

## Performance Commentary

While 2020 got off to a promising start, this all changed with the growing understanding of the severity of the new coronavirus outbreak in China and most equity markets sold off heavily in the second half of January. While SKAGEN Kon-Tiki has a relatively low direct exposure to Chinese equities, our more cyclical holdings such as Ivanhoe Mines, Golar LNG and Euronav all fell sharply as fears of a broader economic slowdown grew. Of our Chinese holdings, China Unicom, which reported disappointing preliminary results, and Bank Of China both impacted the portfolio negatively. Despite the short-term hit to economic activity, Samsung Electronics continued to rise as it reported 2019 earnings and provided an upbeat outlook for 2020. Other Korean holdings such as Samsung SDI and LG Chem also contributed positively while Atlantic Sapphire rose on positive operational momentum and insider buying. We exited Lundin Mining as the shares reached our target price and Tullow Oil on the back of disappointing updates. We added a new position in Chinese appliances manufacturer Hisense where we see significant valuation upside as the company starts to consolidate earnings from its profitable air conditioning JV with Hitachi. The portfolio now consists of 44 attractively valued companies, trading on 8x 2020 P/E and 1.0x 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.

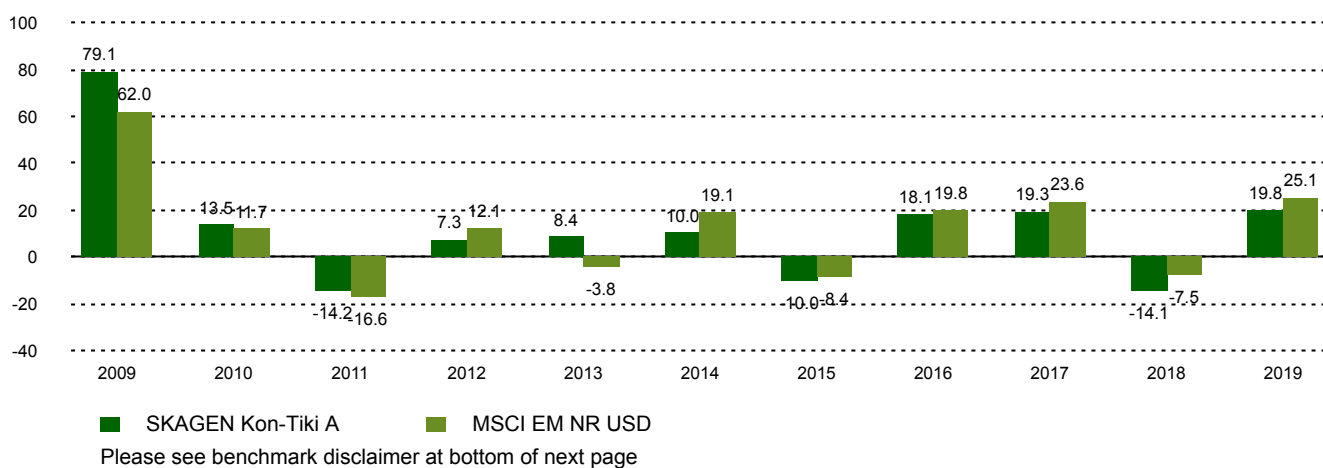
## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	-2.0%	-1.8%
Year to date	-2.0%	-1.8%
Last year	5.1%	10.8%
Last 3 years	5.3%	11.3%
Last 5 years	4.3%	7.7%
Last 10 years	4.8%	6.6%
Since start	12.3%	8.6%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	926.48 SEK
Fixed management fee	2.00%
Total expense ratio (2019)	1.51%
Benchmark index	MSCI EM NR USD
AUM (mill.)	18800.11 SEK
Number of holdings	44
Portfolio manager	Cathrine Gether Fredrik Bjelland

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Samsung Electronics Co Ltd	7.86	0.54
Atlantic Sapphire AS	3.52	0.34
X5 Retail Group NV	2.73	0.31
Samsung SDI Co Ltd	1.87	0.31
Mahindra & Mahindra Ltd	1.99	0.19



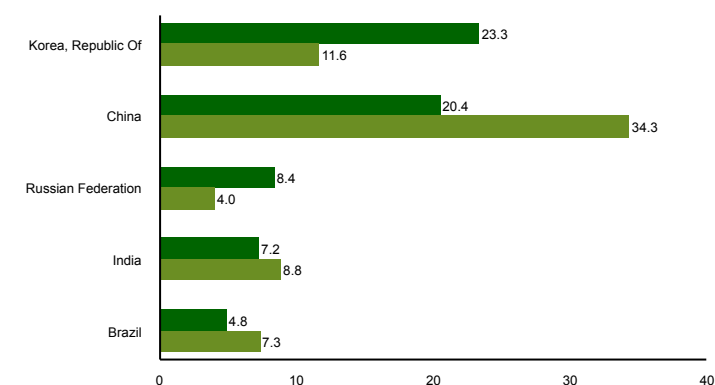
### Largest detractors

Holding	Weight (%)	Contribution (%)
Ivanhoe Mines Ltd	2.85	-0.53
Golar LNG Ltd	1.62	-0.48
Euronav NV	2.75	-0.44
LG Electronics Inc	3.37	-0.21
Bangkok Bank PCL	2.10	-0.20

## Top ten investments

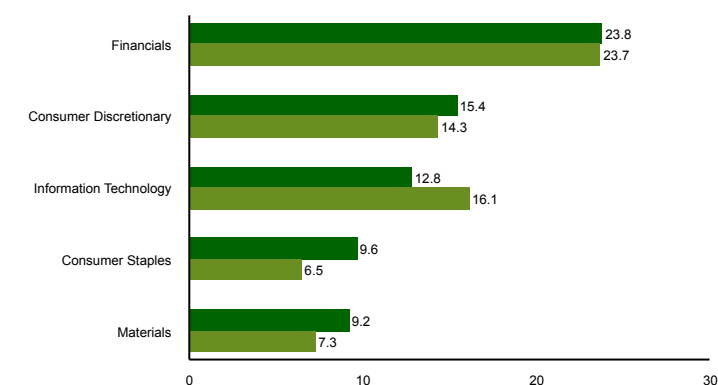
Holding	Sector	Country	%
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	7.4
Ping An Insurance Group Co of China Ltd	Financials	China	6.3
Hyundai Motor Co	Consumer Discretionary	Korea, Republic Of	4.5
Atlantic Sapphire AS	Consumer Staples	Norway	3.7
Naspers Ltd	Consumer Discretionary	South Africa	3.5
LG Electronics Inc	Consumer Discretionary	Korea, Republic Of	3.3
Royal Dutch Shell PLC	Energy	Netherlands	3.1
Bank Of China Ltd	Financials	China	3.1
State Bank of India	Financials	India	3.0
X5 Retail Group NV	Consumer Staples	Russian Federation	2.9
Combined weight of top 10 holdings			40.8

## Country exposure (top five)



■ SKAGEN Kon-Tiki A ■ MSCI EM NR USD

## Sector exposure (top five)



■ SKAGEN Kon-Tiki A ■ MSCI EM 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.

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.