

## Performance Commentary

Global equity markets started 2021 on the front foot as hopes for vaccine rollout and an encouraging start to the reporting season supported investor optimism and Emerging Markets in particular. However, we witnessed rising volatility towards the end of the month as increasingly speculative behaviour took hold in the US market. SKAGEN Kon-Tiki performed in line with the market as our larger holdings continued to deliver operationally. LG Electronics announced a strong set of 2020 results and confirmed that it is considering strategic options for its loss-making mobile phone business. Naspers benefited from the strong share price development of its largest investment, Tencent, while UPL continued its recovery from last year's sell-off on the back of negative tax and governance headlines. The largest detractors were predominantly our natural resource holdings, which came under pressure from market volatility. In addition, Ping An Insurance suffered from reduced new business opportunities in 2020. We expect an improvement in 2021. We made a number of portfolio changes during the month with the most notable additions being China Mobile and Brazilian pulp producer Suzano. We exited a number of holdings including Micron, Lundin Mining and Nexteer as they reached our target price. Our portfolio now consists of 48 holdings trading on 10x 2021 P/E and 1.1x P/B which is appreciably lower than the EM index at 14x and 2.2x respectively.

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.

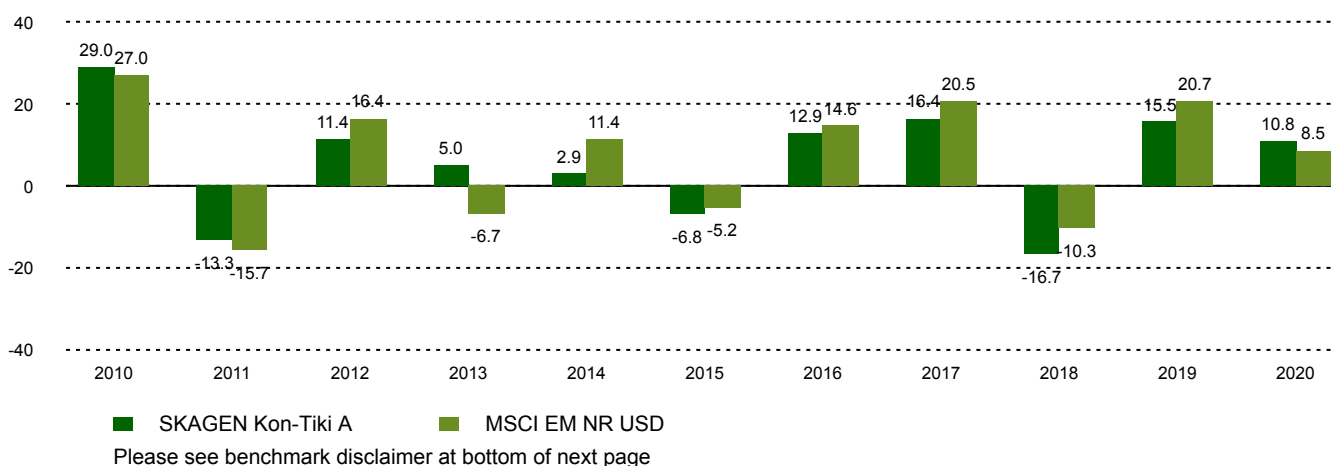
## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	4.1%	4.2%
Year to date	4.1%	4.2%
Last year	19.4%	16.9%
Last 3 years	2.9%	5.4%
Last 5 years	9.7%	12.6%
Last 10 years	3.8%	5.5%
Since start	11.6%	8.0%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	103.75 EUR
Fixed management fee	2.00%
Total expense ratio (2020)	2.22%
Benchmark index	MSCI EM NR USD
AUM (mill.)	1584.33 EUR
Number of holdings	48
Portfolio manager	Fredrik Bjelland Cathrine Gether

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
LG Electronics Inc	7.31	1.28
Naspers Ltd	7.23	0.82
UPL Ltd	4.19	0.75
Hyundai Motor Co	4.33	0.70
Atlantic Sapphire ASA	3.34	0.58



### Largest detractors

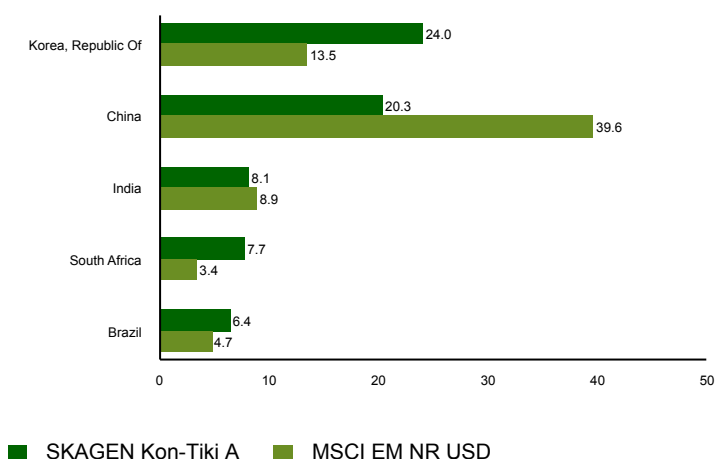
Holding	Weight (%)	Contribution (%)
Ping An Insurance Group Co	7.37	-0.43
Ivanhoe Mines Ltd	3.79	-0.39
Orbia Advance Corp	2.84	-0.19
Petroleo Brasileiro SA	1.59	-0.17
Turquoise Hill Resources	1.35	-0.15

Absolute contribution based on NOK returns at fund level

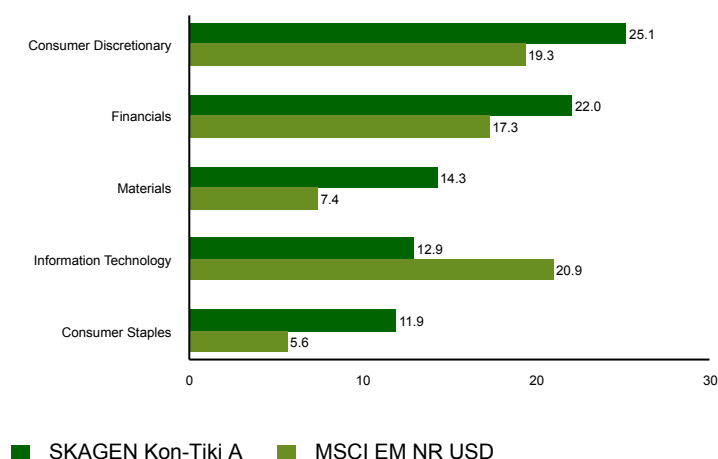
## Top ten investments

Holding	Sector	Country	%
LG Electronics Inc	Consumer Discretionary	Korea, Republic Of	7.9
Naspers Ltd	Consumer Discretionary	South Africa	7.7
Ping An Insurance Group Co of China Ltd	Financials	China	7.2
Samsung Electronics Co Ltd	Information Technology	Korea, Republic Of	5.7
UPL Ltd	Materials	India	4.5
Hyundai Motor Co	Consumer Discretionary	Korea, Republic Of	4.1
Atlantic Sapphire AS	Consumer Staples	Denmark	3.5
Ivanhoe Mines Ltd	Materials	Canada	3.4
Cia Brasileira De Distribuicao	Consumer Staples	Brazil	3.1
Sberbank of Russia PJSC	Financials	Russian Federation	2.8
Combined weight of top 10 holdings			50.2

## Country exposure (top five)



## Sector exposure (top five)



## Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

## Important information

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. 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.