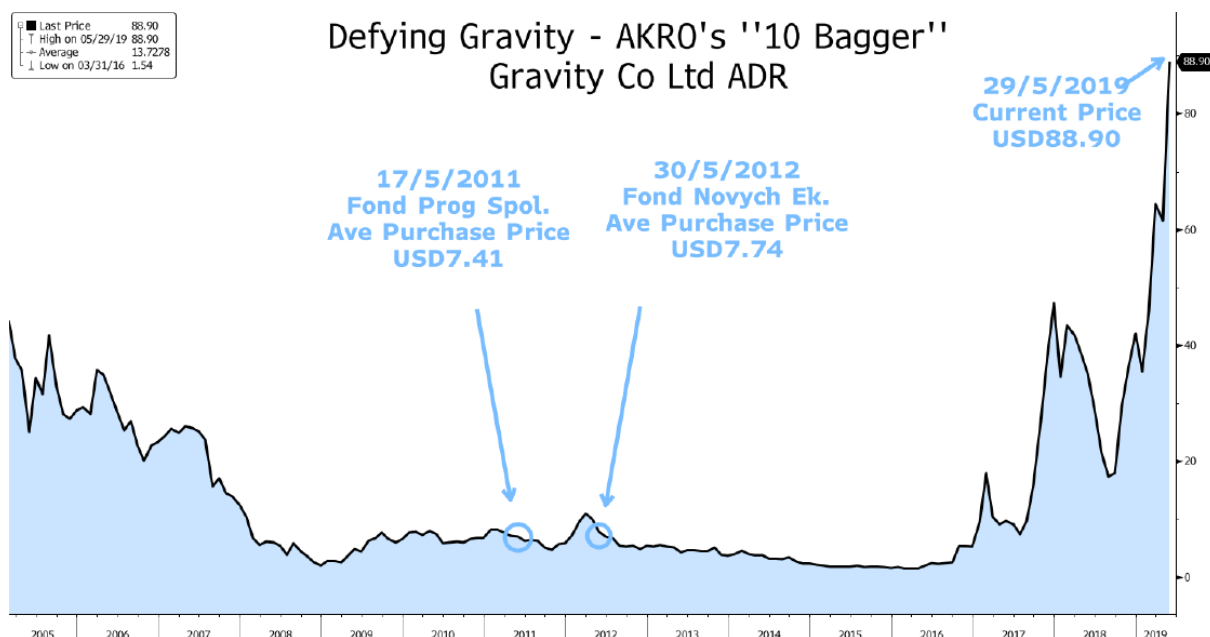


# AKRO's "10-Bagger"



Source: AKRO investicni spolecnost, a.s./ Bloomberg

A "10-bagger" is a share that increases in value by at least 10 times its purchase price. The term "10 bagger" was coined by legendary fund manager Peter Lynch in his book, "One Up on Wall Street." It is a relatively rare occurrence, and even rarer when investors 'stay the course' to enjoy the return.

It is therefore with pleasure that we can inform investors in AKRO's New Economies Fund (focused on emerging markets) and Progressive Companies Fund (focused on smaller companies) that as at 22nd May, 2019, Gravity Co Ltd is showing a more than 10 fold increase in value since purchase. Up +1072% measured in USD and +1230% measured in CZK. Though we have periodically trimmed back the holding for risk control reasons, the stock currently represents about 12% of AKRO's New Economies Fund and 8% of AKRO's Progressive Fund.

We see the successful investment in Gravity, and the strong underlying investment returns both funds have enjoyed, as vindication of our long-term investment approach, focus on original research, and policy of holding concentrated, high conviction portfolios of our best ideas.

Gravity Co, headquartered in South Korea, has emerged as a leading global developer and publisher of online and mobile games. Gravity's principle product is Ragnarok online. When purchased, AKRO considered the shares both neglected by the investment community and grossly undervalued.

Currently, only the AKRO New Economies Fund is open to new investors.

**Jeremy Monk, Portfolio Manager**

*Disclaimer: This commentary is for informational purposes only and it is not a recommendation to buy or sell any security. The opinions expressed may be changed at any time without notice. Investing in securities through open-ended mutual funds brings risks arising from developments in the capital markets. Past fund performance of a fund is no guarantee of future performance. The investment strategy of the open-ended mutual funds of AKRO Investment Company focuses on the long-term appreciation of capital and is not suitable for investors with a short investment horizon. Before investing, take a thorough look at the content of the fund statutes and the key information/ risk disclaimers for the selected fund.*