

Trigon New Europe Fund
Fact Sheet | December 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 35-50 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:	€221.6 mil
Positions:	45
UCITS IV:	Yes
Auditor:	PwC
Depository:	DZ PRIVATBANK
Dealing:	Daily
Domicile:	Luxembourg
Launch:	Apr 10, 2002

Fund Manager's Comments

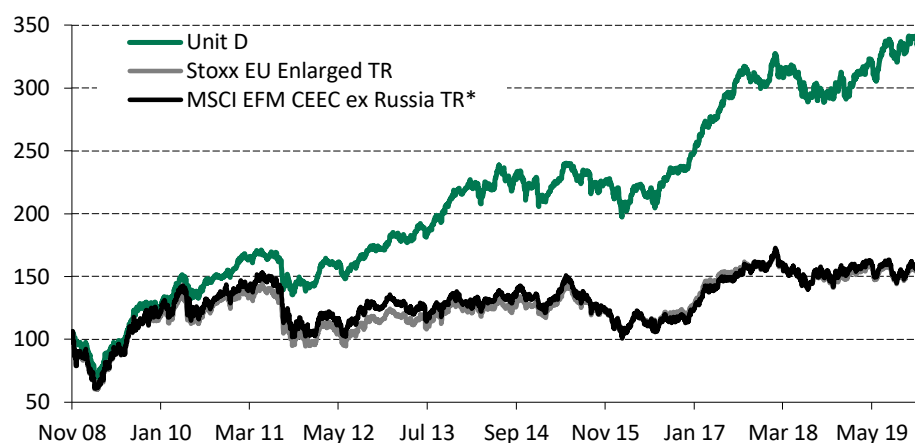
Thank you for being an investor in 2019!

2019 was an excellent year for world equity markets. Strong performance was led by the US equities, which rallied by 33.3% in euro terms, in spite of almost zero backing from earnings growth. The advance was, by in large, led by dramatic change in FED's rate policy. Instead of 3 rate hikes guided at the end of 2018, the FED delivered 3 rate cuts! Positive sentiment and lack of alternatives drove also Western European equity index STOXX Europe 600 TR up by 26.8% and Emerging World MSCI EM TR Index up by 20.6%. In this environment, the Eastern European Index MSCI EFM CEEC ex Russia TR Index, delivered a meagre 5.2% return. Trigon New Europe Fund strongly outperformed its regional benchmark by gaining 17.3%. The Fund has outperformed its regional benchmark in 5 and 10 years by 34.4% and 141.9%, respectively.

In 2019, performance in Eastern European markets was held back by lacklustre returns in Poland. Polish broad-based WIG Index gained 1.4% in 2019, while WIG-20 Index representing 20 largest companies in the country fell by 1.5%. That made Polish stocks among the worst performers in the world together with Argentine and Chile. Unlike the latter two, Poland was one of the fastest growing countries in the world in 2019 (+4.2%) and continues to deliver solid growth also in 2020 (+3.3%). Polish market is trading at 10.5x 2020P/E and 1.2x P/B, 12.5% and 25% discount to its own historical averages. As value started to emerge in a number of Polish companies, we increased the allocation to Poland from 31.8% to 43.4% during 2019.

In 2019, the Fund benefitted the most from exposure to Romania, where our holdings delivered on average 56% return (Romanian Index 42.8%). Due to rerating we reduced the exposure to Romanian equities from 20.6% to 10.5% in 2019. The Fund also benefitted strongly from its off-benchmark exposure to Turkey. Our exposure to Turkey was on average at 7.9% throughout the year, and the performance of these companies 41.1% in euro terms, considerably more than the 17.6% return of the Turkish XU100 TR Index.

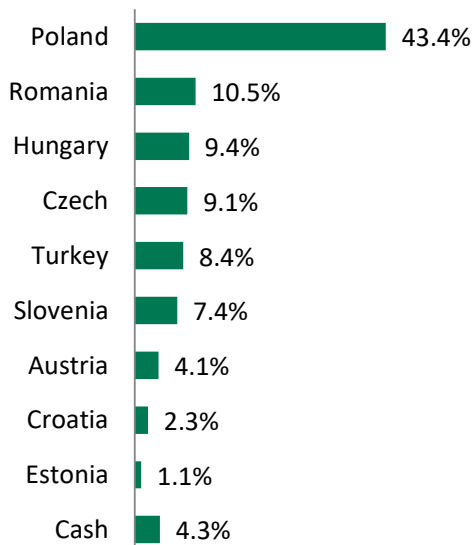
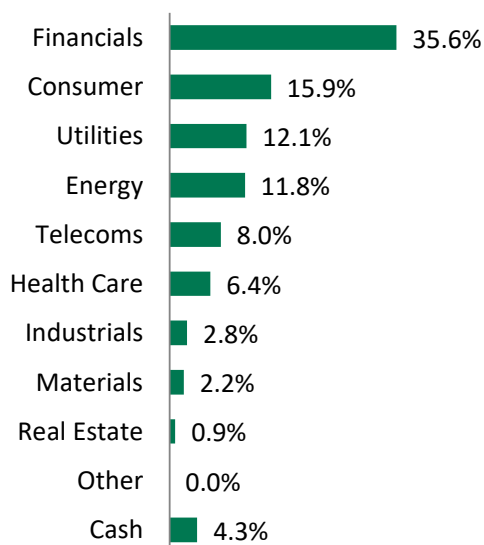
Trigon New Europe Fund's portfolio trades on a weighted average of 10.3x 2020E earnings and 5.8x EV/EBITDA 2020E. Eastern Europe is one of the few regions in the world, which is still trading at the discount to its own historical averages and at historically high discounts to DM markets. Fund holdings offer a weighted average dividend yield of 5.5% on 2020E earnings backed by high single digit free cash-flow generation and strong balance-sheets.

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


31-Dec-19	Unit D	Unit E	Benchmark*
Year-to-Date	17.3%	17.4%	5.2%
1 month	1.1%	1.1%	2.4%
3 months	2.5%	2.4%	5.3%
6 months	3.1%	2.9%	-0.4%
1 year	17.3%	17.4%	5.2%
3 years	38.2%	36.4%	29.1%
5 years	60.7%	57.0%	26.3%
10 years	172.8%	159.7%	30.8%
Since launch	279.7%	281.0%	17.3%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	24.2600	38.1000	107.7200
12 months High	24.2600	38.1000	107.7200
12 months Low	20.6600	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)	1.01		
Daily volatility (1 year)	8.5%		

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

31-Dec-19	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	18.8%	-	16.8%
1 month	1.2%	3.0%	1.4%
3 months	2.7%	5.8%	3.0%
6 months	3.5%	2.0%	2.7%
1 year	18.8%	-	16.8%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	10.7%	11.9%	7.7%
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

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%	1.4%	1.1%	17.3%	
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 5.2%
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 11.4%
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 9.9%
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)	8.1%	8.4%	8.7%	8.5%	9.6%
Volatility (monthly)				8.4%	10.0%

Downside Risk Analysis

Negative months/total	84/215	39%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	129/215	61%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

Market Cap Allocation

Micro Cap (up to 150m EUR)	0.0%
Small Cap I (150 - 500m EUR)	9.6%
Small Cap II (500m - 1bn EUR)	10.2%
Mid Cap (1 - 3 bn EUR)	28.0%
Blue Chip (more than 3bn EUR)	47.8%



Best Emerging Europe Equity Fund over 5Y



Best Emerging Europe Equity Fund over 5Y



Best Emerging Europe Equity Fund over 5Y



Best Emerging Europe Equity Fund over 5Y



Best Emerging Europe Equity Fund over 3 & 5Y



Best Emerging Europe Equity Fund over 3 & 5Y



Best Emerging Europe Equity Fund over 5Y

Geographic Allocation

	Dec-19	Jun-19	Dec-18
Poland	43.4%	35.2%	31.8%
Romania	10.5%	19.5%	20.6%
Hungary	9.4%	8.5%	13.2%
Czech	9.1%	5.5%	4.6%
Turkey	8.4%	7.8%	5.2%
Slovenia	7.4%	11.2%	10.8%
Austria	4.1%	5.6%	5.7%
Croatia	2.3%	2.1%	1.2%
Estonia	1.1%	2.1%	2.1%

Cash	4.3%	2.6%	4.7%
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Sector Allocation

	Dec-19	Jun-19	Dec-18
Financials	35.6%	37.5%	42.1%
Consumer	15.9%	17.0%	19.8%
Utilities	12.1%	5.0%	2.1%
Energy	11.8%	12.5%	10.6%
Telecoms	8.0%	6.4%	5.7%
Health Care	6.4%	7.2%	8.9%
Industrials	2.8%	6.9%	3.8%
Materials	2.2%	3.8%	2.5%
Real estate	0.9%	1.2%	-
Other	0.0%	-	-0.1%

Cash	4.3%	2.6%	4.7%
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Fund Details

	Unit A (EUR)	Unit A (USD)
NAV	110.6500	111.9000
12 months High	110.6500	111.9000
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.

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