

**Trigon New Europe Fund**
**Fact Sheet | February 2020**
**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 and Greece. 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**

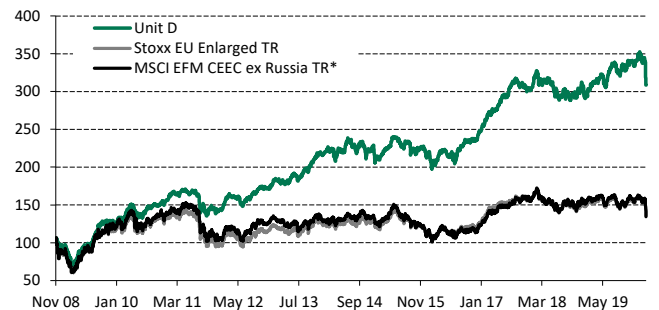
**Fund AUM:** €258.3 mil  
**Positions:** 47  
**UCITS IV:** Yes  
**Auditor:** PwC  
**Depository:** DZ PRIVATBANK  
**Dealing:** Daily  
**Domicile:** Luxembourg  
**Launch:** Apr 10, 2002

**Fund Manager's Comments**

In February, markets around the world collapsed amid the pandemic of COVID-19 virus. On relative basis, Eastern European markets have been hit the worst this year despite having 0 reported cases by end of February, and only 3-5 cases per country by the time of writing this report. MSCI EFM CEEC ex Russia Index TR slumped by 12.0% in February, while Global EM Index fell by 4.4%, and Chinese Shanghai Composite, the country impacted the most due to the virus, by a meagre 4.0% in euro terms. Trigon New Europe Fund fell in line with the benchmark, 12.4% in February, mainly being hurt from its exposure to Oil&Gas segment and Polish blue-chip segment that continue to lag. In YTD, terms the Fund is down by 13.9% vs 16.0% of our benchmark. In 5 and 10 years, the Fund has outperformed the benchmark index by 31.7% and 112.8%.

Going into 2020, the Fund increased its exposure to Poland, and especially towards Polish blue-chip segment including financials, utilities and oil and gas related names in the hope that historically low valuation levels combined with solid macro outlook will protect the segment in the case of market corrections. Thus far though, in the sell-off driven by the virus impact, Polish blue-chip segment has continued to underperform in 2020. In YTD, the WIG20 Index is down by 19.2% compared to 10.0% decline in MID-WIG Index and 5.2% decline in Polish small-cap index. Polish financials in the Fund trade at 8.8x 2020E earnings and offer 8.1% weighted average dividend yield on 2019 earnings. Polish utilities and oil and gas related names trade at 6.8x 2020E earnings and 3.6x trailing EV/EBITDA with 5.7% expected dividend yield on 2019 earnings. The latter segment offers substantial discount to privately owned companies, but comes with lower visibility on capex spend and dividends. Our reasoning, that these risks are already fully discounted in the valuations, seems to have been premature. That said, we remain confident that risk-reward remains strongly positive in Polish blue-chip segment.

Trigon New Europe Fund's portfolio trades on a weighted average of 9.3x 2020E earnings and 5.8x EV/EBITDA 2020E, multiples that cannot be considered demanding at current interest rate environment. Fund holdings offer a weighted average dividend yield of 5.9% on 2020E earnings backed by high single-digit free cash-flow generation and strong balance-sheets.

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


29-Feb-20	Unit D	Unit E	Benchmark*
Year-to-Date	-13.9%	-14.0%	-16.0%
1 month	-12.4%	-12.4%	-12.0%
3 months	-12.9%	-13.0%	-14.0%
6 months	-9.1%	-9.3%	-10.4%
1 year	-4.8%	-5.3%	-14.3%
3 years	9.8%	8.4%	-2.8%
5 years	32.0%	29.0%	0.4%
10 years	121.5%	110.9%	9.0%
Since launch	226.9%	227.8%	-1.4%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	20.8900	32.7800	92.6200
12 months High	24.8900	39.0900	110.3900
12 months Low	20.8900	32.7800	92.6200
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)	0.54		
Daily volatility (1 year)	11.7%		

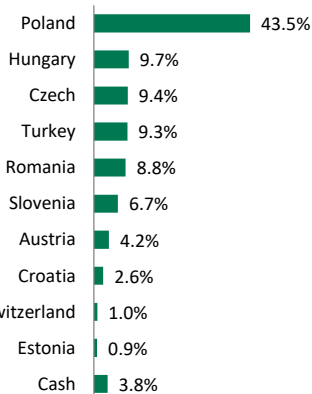
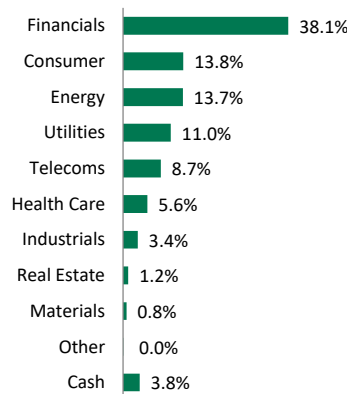
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to [funds@trigoncapital.com](mailto:funds@trigoncapital.com).

29-Feb-20	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	-13.8%	-15.6%	-14.0%
1 month	-12.3%	-13.1%	-12.2%
3 months	-12.8%	-13.1%	-12.9%
6 months	-8.8%	-9.0%	-8.8%
1 year	-4.2%	-7.6%	-5.7%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	-4.6%	-5.6%	-7.4%
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](http://www.trigoncapital.com), [www.morningstar.fi](http://www.morningstar.fi), [www.ipconcept.com](http://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](http://www.trigoncapital.com). Please refer to the important legal notice on the last page of this report.

## Trigon New Europe Fund

Fact Sheet | February 2020

## Monthly Performance (Unit D)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual	CAGR*	
2020	-1.7%	-12.4%													
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

## Risk Management Report (Unit D)

	1M	3M	6M	1Y	2Y
Volatility (daily)	28.2%	18.2%	14.3%	11.7%	11.1%
Volatility (monthly)				15.6%	13.1%

## Downside Risk Analysis

Negative months/total	86/219	39%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

## Upside Risk Analysis

Positive months / total	129/219	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)	8.2%
Small Cap II (500m - 1bn EUR)	9.2%
Mid Cap (1 - 3 bn EUR)	33.0%
Blue Chip (more than 3bn EUR)	45.9%



## Geographic Allocation

	Feb-20	Aug-19	Feb-19
Poland	43.4%	40.2%	30.8%
Hungary	9.7%	9.1%	12.7%
Czech	9.4%	3.6%	5.1%
Turkey	9.3%	7.3%	7.0%
Romania	8.8%	15.9%	22.2%
Slovenia	6.7%	10.2%	10.5%
Austria	4.2%	6.9%	6.7%
Croatia	2.6%	2.0%	1.2%
Switzerland	1.0%	-	-
Estonia	0.9%	1.9%	2.2%
Cash	3.8%	3.0%	1.4%

## Sector Allocation

	Feb-20	Aug-19	Feb-19
Financials	38.1%	37.4%	43.0%
Consumer	13.8%	17.4%	17.9%
Energy	13.7%	12.9%	11.3%
Utilities	11.0%	4.8%	2.4%
Telecoms	8.7%	7.0%	5.9%
Health Care	5.6%	7.4%	7.6%
Industrials	3.4%	6.3%	8.6%
Real estate	1.2%	1.1%	1.2%
Materials	0.8%	2.8%	0.6%
Other	0.0%	-	0.2%
Cash	3.8%	3.0%	1.4%

Fund Details	Unit A (EUR)	Unit A (USD)
NAV	95.3800	94.4000
12 months High	113.5500	113.7800
12 months Low	95.3800	95.3800
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	TRICLAE 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](http://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](http://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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