TRIGON CAPITAL

Boutique, Off-Benchmark, Emerging Markets Investors

Trigon Russia Top Picks Fund

Fact Sheet | April 2019

Overview

Trigon Russia Top Picks Fund invests into securities traded on the global regulated markets with a Russian market focus. The Fund's portfolio consists of approximately 25 different securities that are deemed as most attractively valued by our investment team.

When making our investments, we seek a beneficial risk-return relationship, taking into account fundamental indicators as well as opportunities based on technical analysis and the inefficiencies of the region's stock markets.

Fund Facts

Fund AUM:	€4.3 mil
Positions:	21
UCITS IV:	Yes
Auditor:	PwC
Depository:	Swedbank
Dealing:	Daily
Domicile:	Estonia
Launch:	Feb 14, 2006

Fund Manager's Comments

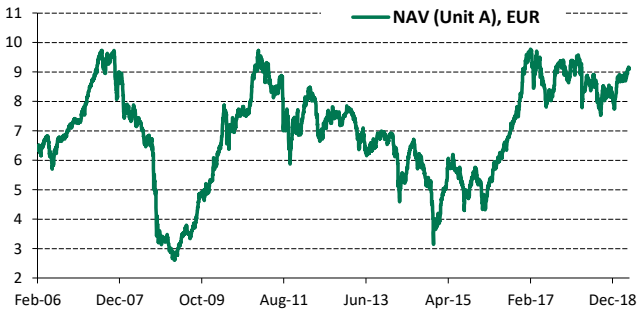
Global markets continued on a positive note in April, as major central banks remained dovish and economic data improved. MSCI EM TR was up +2.3%, while Russian market outperformed most of its peers with MSCI Russia TR rising +4.0% and Trigon Russia Top Picks Fund gaining +4.5%.

Russian ruble appreciated +1.5% in April and +9.5% YTD against euro, offering one of the strongest performances this year. The Central Bank of Russia (CBR) held its key rate unchanged at 7.75%, but signaled that easing could resume in 2Q or 3Q this year. This direct statement of potential easing was not expected by the market. Inflation is currently 5.2% thanks to VAT increase, but it has started to slow. The CBR expects annual inflation will return to 4% in the first half of 2020. We believe Russia needs lower rates to revive the economic growth through cheaper lending, and lower inflation means it should cut rates soon.

1Q19 operating results so far were quite robust for our selected real estate and food retail companies. Board of directors meetings and dividend recommendations of our domestic names also positively surprised the market. MSCI Russia expected dividend yield of 7.0% remains the highest in EM and well above the sovereign Eurobond yield of 4.4%.

Looking forward, Russian market looks particularly compelling given its underperformance, value, and the current oil price level. Russian stocks retain one of the highest dividend yields and lowest P/E ratios of any major emerging market. Russian companies have substantially increased their dividend payouts over time from 15% to current 45-50%. MSCI Russia's estimated P/E ratio for 2019 is now 5.9x and dividend yield of 7.0%. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 6.0x expected earnings for 2019 and 8.9% dividend yield.

Performance *(net of fees)* EUR



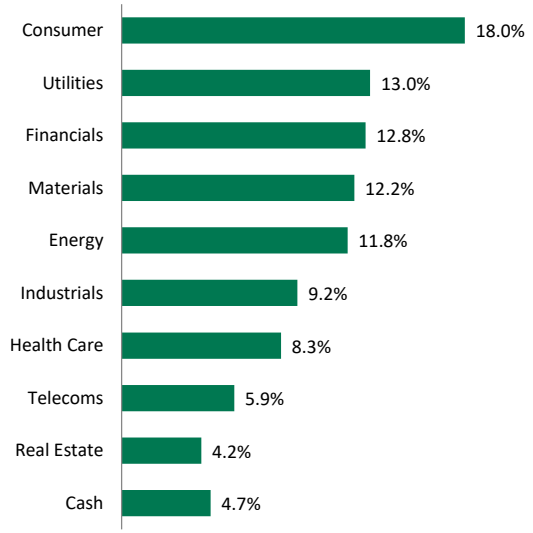
30-Apr-19	Unit A	Unit D	Benchmark*
Year-to-Date	17.3%	17.4%	19.1%
1 month	4.5%	4.5%	4.0%
3 months	3.3%	3.4%	5.0%
6 months	8.9%	9.1%	12.6%
1 year	8.0%	8.3%	23.5%
2 years	-3.4%	-2.6%	24.5%
3 years	55.3%	50.8%	54.8%
5 years	71.3%	62.6%	63.4%
Since launch	42.3%	14.2%	5.9%
Launch of unit	14-Feb-06	31-Aug-11	14-Feb-06

Fund Details	Unit A	Unit D
NAV in EUR	**9.0921**	**11.4205**
12 months High	9.1651	11.5117
12 months Low	7.5287	9.4406
Management fee, annual	Up to 1%	0.75%
Performance fee	none	20% of return exceeding the Benchmark*
Subscription fee**	none	none
Redemption fee	none	none
Stock code/ISIN	EE3600080297	EE3600109336
Bloomberg code	TRINETP ET	TRINETD ET
Minimum subscription	€1 mil	No min.
Sharpe ratio (5 years)	0.44	
Daily volatility (1year)	16.1%	

(Detailed information about Unit C can be found on the next page.)

To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

Sector allocation



* Benchmark Index: MSCI Russia Daily Net TR EUR. Source: Bloomberg.

** D units can be subscribed to as of August 8th, 2011. Calculation of the performance fee has commenced after the launch of D unit at a nominal price of 10 EUR per share. As of September 1st, 2017 it is again possible to subscribe to A units.

NAV movements can be followed in: Bloomberg, www.trigoncapital.com, www.morningstar.fi

Disclaimer: Past performance of the fund does not guarantee or indicate future performance of the fund. The value of the fund units may increase and decrease over time, therefore there is no guarantee that the investors get back the amount invested in the fund. The risk factors of the fund are described in further detail in the prospectus of the fund available on the website www.trigoncapital.com. Please refer to the important legal notice on the last page of this report.

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Monthly Performance (Unit A)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual
2019	13.6%	-1.0%	-0.1%	4.5%									
2018	6.0%	1.1%	-3.4%	-7.6%	2.3%	-0.6%	1.9%	-9.7%	8.0%	-1.9%	0.5%	-7.6%	-12.0%
2017	4.0%	-3.3%	3.5%	-0.7%	-9.1%	-6.5%	0.3%	10.8%	4.6%	-0.7%	-3.6%	-1.0%	-3.2%
2016	-6.5%	1.9%	9.8%	8.2%	2.7%	4.5%	2.9%	7.3%	5.3%	4.7%	8.2%	10.0%	75.9%
2015	6.4%	24.3%	7.2%	10.5%	4.7%	-5.7%	-6.2%	-6.9%	-1.6%	12.2%	4.3%	-8.9%	41.7%
2014	-10.1%	-5.6%	-7.4%	-2.6%	17.1%	5.5%	-7.1%	-4.2%	-2.0%	-5.4%	-9.2%	-25.6%	-47.3%
2013	0.6%	-1.2%	-6.0%	-6.6%	-0.1%	-5.0%	0.1%	2.3%	4.7%	2.0%	-2.5%	3.2%	-8.8%
2012	14.5%	5.5%	-3.0%	-1.6%	-13.9%	2.1%	5.4%	-1.0%	2.9%	-0.8%	-2.6%	4.3%	9.8%
2011	3.3%	-0.6%	-0.7%	-7.6%	-0.2%	-1.9%	5.0%	-13.9%	-15.0%	14.7%	1.6%	-7.2%	-23.4%
2010	10.4%	5.9%	13.0%	7.1%	-5.2%	2.8%	2.6%	1.2%	0.7%	-0.4%	14.7%	3.3%	70.0%
2009	-8.7%	-9.1%	7.2%	15.7%	7.2%	-2.1%	4.3%	11.0%	19.4%	-2.5%	4.7%	7.1%	63.2%
2008	-13.9%	-0.9%	-0.6%	-5.7%	2.1%	-7.2%	-0.1%	-1.9%	-25.5%	-29.9%	-1.4%	-4.8%	-63.6%
2007	0.4%	3.6%	7.6%	5.4%	3.8%	5.4%	0.2%	0.4%	-1.7%	3.7%	-10.8%	3.4%	22.3%
2006	-	1.2%	1.7%	2.4%	-9.0%	3.0%	7.1%	-1.1%	2.9%	4.2%	1.5%	0.5%	-

Performance net of fees

CAGR*	
2 years	-7.7%
3 years	14.4%
5 years	2.3%

* Compound annual growth rate, i.e. average annualized performance of calendar

Risk Management Report (Unit A)

	1M	3M	6M	1Y	2Y
Volatility (daily)	8.8%	10.6%	14.5%	16.1%	18.8%
Volatility (monthly)				21.5%	20.6%

Downside Risk Analysis		
Negative months / total	72/159	45%
Worst calendar month	-29.9%	
Worst calendar quarter	-36.2%	

Upside Risk Analysis		
Positive months / total	87/159	55%
Best calendar month	24.3%	
Best calendar quarter	41.9%	

Market Cap Allocation

Micro Cap (up to 150m EUR)	0.0%
Small Cap I (150 - 500m EUR)	21.9%
Small Cap II (500m - 1bn EUR)	9.4%
Mid Cap (1 - 3bn EUR)	22.9%
Blue Chip (more than 3bn EUR)	41.1%

Monthly Return Contribution Analysis (Unit A)

Russia	4.6%	Consumer	1.3%
		Financials	1.2%
		Energy	1.1%
		Utilities	0.6%
		Materials	0.4%
		Health Care	0.1%
		Real Estate	0.0%
		Telecoms	0.0%
		Industrials	-0.2%
Gross Performance	*4.6%*		*4.6%*

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Geographic Allocation

	Apr-19	Oct-18	Apr-18
Russia	95.3%	96.6%	98.6%
Cash	4.7%	3.4%	1.4%

Sector Allocation

	Apr-19	Oct-18	Apr-18
Consumer	18.0%	17.7%	18.5%
Utilities	13.0%	11.6%	11.5%
Financials	12.8%	18.0%	16.5%
Materials	12.2%	20.2%	19.8%
Energy	11.8%	5.8%	4.6%
Industrials	9.2%	9.5%	9.5%
Health Care	8.3%	4.6%	3.0%
Telecoms	5.9%	5.1%	10.8%
Real Estate	4.2%	4.3%	4.5%
Cash	4.7%	3.4%	1.4%

Performance *(net of fees)*

30-Apr-19	Unit A	Unit C	Unit D
Year-to-Date	17.3%	16.9%	17.4%
1 month	4.5%	4.4%	4.5%
3 months	3.3%	3.0%	3.4%
6 months	8.9%	8.4%	9.1%
1 year	8.0%	6.9%	8.3%
2 years	-3.4%	-4.3%	-2.6%
3 years	55.3%	53.8%	50.8%
5 years	71.3%	69.6%	62.6%
Since launch	42.3%	145.9%	14.2%
Launch of unit	14-Feb-06	15-Apr-09	31-Aug-11

C units can be subscribed to as of April 6th, 2009. Calculation of the performance fee has commenced after the launch of C unit at a nominal price of 10 EUR per share. D units can be subscribed to as of August 8th, 2011. Calculation of the performance fee has commenced after the launch of D unit at a nominal price of 10 EUR per share.

Fund Details	Unit C	Unit E (USD)
NAV	**24.5933**	**-**
12 months High	24.7949	-
12 months Low	20.4958	-
Management fee, annual	Up to 2%	0.75%
Performance fee	none	20% of return exceeding the Benchmark*
Subscription fee**	none	none
Redemption fee	none	none
Stock code/ISIN	EE3600102380	EE3600109468
Bloomberg code	TRINETC ET	TRINETU ET
Minimum subscription	none	none

*E unit: 20% of return that exceeds MSCI Russia Daily Net TR USD YTD performance.
**C units can be subscribed to as of April 6th, 2009. E units can be subscribed to as of September 1st, 2017.

Signatory of:

PRI Principles for Responsible Investment

Important Legal Information

Management Company: AS Trigon Asset Management

Disclaimer

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MSCI Benchmark Indices

MSCI indices' pricing data source: MSCI.

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