

INFORMATION ON THE MERGER OF TRIGON NEW EUROPE FUND INTO TRIGON - New Europe Fund

This information is important to all unit-holders of Trigon New Europe Fund.

We wish to inform the unitholders that AS Trigon Asset Management (hereinafter the **Company**) has decided to merge Trigon New Europe Fund, managed by AS Trigon Asset Management (hereinafter the **“Merging Fund”**), into New Europe Fund, a sub-fund of TRIGON, managed by IPConcept (Luxembourg) S.A (hereinafter the **“Receiving Fund”**) (the **“Merger”**). Both funds are hereinafter together referred to as the Funds. This document provides you information about the Merger.

Information about the Merger and the unitholders’ right to redeem units, in case you find it necessary, are set out in this document. It is important that you as a unit-holder actively read the information below.

The Merger will be carried out by means of absorption and will take place based on the NAV calculation as per April 9, 2018. The first NAV calculation date of the receiving fund will be April 10, 2018 (the **“Effective Date”**), on which date the Merging Fund will be dissolved. As a result of the Merger, the assets and liabilities of the Merging Fund will be transferred to the Receiving Fund. Unit-holders of the Merging Fund will receive new units in the Receiving Fund corresponding to the value of their previous units held in the Merging Fund without subscription fee. If you do not wish to receive units in the Receiving Fund then you have the right to redeem your Merging Fund units without redemption fee during the time period shown below.

1. The background and reasons for the Merger

The Merging Fund is a public open-ended investment fund registered by the Estonian Financial Supervision Authority (**“EFSA”**) and managed by Aktsiaselts Trigon Asset Management. The Merging Fund is in compliance with the provisions laid out in Directive 2009/65/EC of the European Parliament and of the Council (the **“UCITS Directive”**) and the legislation of the Republic of Estonia regarding UCITS (Undertakings for Collective Investment in Transferable Securities).

The Merging Fund has been highly popular among foreign investors. In order to broaden the distribution opportunities of the Merging Fund and to generate other operational efficiencies which will benefit unit-holders, the Company has resolved to re-domicile the Merging Fund to the Grand Duchy of Luxembourg. Luxembourg is the leading domicile for the UCITS funds in Europe, and therefore widely accepted by European investors, but also by wide range of investors from outside of Europe. Broader investor base is beneficial for existing unit holders through better diversification of the fund assets and for bringing potentially new investors to the region.

Following a thorough review the Company opted for the services provided by IPConcept (Luxembourg) S.A. who will act as the Management Company of the Receiving Fund. The Receiving Fund has been established in Grand Duchy of Luxembourg for the sole purpose of facilitating the re-domiciliation of the Merging Fund through a cross-border Merger in accordance with the UCITS Directive and prior to the completion of the Merger has no assets or liabilities nor any shareholders. The Receiving Fund is a legally dependent investment fund (fonds commun de placement) consisting of transferable securities and other assets observing the principle of risk diversification, registered with the Commission de Surveillance du Secteur Financier (the **“CSSF”**) qualifying as an Undertaking for Collective Investment in Transferable Securities (UCITS) under Part I of the law of December 17, 2010 on undertakings for collective investment, as amended from time to time.

The Receiving Fund will be managed by IPConcept (Luxembourg) S.A. (the **“Management Company”**), which is a wholly-owned subsidiary of DZ PRIVATBANK S.A.

Depository, Registrar and Transfer Agent as well as Central Administration Agent will be offered by DZ PRIVATBANK S.A. After the completion of the Merger, Aktsiaselts Trigon Asset Management will continue to perform the investment management and marketing functions of the Receiving Fund on the basis of delegation from the Management Company.

2. Potential impact of the Merger on the unit-holders of The Merging Fund

A) Changes in the investment activity and rights of unit-holders

The purpose of the Merger is to facilitate the re-domiciliation of the Merging Fund with materially the same investment policy and strategy.

The Merger does not have any impact on the investment objective, policy or philosophy of the Merging Fund. The investment rules and strategy will remain in principle the same in the Receiving Fund. The reporting and disclosure standards are the same for both Funds, as provided in the UCITS Directive. As there are no material changes in investment policies there are also no differences in expected risk reward parameters of the Fund. A general comparison of the Fees and Expenses is provided below in Section B. No material changes are intended to be made in the composition of the assets of the Merging Fund before the Merger takes effect. All assets of the Merging Fund will be transferred to the Receiving Fund

The Merging Fund will be closed to new subscriptions and redemptions from 30th of March , 2018. If the unit-holders in the Merging Fund do not redeem their units in the Merging Fund prior 30th of March, 2018 11:00 a.m. Estonian time, unit-holders in the Merging Fund will, on the Effective Date, become shareholders in the Receiving Fund, and the Merging Fund will be delisted and thereafter terminated. Both the Merging and Receiving Fund are regulated by the UCITS Directive, meaning that the rights of the unit-holders of the Merging Fund will not materially change once they become unit-holders of the Receiving Fund. Therefore we do not consider the changes to be in any way detrimental to the unit-holders of the Merging Fund.

B) Fees and expenses

The differences in the fees and expenses paid by the Funds are shown in the table below.

There will be no costs associated with the preparation and completion of the Merger charged either to either the Merging Fund or the Receiving Fund or to any of the unitholders of the Merging Fund. You as the unit-holder of The Merging Fund do not need to pay fees for receiving units of the Receiving Fund, neither do you need to submit any applications or orders for receiving units of the Receiving Fund in the process of the Merger.

	Merging Fund Unit	Fees/expenses	Receiving Fund Share	Fees/expenses	Impact + positive; - negative
Subscription fee	A (Class 1)	0,0%	Class D EUR	0,0%	None
	eQ (Class 2)	0,0%	Class E EUR	0,0%	None
	C (Class 4)	0,0%	Class E EUR	0,0%	None
	E (Class 6)	0,0%	Class A USD	0,0%	None
Redemption fee	A (Class 1)	0,0%	Class D EUR	0,0%	None
	eQ (Class 2)	0,0%	Class E EUR	0,0%	None
	C (Class 4)	0,0%	Class E EUR	0,0%	None
	E (Class 6)	0,0%	Class A USD	0,0%	None
Management	A (Class 1)	1,5%	Class D EUR	1,5%	None

fee	eQ (Class 2)	1,25%	Class E EUR	2,0%	-
	C (Class 4)	2,0%	Class E EUR	2,0%	None
	E (Class 6)	1,5%	Class A USD	1,0%	+
Performance fee	A (Class 1)	0,0%	Class D EUR	0,0%	None
	eQ (Class 2)	15% of return that exceeds 3,5% per year	Class E EUR	0,0%	+
	C (Class 4)	0,0%	Class E EUR	0,0%	None
	E (Class 6)	0,0%	Class A USD	0,0%	None
Depository fee (excl. VAT)	up to 0,30%		up to 0,06%		+

C) Accrued income

Any accrued income included in the NAV of the Merging Fund will be transferred to the Receiving Fund.

D) Tax consequences

The Company does not withhold any taxes on gains earned from shares. Declaring gains is an obligation of a shareholder. The tax system applicable to a shareholder depends on the shareholder's residence, legal set-up and other circumstances.

The shareholders are advised to consult with a professional tax advisor as the shareholder is liable for tax consequences applicable as a result of the Merger of the Funds.

3. Special rights for unit-holders resulting from the Merger

The unit-holders in the Merging Fund will, on the Effective Date, become shareholders in the Receiving Fund, and the Merging Fund will be delisted and thereafter terminated.

You as a unit-holder of The Merging Fund have special rights resulting from the Merger. You have the right to receive additional information on the Merger and to obtain on request a copy of the depository's report on their review of the Merger, which shall be composed after the date of the Merger, via e-mail. Our contact details for such purpose are provided below.

If you do not wish to receive units in the Receiving Fund then you have the right to redeem your Merging Fund units without redemption fee during the time period shown below. Redemptions shall be concluded in accordance with the Merging Fund's rules and prospectus. You are entitled to submit an order to redeem The Merging Fund units without redemption fee if you submit your redemption order as of 27th of February, 2018 from 11:00 a.m. Estonian time but latest on 30th of March, 2018 at 11:00 a.m. Estonian time. However, please note that redemption is treated as disposal of units for tax purposes.

4. Procedure and dates relevant to the Merger

On the Effective Date of the Merger, the Merging Fund will be dissolved and its assets and liabilities will be transferred to the Receiving Fund without liquidation procedure.

The unit-holders of the Merging Fund who have not duly exercised their redemption right will be considered as participating in the Merger. As from completion of the Merger, the participating investors of the Merging Fund will receive shares of the Receiving Fund in value that corresponds to their holdings in the Merging Fund.

The Receiving Fund units which you will receive for your units held in The Merging Fund are shown in the table below:

In return for these The Merging Fund units (below)			You will correspondingly receive these The Receiving Fund units (below)		Ratio
Name	ISIN code		Name	ISIN code	
Class 1 Unit – A Unit	EE3600018602	=>	Class D EUR Accumulating Share	LU1687403102	1:1
Class 2 Unit – eQ Unit	EE3600072856	=>	Class E EUR Accumulating Share	LU1687403367	TBC
Class 4 Unit – C Unit	EE3600102372	=>	Class E EUR Accumulating Share	LU1687403367	1:1
Class 6 Unit – E Unit	EE3600109468	=>	Class A USD Accumulating Share	LU1687402476	1:1

The number of the shares of the Receiving Fund to be issued to each participating investor will (if necessary) be rounded up to three decimal points.

The following rules are applied for rounding:

numbers NN.NNN0 until NN.NNN4 are rounded to NN.NNN and numbers NN.NNN5 to NN.NNN9 are rounded to NN.NN(N+1)

Shareholders' rights with regard to the Receiving Fund will take effect as from entry into the Receiving Fund's shareholders register maintained by DZ PRIVATBANK S.A.

As from the Effective Date of the Merger, all portfolio transactions shall be made on behalf of the Receiving Fund.

Expected timeline of the Merger:

- The Company publishes notice about the Merger on its web page www.trigoncapital.com on the 26th of February, 2018.
- As of 27th of February 2018 from 11:00 a.m. Estonian time unit-holders of the Merging Fund can redeem their units in the Merging Fund without redemption fee. The final date for submitting redemption orders without redemption fee is the 30th of March 2018 until 11:00 a.m. Estonian time after which the Merging Fund will be closed for trading.
- 6th of April 2018 is the record date for calculating the exchange ratio (Valuation Date). Exchange ratio is calculated on the NAV calculation day 9th of April 2018. Exchange ratio shows how many of Receiving Fund units will be received by a Merging Fund investor for one Merging Fund unit.
- The Merger date is 9th of April 2018.
- The Merger will become effective on the next business day after the Merger date, 10th of April, 2018 - new shareholders of the Receiving Fund will be able to fully exercise their rights as shareholders and the Receiving Fund is open for dealing.

All The Merging Fund unit-holders that do not exercise their right to redeem units latest on 30th of March, 2018 at 11:00 a.m. Estonian time will automatically become shareholders of The Receiving Fund.

Additional information

For additional information about the Merger please contact us via e-mail funds@trigoncapital.com or telephone +372 667 9200. More information about the Funds (e.g. rules, prospectuses, key investor information documents, fact sheets, financial reports) is available on the Company's web page www.trigoncapital.com, under section *Public Markets Portfolio Investing*. Investors are strongly advised to



read the Key Investor Information Document of units of TRIGON – New Europe Fund attached to this information. In the case you purchased your Merging Fund units using the services of your financial adviser and you are uncertain as how to respond to this document then it is advised to check with your financial adviser for assistance.

Yours sincerely,

Mehis Raud
Member of the Management Board
AS Trigon Asset Management

Appendix: Key Investor Information Documents of the units of TRIGON – New Europe Fund