

## 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.

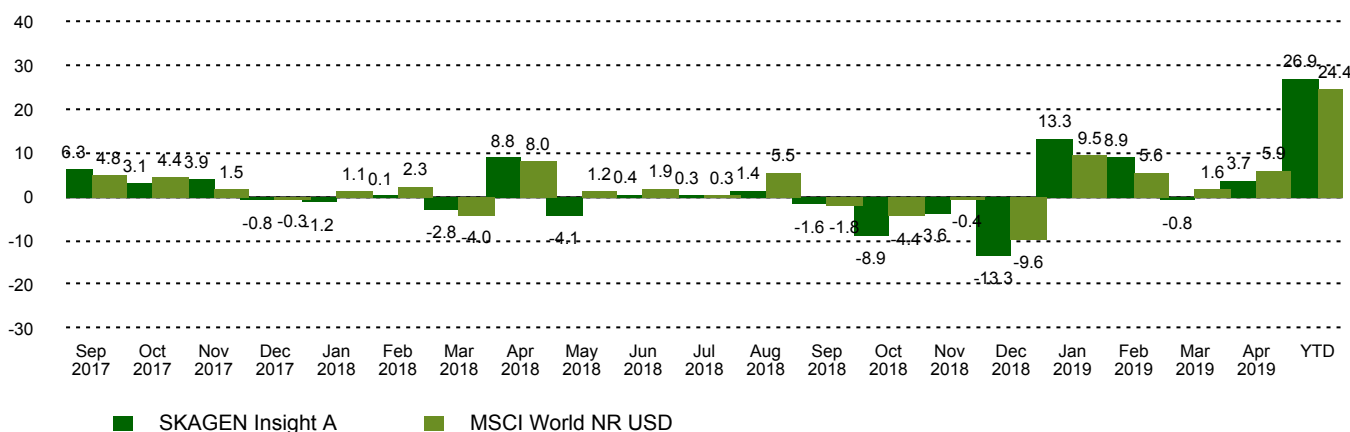
Energy company Rexel and electronics and telecoms company Eltel were the fund's largest positive contributors. Mainstream investors have been reassured about the rights issue in Eltel after two consecutive quarters of stable underlying operational trends. The company has also agreed a new deal with its 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	3.7%	5.9%
Last 2 months	2.8%	7.7%
Last 3 months	12.0%	13.7%
Year to date	26.9%	24.4%
Since start	6.0%	20.4%

## Monthly performance



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	112.79 SEK
Fixed management fee	1.5%
Total expense ratio (2018)	1.50%
Benchmark index	MSCI World NR USD
AUM (mill.)	255.67 SEK
Number of holdings	30
Portfolio manager	Tomas Johansson

## 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

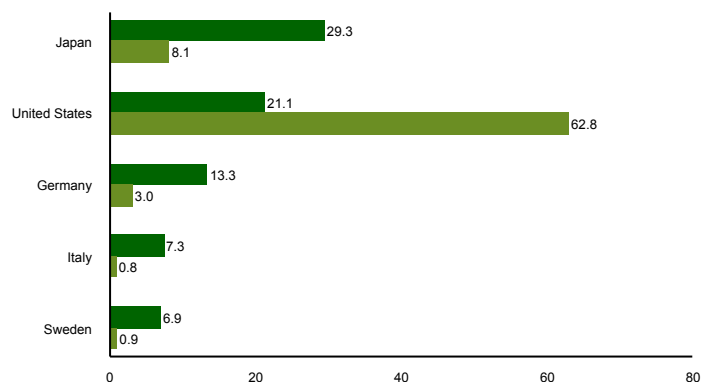
### Largest detractors

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

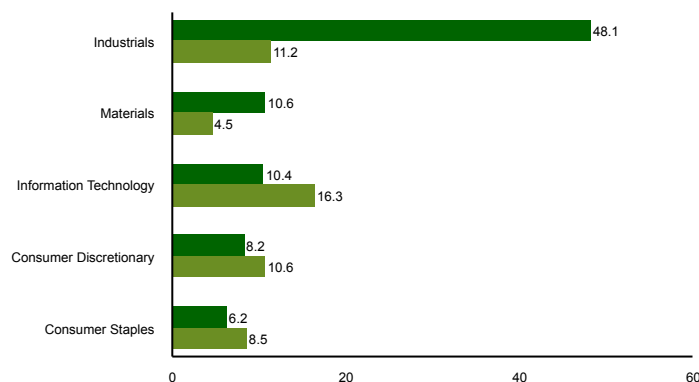
## Top ten investments

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)



## Sector exposure (top five)



■ SKAGEN Insight A ■ MSCI World NR USD

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## Important information

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.