

Trigon New Europe Fund
Fact Sheet | October 2019
Overview

Trigon New Europe Fund invests in listed equity securities of European Union new member states and accession countries. The Fund focuses on investments in Poland, the Czech Republic, Hungary, Romania, Slovenia, Austria (companies with CEE exposure), Serbia, Bulgaria, the Baltic countries and can invest in Turkey. The Fund does not invest in Russia.

The Fund includes around 30-40 thoroughly researched companies. The Fund's investment style is value investing, with active management and stock-picking used to identify attractively-valued equities. Trigon's investment team aims to visit all companies in which we invest, with a preference toward undervalued stocks with solid growth and good dividend yield.

Fund Facts

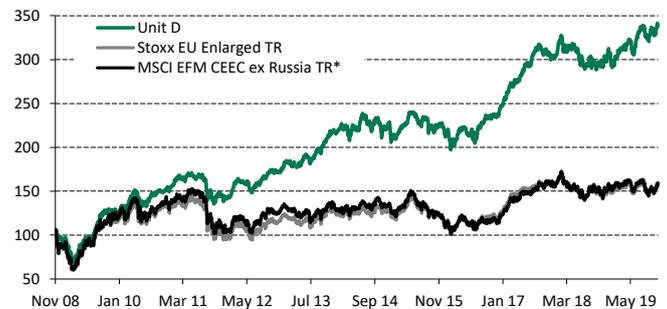
Fund AUM: €149.1 mil
Positions: 42
UCITS IV: Yes
Auditor: PwC
Depository: DZ PRIVATBANK
Dealing: Daily
Domicile: Luxembourg
Launch: Apr 10, 2002

Fund Manager's Comments

In October, world markets consolidated after strong YTD rally. Eastern European markets, especially backed by Polish equities and currency appreciation, played a catch up with the rest of the world, advancing by 3.7%, while S&P 500 fell by 0.1% and Eurostoxx 600 rose by 1.0%, all in euro terms. Trigon New Europe Fund gave up some part of its YTD out-performance, being flat during October, due to the negative contribution from its top 3 over-weighted country allocations of Romania, Turkey and Slovenia, that fell respectively by 0.8%, 9.2% and 0.2% on Index level. In YTD terms, the Fund is up by 14.4%, 10.7% ahead of its regional benchmark (MSCI EFM CEEC ex Russia TR Index, 3.7% YTD in euro terms). The Fund has outperformed its regional benchmark in 5 and 10 years by 33.3% and 132.0%, respectively.

During 2019, the Fund has quite significantly altered its stock selection in terms of country origin. In the beginning of the year we had close to 21% allocation to Romanian stocks, which have turned out to be among the best performers in the world this year (Romanian BET Index is up 37.2% in euro terms) and "only" 32% allocation in Polish equities (Poland is 65% in the benchmark and up 1.2% YTD). By the end of October, we have reduced our allocation to Romania by 800 bps to 13% due to a number of company picks reaching our internal target levels. At the same time we have started to find better value among Polish companies, increasing the allocation by 10 percentage points to 42%. In October, we already saw the first signs of international and regional interest returning to Polish equities, although the CHF-mortgage issue, indirectly, impacted some of our top convictions in the financials` sector negatively. We believe that our portfolio is currently well-balanced between Romanian deep-value (9.5% dividend yield) and Polish growing earnings and growing free-cash flow plays.

Trigon New Europe Fund's portfolio trades on a weighted average of 11.0x 2019E earnings and 5.6x EV/EBITDA 2019E, multiples that cannot be considered demanding at current interest rate environment. Fund holdings offer a weighted average dividend yield of 5.6% on 2019E earnings backed by high single digit free cash-flow generation and strong balance-sheets.

Performance (%) since strategy launch (net of fees)


31-Oct-19	Unit D	Unit E	Benchmark*
Year-to-Date	14.4%	14.6%	3.7%
1 month	0.0%	-0.1%	3.7%
3 months	-0.4%	-0.6%	-1.1%
6 months	4.3%	4.1%	-1.1%
1 year	13.3%	13.9%	7.9%
3 years	41.2%	39.3%	31.4%
5 years	49.4%	46.0%	16.2%
10 years	168.0%	155.0%	31.8%
Since launch	270.3%	271.8%	15.6%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	23.6600	37.1800	105.0700
12 months High	24.1100	37.8900	106.8100
12 months Low	20.5500	32.4400	92.2500
Management fee	Up to 1.5%	Up to 2%	0.75%
Performance fee	none	none	15% of return exceeding the Benchmark*
Subscription fee**	none	none	none
Redemption fee	none	none	none
ISIN	LU1687403102	LU1687403367	LU1687402633
Bloomberg code	TRICLDE LX	TRICLEE LX	TRICLBE LX
Lipper code	68481091	68481092	68481936
Min. subscription	€1 mil	No min.	€5 mil
Sharpe ratio (5 years)	0.83		
Daily volatility (1 year)	9.5%		

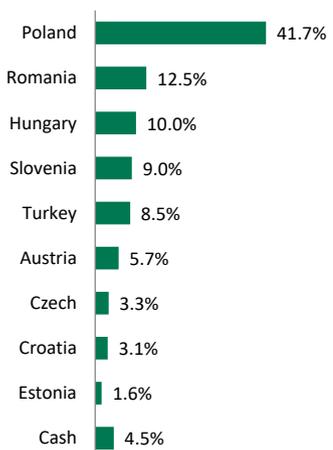
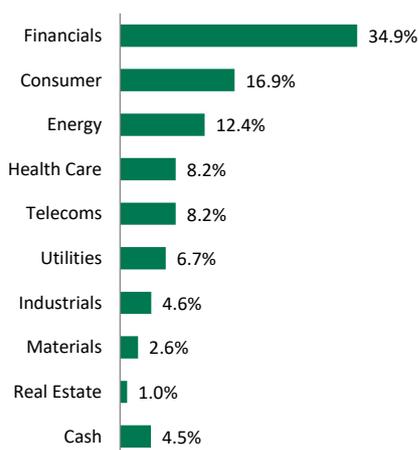
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

31-Oct-19	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	15.7%	-	13.9%
1 month	0.1%	3.1%	0.5%
3 months	-0.3%	0.6%	-0.7%
6 months	4.7%	5.4%	3.5%
1 year	-	-	12.9%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	7.8%	9.1%	5.1%
Launch of unit	05.12.18	31.01.19	18.04.18

*The benchmark index, MSCI EFM CeeC ex Russia TR (EUR), was created on February 2nd, 2008.

**E units (old C unit) can be subscribed to as of April 6th, 2009. D units (old A unit) are again available as of September 1st, 2017.

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

Geographic allocation

Sector allocation


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 D)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual	CAGR*	
2019	3.2%	2.9%	0.0%	3.4%	-1.7%	5.5%	1.0%	-3.3%	3.0%	0.0%					
2018	4.1%	-2.7%	-1.1%	-0.5%	-5.3%	0.0%	2.9%	-1.3%	-0.6%	0.0%	4.5%	-5.2%	-5.7%		
2017	5.7%	2.5%	1.6%	2.9%	4.2%	-0.2%	5.4%	2.2%	-2.7%	0.3%	-1.6%	2.5%	24.9%		
2016	-5.7%	0.3%	6.6%	-1.5%	-1.1%	-2.1%	5.2%	3.5%	1.1%	1.5%	-0.4%	5.2%	12.7%		
2015	0.5%	4.2%	1.6%	4.8%	-0.6%	-4.1%	2.9%	-4.6%	-2.4%	3.4%	-1.0%	-1.1%	3.2%		
2014	0.4%	1.1%	-1.6%	0.4%	5.4%	0.4%	-4.7%	2.3%	0.5%	-2.2%	1.4%	-5.9%	-3.0%		
2013	2.7%	-1.4%	-0.7%	2.4%	4.0%	-3.2%	4.0%	2.1%	5.5%	3.5%	3.2%	0.1%	24.0%		
2012	7.2%	5.9%	-0.9%	-0.3%	-6.9%	5.3%	2.1%	2.8%	4.3%	-0.1%	-0.4%	3.4%	24.0%	2 years	8.5%
2011	4.0%	0.5%	1.4%	1.2%	-2.6%	1.3%	-3.0%	-6.9%	-7.7%	4.0%	-1.9%	0.4%	-9.5%	3 years	9.9%
2010	4.9%	1.1%	9.5%	1.1%	-5.9%	-4.0%	7.9%	0.8%	3.6%	-0.5%	0.0%	5.9%	25.8%	5 years	5.9%
2009	-8.2%	-12.5%	7.3%	15.9%	1.6%	5.9%	11.8%	12.5%	3.2%	-1.5%	-0.1%	0.8%	38.3%		
2008	-11.5%	1.1%	-1.8%	-4.7%	-3.3%	-13.1%	-3.4%	-2.4%	-14.1%	-27.7%	-2.1%	-7.0%	-62.5%		
2007	-0.1%	-0.5%	4.0%	2.6%	3.8%	5.4%	-2.8%	-1.0%	-1.9%	4.1%	-9.6%	-2.7%	0.4%		
2006	3.3%	1.3%	-1.5%	2.9%	-7.6%	2.0%	7.2%	-1.5%	0.2%	4.9%	1.7%	2.3%	15.5%		
2005	3.6%	11.1%	-5.5%	-5.2%	3.7%	6.9%	3.7%	3.6%	5.6%	-3.6%	3.4%	2.2%	32.2%		
2004	4.4%	4.3%	5.2%	1.1%	-0.5%	2.8%	0.9%	1.5%	4.3%	2.9%	3.1%	5.4%	41.6%		
2003	-3.7%	-1.5%	0.7%	9.0%	2.8%	-2.2%	6.8%	8.8%	-4.5%	4.3%	-3.3%	4.3%	22.2%		
2002	-	-	-	0.1%	-1.2%	-5.0%	-1.6%	4.2%	-4.7%	4.8%	7.0%	-1.5%	-		

*Performance net of fees

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

Risk Management Report (Unit D)

	1M	3M	6M	1Y	2Y
Volatility (daily)	10.7%	10.3%	9.1%	9.5%	9.7%
Volatility (monthly)				11.2%	10.2%

Downside Risk Analysis

Negative months/total	84/212	40%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	126/212	60%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

Geographic Allocation

	Oct-19	Apr-19	Oct-18
Poland	41.7%	30.7%	31.4%
Romania	12.5%	24.2%	23.8%
Hungary	10.0%	11.0%	14.3%
Slovenia	9.0%	11.4%	9.8%
Turkey	8.5%	6.8%	7.1%
Austria	5.7%	4.3%	3.9%
Czech	3.3%	5.3%	-
Croatia	3.1%	1.0%	1.4%
Estonia	1.6%	2.5%	2.1%

Cash	4.5%	2.8%	6.2%
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Market Cap Allocation

Micro Cap (up to 150m EUR)	1.4%
Small Cap I (150 - 500m EUR)	10.2%
Small Cap II (500m - 1bn EUR)	7.8%
Mid Cap (1 - 3 bn EUR)	37.0%
Blue Chip (more than 3bn EUR)	39.2%

Sector Allocation

	Oct-19	Apr-19	Oct-18
Financials	34.9%	36.4%	45.4%
Consumer	16.9%	17.5%	16.0%
Energy	12.4%	12.7%	10.3%
Health Care	8.2%	7.4%	9.3%
Telecoms	8.2%	6.0%	4.4%
Utilities	6.7%	6.2%	1.9%
Industrials	4.6%	8.1%	3.9%
Materials	2.6%	1.6%	2.7%
Real estate	1.0%	1.2%	-
Other	0.0%	-	0.0%

Cash	4.5%	2.8%	6.2%
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Fund Details	Unit A (EUR)	Unit A (USD)
NAV	107.7800	109.0600
12 months High	109.8000	110.0100
12 months Low	93.1700	93.1700
Management fee	0.80%	0.80%
Performance fee	none	none
Subscription fee**	none	none
Redemption fee	none	none
ISIN	LU1687402393	LU1687402476
Bloomberg code	TRICLAE LX	TRICLAU LX
Lipper code	68481933	68481934
Min. subscription	€15 mil	\$15 mil

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Signatory of:



Important Legal Information

Fund Manager: AS Trigon Asset Management

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Please see the prospectus, rules and other important information about the funds on the website www.trigoncapital.com. Further information as well as contacts for local representatives/agents in the countries where the Fund has Public marketing license can be obtained from the Company.

Additional information for Swiss clients: The extract prospectus (edition for Switzerland), the Key Investors Information Documents, the annual and semi-annual report, in German, and further information can be obtained free of charge from the representative in Switzerland: IPConcept (Schweiz) AG, Münsterhof 12, Postfach, CH-8022 Zurich, Switzerland, tel.: + 41 44 224 32 00, fax: + 41 44 224 32 28, web: www.ipconcept.com. The Swiss paying agent is: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, Postfach, CH-8022 Zürich.

The fund manager is supervised by Estonian Financial Supervision Authority.

Contact Information

AS Trigon Asset Management
Pärnu mnt. 18
Tallinn 10141
Estonia

Tel: +372 667 9200
Fax: +372 667 9201
www.trigoncapital.com
funds@trigoncapital.com

