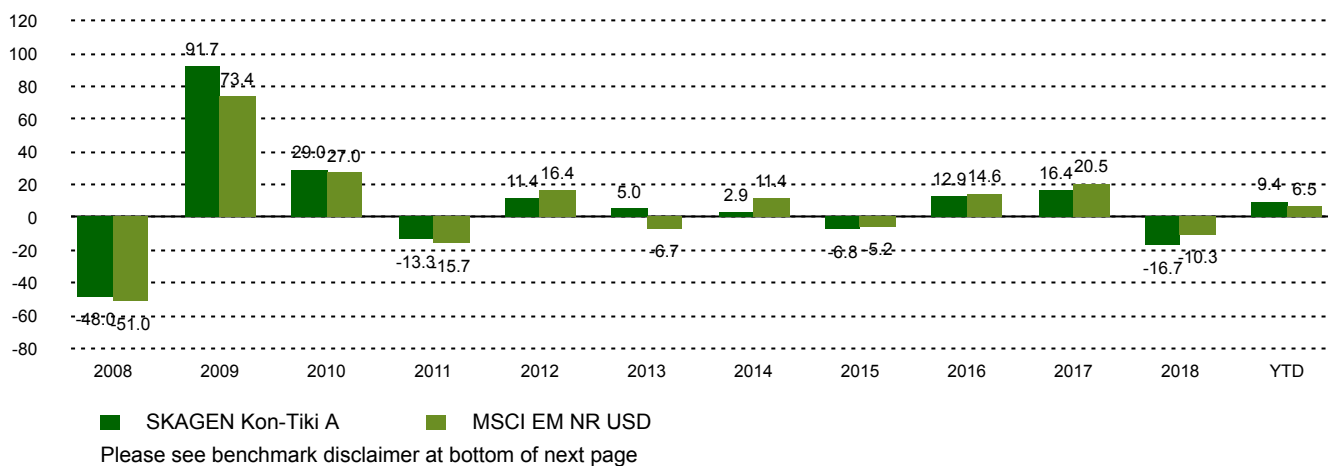
Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	-5.4%	-6.9%
Year to date	9.4%	6.5%
Last year	-7.4%	-4.7%
Last 3 years	6.3%	9.7%
Last 5 years	1.7%	5.9%
Last 10 years	7.3%	7.5%
Since start	11.6%	7.3%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	85.29 EUR
Fixed management fee	2.00%
Total expense ratio (2018)	1.16%
Benchmark index	MSCI EM NR USD
AUM (mill.)	2000.71 EUR
Number of holdings	50
Portfolio manager	Cathrine Gether Fredrik Bjelland

Performance last ten years



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
State Bank of India	3.24	0.47
Atlantic Sapphire AS	2.91	0.30
Ghana Commercial Bank Ltd	0.70	0.17
LG Electronics Inc	3.38	0.14
Rumo SA	0.97	0.14

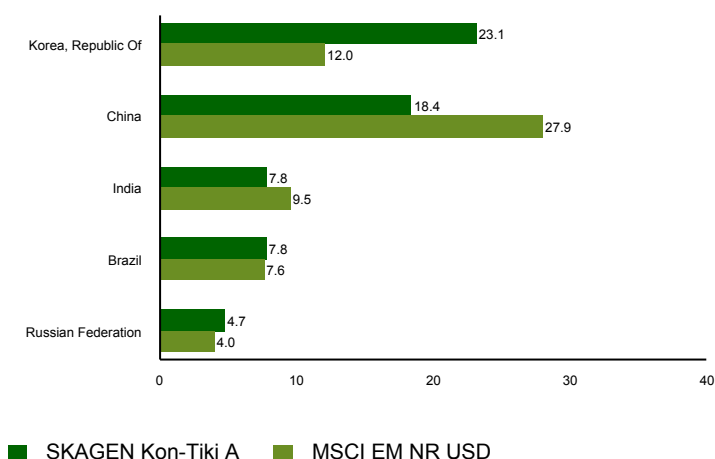
Largest detractors

Holding	Weight (%)	Contribution (%)
Samsung Electronics Co Ltd	7.82	-0.58
Borr Drilling Ltd	1.77	-0.56
Naspers Ltd	4.23	-0.53
Hollysys Automation Technologi	2.29	-0.29
BJ ENT WATER	1.96	-0.28

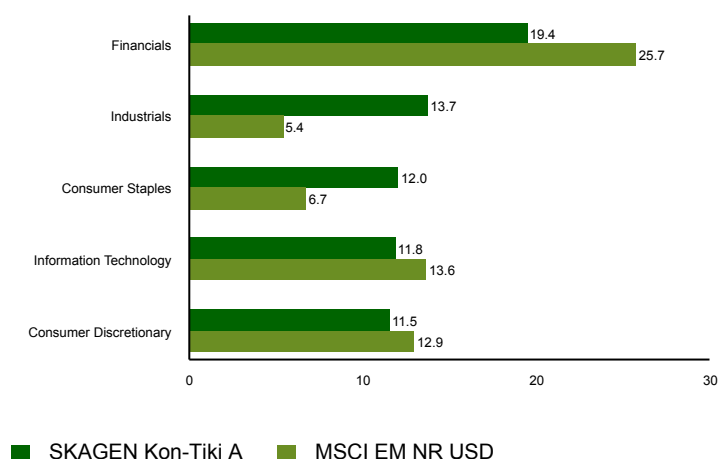
Top ten investments

Holding	Sector	Country	%
Samsung Electronics	Information Technology	Korea, Republic Of	7.8
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	4.5
Naspers	Communication Services	South Africa	4.1
Bank of China	Financials	China	3.8
LG Electronics	Consumer Discretionary	Korea, Republic Of	3.6
State Bank of India	Financials	India	3.1
Atlantic Sapphire	Consumer Staples	Norway	3.1
China Unicom Hong Kong Ltd	Communication Services	China	2.9
X5 Retail Group	Consumer Staples	Russian Federation	2.7
Ping An Insurance Co	Financials	China	2.6
Combined weight of top 10 holdings			38.3

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.