

**Trigon New Europe Fund**
**Fact Sheet | March 2021**
**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:** €275.4 mil  
**Positions:** 47  
**UCITS IV:** Yes  
**Auditor:** PwC  
**Depository:** DZ PRIVATBANK  
**Dealing:** Daily  
**Domicile:** Luxembourg  
**Launch:** Apr 10, 2002

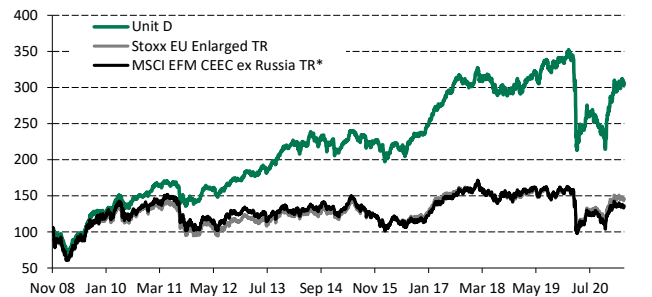
**Fund Manager's Comments**

In March, Trigon New Europe Fund advanced by 2.8% ahead of its regional MSCI CEEC ex Russia index, which gained 1.0%. In YTD terms, the Fund is up by 5.6% in euro terms vs 1.3% return of the regional index. Our portfolio has benefited from the better stock selection among financials and energy companies, and from the underweight exposure to Polish gaming and e-commerce companies that are suffering as the expectations are being scaled down. The COVID-19 situation has improved in most of the Eastern European countries in March but restrictions on businesses are expected to be prolonged for another month as vaccination roll-out remains slow.

While a number of central banks in Emerging markets have started to increase interest rates (Turkey, Russia), the central banks in CEE-4 countries are guiding to stay accommodative despite stubbornly high inflation. Inflation remains 50-150 bps above central banks' target levels of 2-2.5% and should remain higher throughout the year. As central banks remain focused on growth and full employment, they are comfortable with orderly depreciating currencies against the euro. The consensus expectations do not see any hikes in base rates in Poland and Hungary before 2023/24, in Romania before 2022, leaving only the Czech Central bank with a possible hike in H2 of 2021. That said, with an increasing possibility of even higher inflation in H2, together with the strong GDP recovery, we might see the consensus shifting to earlier hikes. The latter would bode well for our financial holdings in the Fund.

We continue to see mispricing of value among regional financials as two years of accumulated capital remains to be paid out. We expect it to be paid out in the final quarter of the year, or in the worst case, over coming years. Additionally, we see the top-line and profits already fully reflecting the low-interest environment but do not see similarly low risk-free rates being used in cost of equity calculations by the market. According to recent calls with the banks, it seems, that also the worst was left behind in terms of asset write-offs and improvement in CoR should be visible across the region in 2021. A possible solution to the CHF-mortgage loan issue in Poland could further boost the sector in Poland if the Supreme Court ruling in mid-April remains in line with the current proposal by commercial banks.

Trigon New Europe Fund is trading on 2020E and 2021E earnings of 14.2x and 12.3x, respectively. 2020E dividend yield is expected to be 6.2%, which does not include any possible one-off dividends by financial companies. High dividends are backed by low-teens free cash-flow generation in 2021E and strong balance-sheets of the companies.

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


| 31-Mar-21      | Unit D   | Unit E   | Benchmark* |
|----------------|----------|----------|------------|
| Year-to-Date   | 5.6%     | 5.4%     | 1.3%       |
| 1 month        | 2.8%     | 2.8%     | 1.0%       |
| 3 months       | 5.6%     | 5.4%     | 1.3%       |
| 6 months       | 28.6%    | 28.3%    | 17.8%      |
| 1 year         | 34.5%    | 33.8%    | 29.9%      |
| 3 years        | -1.4%    | -2.7%    | -9.4%      |
| 5 years        | 37.9%    | 34.7%    | 11.4%      |
| 10 years       | 82.6%    | 73.9%    | -5.5%      |
| Since launch   | 239.0%   | 238.0%   | 0.3%       |
| Launch of unit | 10.04.02 | 08.04.09 | n/a*       |

| Fund Details              | Unit D       | Unit E       | Unit B                                 |
|---------------------------|--------------|--------------|--|
| NAV                       | 21.6600      | 33.8000      | 96.4200                                |
| 12 months High            | 22.0300      | 34.3800      | 98.0300                                |
| 12 months Low             | 15.1400      | 23.6800      | 67.7100                                |
| 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)    | 0.35         |              |  |
| Daily volatility (1 year) | 19.1%        |              |  |

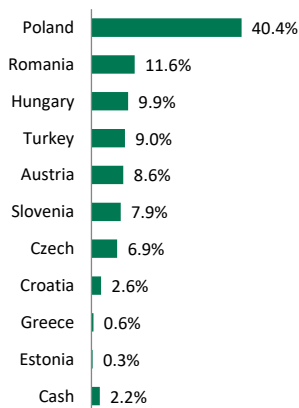
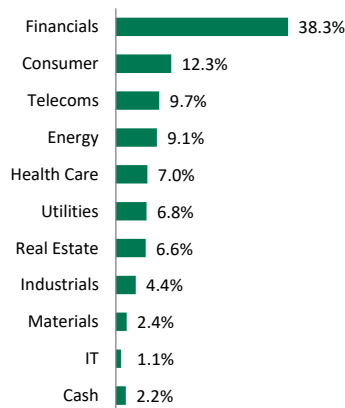
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to [funds@trigoncapital.com](mailto:funds@trigoncapital.com).

| 31-Mar-21      | Unit A (EUR) | Unit A (USD) | Unit B   |
|----------------|--------------|--------------|----------|
| Year-to-Date   | 5.8%         | 1.6%         | 5.1%     |
| 1 month        | 2.9%         | -0.4%        | 2.7%     |
| 3 months       | 5.8%         | 1.6%         | 5.1%     |
| 6 months       | 29.1%        | 29.4%        | 28.1%    |
| 1 year         | 35.4%        | 45.0%        | 34.7%    |
| 2 years        | -0.4%        | 4.8%         | -2.3%    |
| 3 years        | -            | -            | -        |
| 5 years        | -            | -            | -        |
| Since launch   | -0.3%        | 5.5%         | -3.6%    |
| 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 | March 2021**
**Monthly Performance (Unit D)**

| Year | Jan    | Feb    | Mar    | Apr   | May   | Jun    | Jul   | Aug   | Sept   | Oct    | Nov   | Dec   | Annual | CAGR*         |
|------|--------|--------|--------|-------|-------|--------|-------|-------|--------|--------|-------|-------|--------|---------------|
| 2021 | 1.8%   | 0.9%   | 2.8%   |       |       |        |       |       |        |        |       |       |        |               |
| 2020 | -1.0%  | -9.2%  | -26.1% | 7.9%  | 4.6%  | 1.8%   | -3.9% | -0.1% | -5.2%  | -10.0% | 24.1% | 9.0%  | -15.4% |               |
| 2019 | 3.2%   | 2.9%   | 0.4%   | 2.9%  | -2.1% | 5.6%   | 1.3%  | -4.7% | 4.5%   | 0.0%   | 1.2%  | 1.3%  | 17.3%  |               |
| 2018 | 4.1%   | -2.7%  | -1.1%  | -0.5% | -5.3% | -1.4%  | 4.3%  | -1.2% | -0.2%  | -0.4%  | 4.4%  | -5.1% | -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 -0.4% |
| 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 -2.2% |
| 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 5.7%  |
| 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)            | 12.2%   | 13.2% | 19.4% | 19.1% | 20.8% |
| Volatility (monthly)          |         |       |       | 29.7% | 30.3% |
| <b>Downside Risk Analysis</b> |         |       |       |       |       |
| Negative months/total         | 91/234  | 39%   |       |       |       |
| Worst calendar month          | -27.7%  |       |       |       |       |
| Worst calendar quarter        | -34.2%  |       |       |       |       |
| <b>Upside Risk Analysis</b>   |         |       |       |       |       |
| Positive months / total       | 139/234 | 61%   |       |       |       |
| Best calendar month           | 65.8%   |       |       |       |       |
| Best calendar quarter         | 29.9%   |       |       |       |       |

**Geographic Allocation**

|          | Mar-21 | Sep-20 | Mar-20 |
|----------|--------|--------|--------|
| Poland   | 40.4%  | 38.5%  | 38.8%  |
| Romania  | 11.6%  | 9.6%   | 9.0%   |
| Hungary  | 9.9%   | 8.6%   | 12.1%  |
| Turkey   | 9.0%   | 7.0%   | 8.6%   |
| Austria  | 8.6%   | 8.0%   | 5.3%   |
| Slovenia | 7.9%   | 8.7%   | 7.8%   |
| Czech    | 6.9%   | 8.2%   | 10.1%  |
| Croatia  | 2.6%   | 3.5%   | 3.5%   |
| Greece   | 0.6%   | 0.4%   | 0.3%   |
| Estonia  | 0.3%   | 0.8%   | 0.9%   |
| Cash     | 2.2%   | 6.6%   | 3.4%   |

**Market Cap Allocation**

|                               |       |
|-------------------------------|-------|
| Small Cap (0 - 500 mio EUR)   | 10.6% |
| Mid Cap (500 mio - 5bn EUR)   | 68.2% |
| Large Cap (more than 5bn EUR) | 19.0% |

**Sector Allocation**

|             | Mar-21 | Sep-20 | Mar-20 |
|-------------|--------|--------|--------|
| Financials  | 38.3%  | 34.7%  | 35.5%  |
| Consumer    | 12.3%  | 12.3%  | 13.9%  |
| Telecoms    | 9.7%   | 10.3%  | 10.4%  |
| Energy      | 9.1%   | 10.3%  | 12.6%  |
| Health Care | 7.0%   | 6.1%   | 6.9%   |
| Utilities   | 6.8%   | 7.8%   | 11.1%  |
| Real estate | 6.6%   | 7.3%   | 2.5%   |
| Industrials | 4.4%   | 2.2%   | 2.2%   |
| Materials   | 2.4%   | 1.2%   | 1.6%   |
| IT          | 1.1%   | -      | -      |
| Other       | -      | -      | -0.2%  |
| Media       | -      | 1.3%   | -      |
| Cash        | 2.2%   | 6.6%   | 3.4%   |



| Fund Details       | Unit A (EUR) | Unit A (USD) |
|--------------------|--------------|--------------|
| NAV                | 99.6600      | 105.5200     |
| 12 months High     | 101.3100     | 110.8700     |
| 12 months Low      | 69.4700      | 69.4700      |
| 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     |

**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.

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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