











**This final investment manager report is, apart from describing the various inputs to the Feb 2020 NAV, which effectively covers four months, also the last one after eight years managing J&O Forest Fund. New times ahead!**

### FEBRUARY NAV

First thing first. NAV as of **Feb 28, 2020** was up **+1.28%** for our main share class (A EUR) compared to the fund's latest issued NAV, four months earlier, of Oct 31, 2019. Attributing half of the development of the four months to 2019 gives a theoretical figure for the full year of 2019 of **+11.4%**.

As the Fund has not and will not issue separate NAV statements for the months of November, December of 2019 and January 2020, what is reflected as per 31 December is the Oct 31 NAV. Nevertheless it is assuring with a solid number for 2019.

### 2019 AND 2020 NAV AND PERFORMANCE

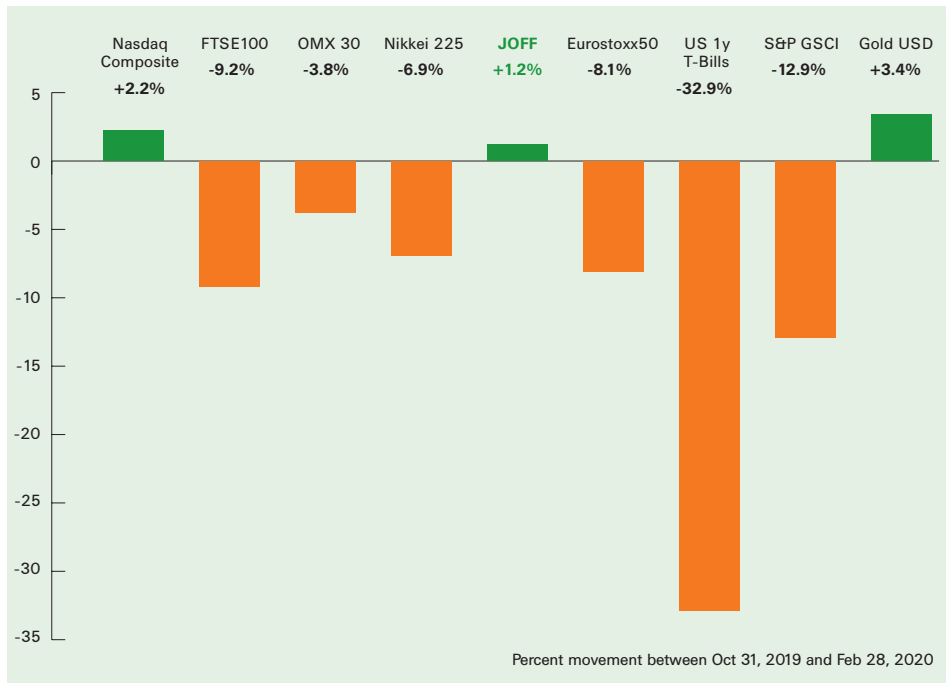
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NO PRICE	FEB	1YR
<b>CLASS A</b>													
<b>EUR</b>													
NAV 	166.22	167.52	168.96	186.52	188.24	188.40	188.67	190.40	183.30	182.99		185.34	
Change	+0.62%	+0.78%	+0.86%	+10.39%	+0.92%	+0.08%	+0.14%	+0.92%	-3.73%	-0.17%		+1.28%	+10.64 %
<b>USD</b>													
NAV 	196.06	196.46	195.75	216.2	217.42	220.88	215.55	216.25	206.42	210.86		211.17	
Change	+0.45%	+0.20%	-0.36%	+10.45%	+0.57%	+1.59%	-2.41%	+0.32%	-4.55%	+2.15%		+0.15%	+7.49%
<b>GBP</b>													
NAV 	219.79	217.78	220.84	244.04	252.12	255.04	259.13	259.7	245.29	238.06		240.71	
Change	-2.13%	-0.91%	+1.41%	+10.51%	+3.31%	+1.16%	+1.60%	+0.22%	-5.55%	-2.95%		+1.11%	+10.53%
<b>NOK</b>													
NAV 	1696.63	1727.37	1733.81	1913.98	1949.16	1935.9	1959.54	2013.72	1916.81	1978.19		2023.64	
Change	-1.89%	+1.81%	+0.37%	+10.39%	+1.83%	-0.68%	+1.22%	+2.76%	-4.81%	+3.20%		+2.30%	+17.15%
<b>CLASS C</b>													
<b>EUR</b>													
NAV 	120.52	121.73	123.04	136.8	138.34	138.71	139.15	140.73	135.66	135.6		137.4	
Change	+0.83%	+1.00%	+1.08%	+11.18%	+1.13%	+0.27%	+0.32%	+1.14%	-3.60%	-0.04%		+1.33%	+12.87%
<b>SEK</b>													
NAV 	1500.63	1535.31	1541.59	1745.89	1760.57	1756.89	1785.05	1822.71	1741.82	1747.71		1740.46	
Change	+2.88%	+2.31%	+0.41%	+13.25%	+0.84%	-0.21%	+ 1.60%	+2.11%	-4.44%	+0.34%		-0.41%	+13.36%
<b>USD</b>													
NAV 	109.07	109.5	109.31	121.52	122.47	124.74	121.96	122.57	117.15	119.82		120.06	
Change	+0.64%	+0.39%	-0.17%	+11.17%	+0.78%	+1.85%	-2.23%	+0.50%	-4.42%	2.28%		+0.20%	+9.64%
<b>CLASS D</b>													
<b>SEK</b>													
NAV 	1404.94	1431.64	1435.12	1598.82	1608.86	1603.12	1622.94	1651.4	1524.59	1528.48		1510.27	
Change	+ 2.81%	+1.90%	+0.24%	+11.41%	+0.63%	-0.36%	+ 1.24%	+1.75%	-7.68%	+0.26%		-1.19%	+5.49%

## NAV DEVELOPMENT IN PERSPECTIVE

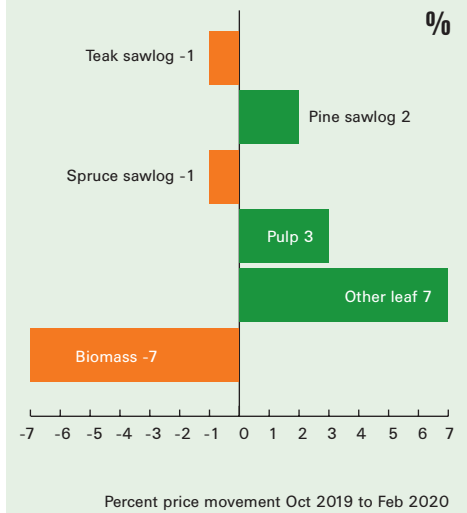
Remember the world back in October? Feels like a very different place and no one knows if we will ever come back to that relatively carefree world. During these four months the world, and markets at large have had a bumpy ride. Comparing J&O Forest Fund with some major indices for the period Oct 31 to Feb 28 proves interesting; Fuelled by Trump's bombastic promises of economic support, the Nasdaq Composite Index was up by 2%. All other major stock indices are down around 10%. Gold, along with forestry seen as a safe haven in troubled times, was up 3%.

In this jumble of economic indicators J&O Forest Fund was the boring guy in the room, just trotting on at a bit over 1%. How come? It's not that forestry is ring-fenced from the rest of the world, it just works differently. For instance, if we look at prices for forest products (timber, pulp and biomass) we see both ups and downs, in this period. Teak timber prices dropped -1.5%, same goes for spruce. Biomass was also down while pine and pulp was up. Price changes are all driven by global and local demand, for each segment, and will partially, as we use average pricing over longer periods, play into the NAV calculation. Regardless, and this is where forest really stands out as an asset class, the forest just keeps on growing.

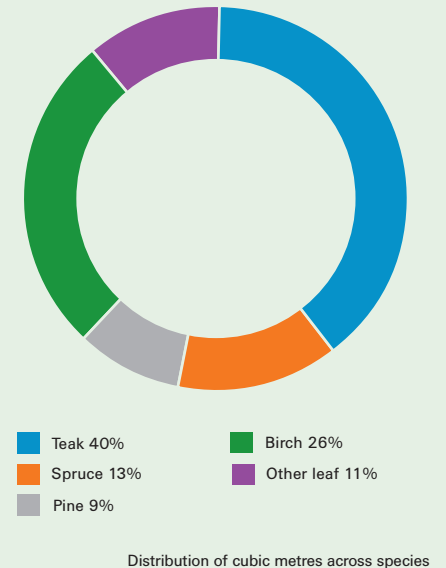
## JOFF VS INDICES OCT TO FEB



## FOREST PRODUCT PRICES FEB VS OCT



## SPECIES BY VOLUME



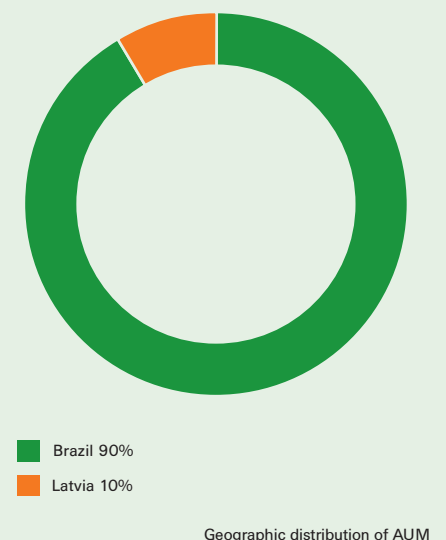
## EVENTS DURING THE PERIOD

The relatively soft decrease in prices of around 1% meant a push down on the NAV. This was offset by the biological growth and one-off events on the balance sheet. As we find ourselves amidst the re-structuring we have worked with the balance sheet to facilitate the future transfer of assets, to either Eternali, the Swedish public company with a plan for listing or to J&O Forest Fund SLP Lux, the newly set up Luxemburg fund for professional investors.

As often is the case in the business of forestry, we saw the possibility to exchange holdings. This is common practice as it can be beneficial to both parties. Everyone is striving to have a geographically well consolidated forest holding as it lowers costs for work and logistics. We have been able to exchange one whole plantation for a larger part of a plantation already in the portfolio. For us the benefit is that we are down from four plantations to two. One is being harvested and sold off, see further below and one has been exchanged. To the untrained eye this may look as a concentration strategy but in reality it's a matter of streamlining and simplifying hand-on management.

The exchange also had a slight positive effect of around +1% due to more trees exchanged in, than exchanged out. Further, in this final NAV we have also accrued around 0.5% to cover for liquidation costs.

## GEOGRAPHIC PORTFOLIO



## COVID-19 EFFECTS

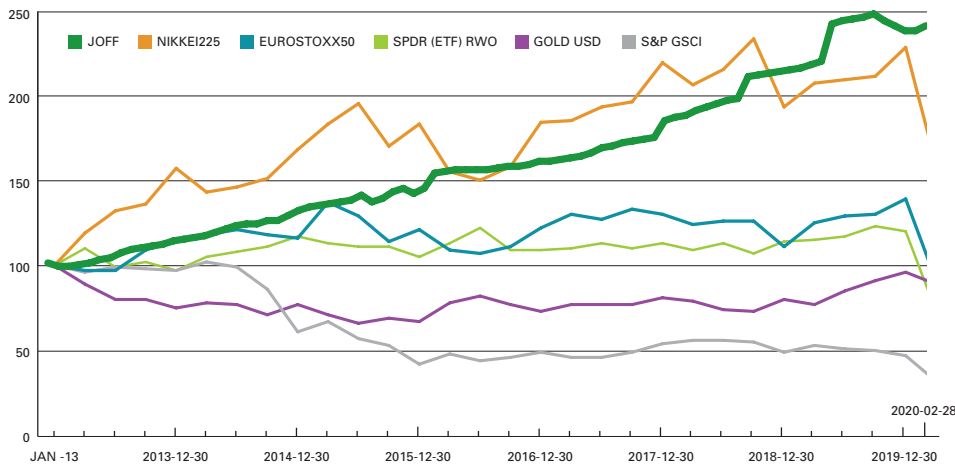
The most direct effect the pandemic has had on J&O Forest Fund is the disruption of a planned harvest of one plantation. It was delayed in February due to heavy rains and then paused because of lockdown restrictions.

Prices are set and agreed so the impact is more a matter of timing and overall liquidity. Another effect of Covid-19 is that handling times at the Bermuda Monetary Authority, our supervisor, are slower due to a strict lockdown regime in Bermuda. This has repercussions on when we will see a final approval from the Swedish Financial Authority of the Prospectus relating to the offer to convert into the Swedish entity.

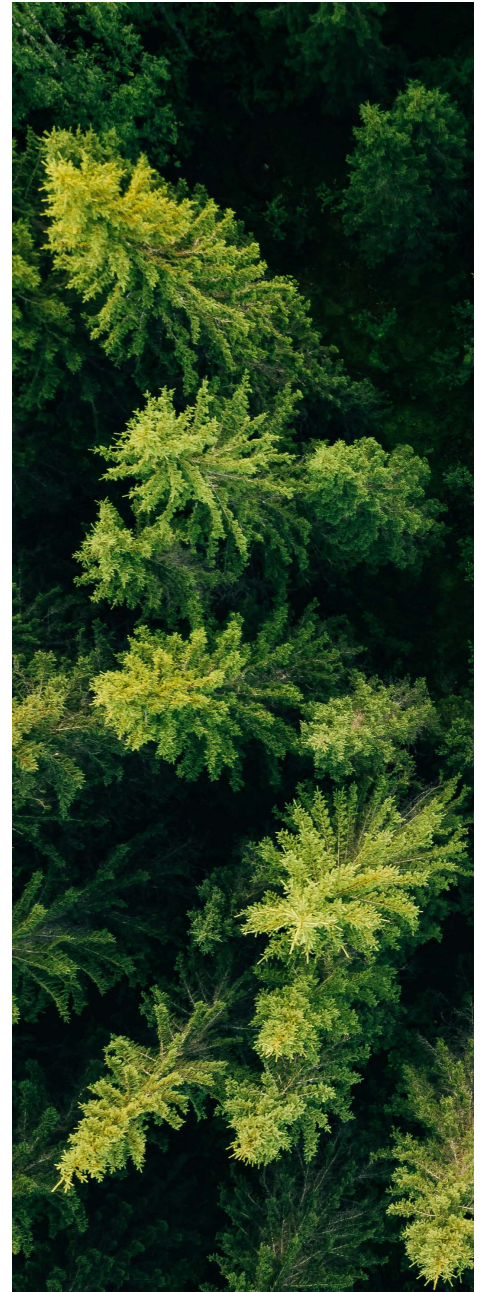
## A FINAL WORD

A quick look at the graph of the J&O Forest Fund performance over the last seven years tells a story of ups and downs of various indices representing different markets and asset classes. It also tells the story of a quite comfortable ride with J&O Forest Fund. Driven by biological growth, which is paired with a long-term shift to sustainable energy and materials, this is only the beginning.

## FUND PERFORMANCE 2013-2020



Comparison between J&O Forest Fund Bermuda (Class A EUR) and an array of indices representing different asset classes. Base 100 is NAV/Index 1/1-2013 in local currency.



### FUND STATISTICS

Average annual return since start:	+13.3%
Best quarter since start:	+11.4%
Worst quarter since start:	+0.5%
Positive months since start:	93%
Average annual standard deviation since start:	5.11%

### SERVICE PROVIDERS

Administrator:	Apex Fund Services, Ireland
Auditor:	KPMG, Cyprus
Bank:	Swedbank, Sweden



Rate of positive months since 1/1 2013



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