



# **AS Avaron Asset Management**

**ANNUAL REPORT  
FOR THE FINANCIAL YEAR ENDED ON  
31 DECEMBER 2024**

**Audited by KPMG**

## COMPANY FACTS

Beginning of the financial year	01/01/2024
End of the financial year	31/12/2024
Name of the Company	AS Avaron Asset Management
Registration number	11341336
Address	Narva road 7D, 10117 Tallinn, Estonia
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E-mail	<a href="mailto:avaron@avaron.com">avaron@avaron.com</a>
Web site	<a href="http://www.avaron.com">www.avaron.com</a>
Main activity	Management of investment funds (EMTAK 66301) Portfolio management services (EMTAK 66199)
Sworn auditor	KPMG Baltics OÜ (reg. no. 10096082)
Documents enclosed with the annual report	Sworn Auditor's Report Proposal for Profit Distribution Division of revenues in accordance with EMTAK classification standard



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## MANAGEMENT REPORT

### General Information

AS Avaron Asset Management (hereafter: “Avaron” or “Company”) is an independent asset management company that was established in 2007. **Our core activity involves investing the assets of our mutual funds and institutional investor managed accounts into Emerging Europe listed equities.** We create additional value to our clients by applying active value investing and responsible investing principles while also adhering to the UN Principals of Responsible Investment. As at the end of 2024 Avaron managed 241 million euros of investor assets. The firm employed 15 investment and finance specialists. Avaron holds a licence from the Estonian Financial Supervision Authority to manage investment portfolios and funds. Avaron is also a registered Investment Advisor with the U.S Securities and Exchange Commission (SEC).

### Description of the Business Model

**Avaron is mainly focused on offering institutional investors the opportunity to invest part of their emerging markets portfolio into Emerging Europe listed equities.** An investor can achieve this by either investing directly into mutual funds managed by Avaron or by giving us a managed account to invest the assets directly. Today Avaron manages four mutual funds domiciled in Estonia which are open to any investor that has a European bank account. **Avaron Emerging Europe Fund**, targeted to institutional investors, is focused on Emerging Europe ex-Russia listed equities. The fund is a UCITS fund, SFDR Article 8 and registered for public sale in Estonia, France, Germany, Austria, Finland, Sweden, Norway, Latvia and Lithuania. **Avaron Emerging Europe Smaller Companies Fund** invests in entrepreneurial small and mid-cap companies in Emerging Europe ex-Russia region. **Avaron Flexible Strategies Fund**, targeted to high-net worth investors in Estonia, is an asset allocation fund that has a global mandate but focuses on investments in listed equities and bonds in Emerging Europe and Europe. Avaron High Yield Bond Fund invests into European high yield corporate papers with tilt to Emerging Europe and Scandinavia. **In our institutional investors’ managed accounts we focus on Emerging Europe ex-Russia listed equity investments.** Our managed accounts are all tailor-made.



EE	Estonia	LV	Latvia	LT	Lithuania
SK	Slovakia	SI	Slovenia	HR	Croatia
BA	Bosnia & Herzegovina			SR	Serbia
MK	North-Macedonia	A	Albania	M	Montenegro
CZ	Czech Rep.				

**Avaron focuses on Emerging Europe ex-Russia listed equity asset class with an objective to deliver positive risk-adjusted return to our clients over the market cycle.** Our investment region encompasses 15 Emerging Europe countries. Our team’s 18 years of experience in the region has given us extensive knowledge about the public companies and countries we are active in. Our eight-person investment team analyses close to 300 listed companies, researches their business models, assesses their corporate governance and evaluates their development plans. For all the companies under our coverage we establish our own target price based on our internal financial model and estimates. As such our investment decisions rely solely on in-house research. We aim to deliver alpha to our investors by constructing a portfolio of companies that maximises the aggregate upside to internally set target prices of individual companies in our investment universe taking into account the quality and ESG profile of a company, liquidity of an instrument and where relevant, also FX outlook. Based on our research we discover around 30-50 most attractive investment opportunities where we make an investment

in.

Avaron funds and our institutional clients pay us an annual management fee based on the value of assets under management and we are also entitled to earn performance fees if we outperform the set benchmark. Both the management and performance fee rates and terms can be found in the respective fund's prospectus and are also available on our webpage. The fees agreed upon with institutional investors are confidential. The Company's financial success mainly depends on the amount of assets under management and return of the assets managed, which underpins the performance fees and long-lasting client relationship.

### **Investment Philosophy: Value Investing, Stock-Picking and Responsible Investing**

**Our investment philosophy is based on value investing principles.** Over time stock prices tend to over or underreact to market news and thus deviate from fundamental value of a company. In order to take advantage of such occurrences our portfolio construction is fully bottom-up, assessing every investment case on a standalone basis. Our idea generation is proprietary, driven predominantly by upside to internally set fair value targets. We tend to have long term holding periods but our upside oriented investment process also allows us to take advantage of short-term market volatility without losing focus of the underlying fundamental value of the company. We search for well managed companies with leading market positions, identifiable competitive advantage(s) and strong recurring revenue based business models that we understand and are able to model ourselves.

Within our investment process **we put strong emphasis on company quality that is assessed by using an internal Quality Score** focusing on management team and business model quality, and financial strength of the company. Besides conventional financial and non-financial aspects **we have integrated ESG Score (environmental, social, governance) analysis into our investment process** leveraging upon our bottom-up regional expertise with an aim to identify material ESG risks and value creation opportunities. Our investment team has been following vast majority of our current listed equity universe for over 18 years, which serves as an important strength in assessing the companies' future potential. In order to have an extensive knowledge base of the companies in our universe we have taken **a strategic decision not to outsource ESG analysis to third party providers** but rather to educate our research team and develop the knowhow in-house.

### **Avaron Goals and Values**

**Avaron's mission is to be the most suitable partner for institutional investors catering for their needs in investing into Emerging Europe listed equities.** Avaron's main objective is to offer our investors positive risk weighted long-term return through value based and responsible investing. To achieve this, we adhere to our investment style and process, respectively value investing and fundamental analysis, which deliver bottom up stock picks to the portfolios. Avaron's investment team has a key role in achieving our objective and this is why the Investment Managers and key employees are also Avaron's shareholders. The Company's Investment Managers have worked at Avaron since its launch in 2007, while the two Senior Analysts joined in 2008 and 2011.

**Avaron's second key objective is to offer its employees opportunities for personal growth.** We have invested and continue to invest considerable resources into our employees. Today our investment team consisting of 8 investment specialists (3 Investment Managers, 2 Senior Analysts, 3 Analysts) is one of the largest teams dedicated to Emerging Europe region stock analysis. We have invested a lot also into support team (Operations & Back-Office) and compliance function over the past seven years, including building up back-up functions inside the teams. The Company has also dedicated significant resources to IT systems to further enhance operational efficiency and improve risk management processes.

**Avaron has a strong corporate culture with passion for investing, diligence and flexibility.** Passion for investing is a key characteristic we look for during our employee selection process as we consider it to be essential for self-development and long-lasting job satisfaction. It also serves as an important driver in our search for attractive investment ideas. Diligence is key to delivering strong investment returns, a measure of quality of our work. In small sized organizations self-motivation and efficiency together with



perseverance are important in successfully working towards our goals. Alongside that flexibility, both towards clients and employees, is essential in building mutually beneficial professional relationships.

*Below is Avaron team in December 2024.*



### **Sustainability at Avaron**

Avaron is committed to sustainable business practices, which are embedded into our corporate identity. As an asset management boutique, the largest impact we can make is via our investment decision making process. We believe that environmental, social and corporate governance (ESG) issues and stewardship activities are material to delivering strong risk-adjusted investment returns over the long-term and contribute to a more cohesive and fairer society.

**Since 2011 Avaron is a signatory of the UN PRI and we have integrated ESG factors into our fundamental company research and investment decision-making processes.** We take an active approach to communicating our views to the companies we invest in and seek improvements where there are shortcomings in performance. From our website's section [Responsible Investment](#) you can download our Responsible Investment Policy, Responsible Investment Report, UN PRI Transparency and Assessment Reports, Voting Policy and Voting Records. PRI published the 2024 Transparency and Assessment Reports in November that can be both accessed on our website. We reported in 3 modules and according to the assessment scored the following: 66/100 in Policy Governance and Strategy (above average), 69/100 in Listed Equity – Active Fundamental (a bit below average), and 80/100 in Confidence Building Measures (on par with average).

Going into 2025 as an UN PRI signatory **we continue to be committed to the responsible investment principles as our experience tells that ESG integration to our bottom-up stock picking investment process helps to deliver strong risk-adjusted returns. We continue as a signatory of the CDP** as it is one of the largest investor collaborations globally with combined \$136 trillion in assets, aiming to improve climate change, water usage and deforestation related disclosure, and related risk management of publicly traded companies.

**Europe's most renowned financial agency, LuxFLAG, awarded the Avaron Emerging Europe Fund the prestigious LuxFLAG ESG Label for responsible investing in 2023.** The fund is the first Eastern Europe-focused fund to receive this ESG designation. The label is a highly recognized quality mark in Europe,



providing investors with confidence that responsible investing is fully integrated into Avaron's investment process and that the fund maintains transparency in its reporting. In March 2025, we successfully passed LuxFLAG's annual review, and the LuxFLAG ESG Label is now valid until March 31, 2028.

### Corporate responsibility – giving back to the society

**We gave the 2024 Christmas donation to the [Carolín Illenzeer Foundation](#)** which supports the education of children of Estonian Defense Force families where a father or mother has died in service or was seriously injured. The foundation was established in 2005 by a group of officers to support the education of the daughter of a defense soldier Arre Illenzeer, who died in mission. Over time it grew into a foundation which today supports 74 children of the Estonian Defense Forces. The grant money goes mainly to support the children's school and university journey, to participate in sports camps and to organize a joint family day for the children. According to the CEO of the foundation, Iti Aavik, children find it important to have a joint family day, which brings together children with a similar loss. In 2024 September 55 children received school start support and university scholarships in the amount of 46,650 euros. The patron of the foundation is the President of the Republic of Estonia, Alar Karis.

**We support youth and education.** Every year we select with our team a non-profit organization to support during Christmas time. In earlier years we have supported [Junior Achievement Estonia](#) which injects entrepreneurship and economic thinking into young people, the foundation [Kiusamisvaba Kool Antibullying Program](#) which educates and gives teachers materials and tools to create a bullying free school environment for kids in Estonia, [Back to School Project](#) to finance online investment lectures, [Youth to School](#) programme which brings young enthusiastic people outside of education system to schools for two years to teach and [Youth to Olympics](#) which finances promising young athletes on their way to the Olympics, the education project of the [Estonian Cancer Society](#) within the framework of which young oncologists and haematologists can improve their education and skills abroad and [NGO School for New Teachers](#) (Alustavat Õpetajat Toetav Kool) which smoothen integration of first year teachers into schools to prepare them for a life-long career as teachers. We also encourage our staff to take an active role in the community by participating in these and other positive change initiatives.

**For years we have been Avaron team has been supporting the University of Tartu** by giving lectures on financial markets and investing to bachelor and master level students. In 2024 four members of our investment team lectured on six topics.

**We also devote our time to improve business and investment environment in Estonia.** Avaron is a founder and active member of [Estonian Service Industry Association](#) that aims to improve the country's business environment of professional service companies. Avaron's Managing Partner Kristel serves as a member of the association's supervisory board and also acts as a member of the supervisory committee of Nasdaq OMX Tallinn Stock Exchange.

### Remuneration

The remuneration principles of Management Board members, investment managers and risk-takers are set in the Company's [Remuneration Policy](#). All Avaron employees receive a fixed salary. Employee bonuses depend on the fulfilment of Avaron's long-term goals, the Company's sustainability and employees' personal contribution, and are not linked to the return of portfolios managed by the Company. After awarding a bonus to the Management Board members or employees the Company has a three-year period during which it has the right to reduce the bonus, stop the payments of the announced bonus or even require partial or full repayment according to the rules set out in the Remuneration Policy. All bonuses are paid out during four years with annual payment of 60%-20%-10%-10% each year.

### Ownership, Company and Management Structure

**Avaron is fully owned by its employees and the Company has no institutional or outside investors.** 54.94% of Avaron belongs to OÜ Princo, which is owned and its final beneficiaries are Kristel Kivimäe-Priisalm (CEO), Peter Priisalm (co-CIO) and 27.47% belongs to Valdur Jaht (co-CIO) and his wife Maris Jaht. 17.59% of the Company is owned by the senior research team - Rain Leesi (Investment Manager & Head



of Research and Trading, CFA, 6.85%), Piotr Jurga (Senior Analyst, CFA, 5.86%) and Reino Pent (Senior Analyst, 4.88%).

The Company's Supervisory Board consists of Peter Priisalm (Chairman), Maris Jaht and Rain Leesi. Mrs. Jaht, the wife of Valdur Jaht, is not on daily basis active at Avaron. The Management Board consists of Kristel Kivinurm-Priisalm and Valdur Jaht. The Company and its Estonia domiciled funds are audited by KPMG. Internal audit of the Company and its Estonia domiciled funds is carried out by PwC. Compliance and risk control functions are internalised and are being carried out by an independent employee, the Company's Chief Compliance Officer.

**The Company functions as a partnership, which is being managed by the three founding partners:** Kristel Kivinurm-Priisalm, Valdur Jaht and Peter Priisalm. Kristel Kivinurm-Priisalm is the Managing Partner of the Company and acts as CEO. She is responsible for general management, investor relations management and operations management. Valdur Jaht and Peter Priisalm are Partners and act as the Company's Investment Managers, who are responsible for the investments made by the funds and managed accounts as well as the smooth running of the investment team's work.

*Below are Avaron's three founding partners: Valdur, Kristel and Peter, partners since 2007.*



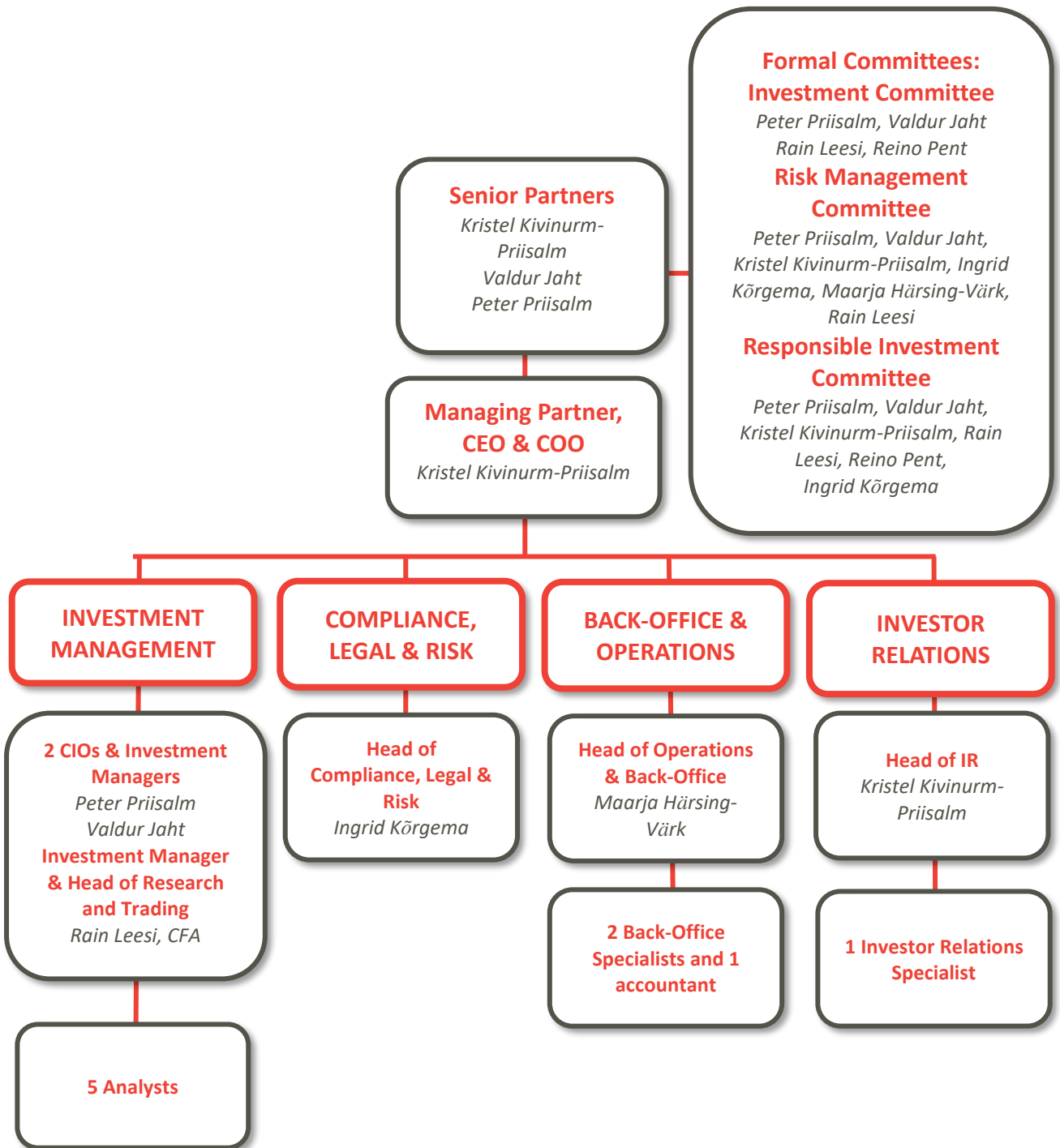
**Over the years we have built strong middle management as well.** Rain Leesi (at Avaron since 2007) acts as the Investment Manager and the Company's Head of Research and Trading and is responsible for the development, training and operations of the research team and trading function. Maarja Härsing-Värk (at Avaron since 2007) acts as Head of Back-Office & Operations and is responsible for day to day operations as well as development of the back-office and operations function. Ingrid Kõrgema (at Avaron since 2020) is the Company's Chief Compliance Officer and Head of Compliance, Legal & Risk. She is responsible for compliance and risk management function of Avaron-run funds and portfolios as well as Avaron group companies.

**Avaron has established three committees to guide its business activities and risk management.**

*Investment Committee* is the main body to manage and oversee Avaron's investment funds' and managed accounts' investment decision-making and portfolios' risk management. *Risk Management Committee* performs an oversight function of the risk management, determines the Company's risk appetite and tolerance as well as ensures that risk assessments are performed regularly. *Responsible Investment Committee* steers the implementation of the Responsible Investment Policy framework within the Company.



**Figure 1. Structure of the Company**



### Risk Management

Risk Management Committee sets the groundwork for risk management strategy and implementation at the Company. Risk management in Avaron occurs simultaneously on two levels that cover the Company's main day-to-day business risks. One being the management of the operational risks and the other being the risk management of Avaron's investment funds' and managed accounts' portfolios. In both of these functions our goal is to first determine the material risks and then manage these by applying appropriate risk management methods.

The most significant operational risks are related to Avaron's personnel. Due to this we have divided everyday operations into core and non-core activities. Core activities are carried out by Avaron employees while the non-core activities that would create significant personnel related risks or require substantial investments have been, when possible, outsourced to respective professionals. Avaron has outsourced the fund administration, transfer agent and custody functions of investment funds and portfolios to blue chip banking group Swedbank, and IT services to a blue chip IT and telecom group. Our core and non-core operational risks are mainly managed through rigorous staff selection and training together with detailed procedural guidelines and policies as well as IT systems. The Company's employees must report all personal interests and financial transactions, including all securities transactions. For trading and investment risk management and operations risk management we have built in-house trade order management system TOM.

### Main Developments in 2024

In 2024 we decided to convert Avaron High Yield Bond Fund into a UCITS fund which was successfully carried out in January 2025. In 2024 we continued to build and fine-tune the Company's business processes and operations with the aim to service our clients better and to further mitigate potential business risks. We continued to support the personal growth of our employees by continuous in-house trainings, involvement of employees into new processes and tasks, and lectures carried out by guest speakers. We also continued to carry out learning sessions whereby employees of different departments introduced job-specific knowledge to other departments with the aim for all to better understand full company activities. For investment team members we continued to support and finance CFA training, a core training to become an outstanding analyst. At present among our analysts we have 3 CFAs at Avaron, one analyst has passed level II and one analyst level I.

### Company Financial Results

Avaron fee income totalled 1.7 million euros (2023: 1.8 million euros) and net fee income 1.3 million euros (2023: 1.6 million euros). The Company's net profit in 2024 was 0.7 million euros (2023: 0.9 million euros). The Company's total assets amount to 4.4 million euros (2023: 5.2 million euros). In 2024 Avaron paid 1.3 million euros as dividends. The financial results during the 5 year period can be found in table 1.

**Table 1.** Avaron's financials

EUR '000	2020	2021	2022	2023	2024
Fee income	2,505	3,680	2,820	1,776	1,666
Net fee income	1,821	2,697	2,210	1,555	1,337
Expenses	881	808	763	823	694
Net profit	938	1,885	1,063	863	703
Owners Equity	3,369	4,645	4,084	4,665	4,051



Kristel Kivinurm-Priisalm  
Member of the Management Board

4 April 2025

## MANAGEMENT BOARD DECLARATION

The Management Board is declaring its responsibility for the preparation of the annual accounts of AS Avaron Asset Management for the financial year ended on 31 December 2024.

The annual accounts are prepared according to the Accounting Principles Generally Accepted in Estonia, and present a true and fair view of the financial position, economic performance and cash flows of AS Avaron Asset Management.

Preparation of the annual accounts according to the Accounting Principles Generally Accepted in Estonia assumes the Management Board to make estimates on the assets and liabilities of AS Avaron Asset Management as of the reporting date, and on income and expenses for the reporting period. These estimates are based on up-to-date information about the state of AS Avaron Asset Management and consider the plans and risks as of the annual accounts' preparation date. The ultimate outcome of the business transactions recorded may differ from those estimates.

The annual accounts reflect those significant circumstances that have an effect on the valuation of assets and liabilities until the preparation date of the annual accounts, 4 April 2025.

The Management Board considers AS Avaron Asset Management to carry its activities as a going concern.

Name	Position	Signature	Date
Kristel Kivinurm-Priisalm	Member of the Management Board		4 April 2025
Valdur Jaht	Member of the Management Board		4 April 2025

**FINANCIAL STATEMENTS****BALANCE SHEET**

EUR '000	Note	31/12/2024	31/12/2023
<b>ASSETS</b>			
Cash and cash equivalents	2	619	837
<b>Receivables and prepayments</b>			
Trade receivables		304	675
Tax prepayments and receivables		19	23
Other receivables and prepayments	5	73	168
<b>Total receivables and prepayments</b>		<b>396</b>	<b>866</b>
<b>Financial investments</b>			
Term deposits	3	1,017	1,500
Bonds	3	752	709
Units of own investment funds	3; 14	1,583	1,310
<b>Total financial investments</b>		<b>3,352</b>	<b>3,519</b>
Tangible assets	4	8	9
<b>TOTAL ASSETS</b>		<b>4,375</b>	<b>5,231</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Payables and prepayments</b>			
Payable to employees	7	51	291
Tax payables	6	78	37
Other liabilities	8	195	238
<b>Total payables and prepayments</b>		<b>324</b>	<b>566</b>
<b>Shareholders' equity</b>			
Share capital in nominal value	11	272	272
Statutory legal reserve		27	27
Retained earnings	10	3,049	3,503
Profit for the financial year	10	703	863
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>4,051</b>	<b>4,665</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>4,375</b>	<b>5,231</b>

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04. 04. 2025

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KPMG, Tallinn



**INCOME STATEMENT**

<b>EUR '000</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Fee income	<b>12</b>	1,666	1,776
Fee expense	<b>12</b>	329	221
<b>Net fee income</b>		<b>1,337</b>	<b>1,555</b>
<b>Financial income and expenses</b>			
Interest income		102	86
Interest expense		-14	-42
Change in value of financial investments		215	74
<b>Net financial income</b>		<b>303</b>	<b>118</b>
<b>Operating expenses</b>			
Wages and salaries	<b>13</b>	269	435
Social tax and unemployment insurance contribution expenses	<b>13</b>	162	162
Miscellaneous operating expenses		256	219
incl. advertising expense		1	-
<b>Total operating expenses</b>		<b>687</b>	<b>816</b>
Depreciation and impairment of tangible assets	<b>4</b>	7	7
<b>Profit before income tax</b>		<b>946</b>	<b>850</b>
Income tax		-243	-13
<b>Profit for the financial year</b>		<b>703</b>	<b>863</b>

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## STATEMENT OF CASH FLOW

EUR '000	Note	2024	2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit for the financial year</b>		<b>703</b>	<b>863</b>
Adjustments:			
Depreciation and impairment of tangible assets	4	7	7
Interest income/-expense		-88	-44
Change in value of financial investments		-215	-74
Income tax		243	-13
Change in receivables and prepayments made		469	-470
Change in liabilities and prepayments collected		180	40
<b>Total cash flow from operating activities</b>		<b>1,299</b>	<b>309</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of financial instruments		-700	-3,385
Sale of financial instruments		599	65
Acquisition of tangible assets	4	-6	-3
Interest received		102	86
<b>Total cash flow from investing activities</b>		<b>-5</b>	<b>-3,237</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividends paid		-1,316	-961
Income tax paid		-196	-156
<b>Total cash flow from financing activities</b>		<b>-1,512</b>	<b>-1,117</b>
<b>Total cash flow</b>		<b>-218</b>	<b>-4,045</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>837</b>	<b>4,882</b>
<b>Cash and cash equivalents at end of period</b>	2	<b>619</b>	<b>837</b>

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04.04.2025

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## STATEMENT OF CHANGES IN EQUITY

EUR '000	Share capital	Share premium	Treasury shares	Statutory reserve capital	Retained earnings	Profit for the financial year	Total equity
<b>31/12/2022</b>	<b>272</b>	-	-	<b>27</b>	<b>2,722</b>	<b>1,063</b>	<b>4,084</b>
Distribution of profit	-	-	-	-	1,063	-1,063	-
Distributed dividends	-	-	-	-	-282	-	-282
Profit for the financial year	-	-	-	-	-	863	863
<b>31/12/2023</b>	<b>272</b>	-	-	<b>27</b>	<b>3,503</b>	<b>863</b>	<b>4,665</b>
Distribution of profit	-	-	-	-	863	-863	-
Distributed dividends	-	-	-	-	-1,316	-	-1,316
Profit for the financial year	-	-	-	-	-	703	703
<b>31/12/2024</b>	<b>272</b>	-	-	<b>27</b>	<b>3,049</b>	<b>703</b>	<b>4,051</b>

Additional information on the share capital has been provided in Note 11.

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04.04.2025

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## NOTES TO THE ANNUAL ACCOUNTS

### NOTE 1. ACCOUNTING POLICIES

The annual accounts of AS Avaron Asset Management for the financial year 2024 have been prepared according to the Investment Funds Act as supplemented by the Regulations by the Minister of Finance, and the Accounting Principles Generally Accepted in Estonia. The requirements of the Accounting Principles Generally Accepted in Estonia comply with the internationally acknowledged accounting and reporting principles, and are stipulated in the Estonian Accounting Act, which is supplemented by the guidelines issued by the Estonian Accounting Standards Board. In accordance with Section 12-13 and 26-27 of Guideline No 2 of the Estonian Accounting Standards Board, the Company has adopted specially modified scheme of Income Statement and Balance Sheet that are better suited for presenting the operations of the Company as a fund management company. The Regulation of the Minister of Finance No 12 dated 5 February 2017 "Fund management company's Financial Supervisory Authority reports bases for preparations and presentation, and the requirements for reporting the fund management company's own funds" was adopted for the financial year 2020.

The annual accounts have been prepared in thousands of EUR unless indicated differently. The annual accounts have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments that have been accounted for at fair value.

The principal accounting policies adopted are presented below.

#### Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange quoted by the European Central Bank (hereafter: "ECB") at the transaction date. Foreign currency monetary items and those non-monetary items that are carried at fair value are retranslated into EUR at the official foreign currency exchange rates prevailing on the reporting date. Non-monetary items, which are not carried at fair value (i.e. prepayments and tangible assets), are not retranslated; instead, foreign currency exchange rates prevailing on the transaction date are used. Gains and losses from foreign currency transactions are recorded in the income statement on net basis.

#### Financial assets and financial liabilities

Cash, contractual rights to receive cash or other financial assets (i.e. trade receivables) from third parties, equity instruments of other entities and contractual rights to exchange financial assets with third parties under the conditions that are potentially favourable to the Company, are considered to be financial assets. Contractual obligations to deliver cash or other financial assets to third parties and contractual obligations to exchange financial assets with third parties under the conditions that are potentially unfavourable to the Company are considered to be financial liabilities.

Financial assets and liabilities are initially measured at cost, which is the fair value of consideration given or received to acquire the financial asset or liability. Initial cost of all financial assets and liabilities include direct transaction costs.

A regular purchase or sale of financial assets is recognised on value date. If the reporting date is between trade date and value date of a transaction, the change in value between the trade date and the reporting date shall be recognised as the accounting period's profit or loss. Depending on their category, financial assets and liabilities are subsequently measured at fair value, cost or amortized cost.

Financial instruments carried at fair value are re-valued on each reporting date. Change in fair value of financial assets and liabilities that are acquired for trading, as well as derivatives are recognised in the

income statement for the period. Changes in the value of other financial assets accounted for at fair value are recognised directly in equity as a revaluation reserve.

The amortized cost of a financial instrument is the amount at which it is measured at initial recognition, discounted using the effective interest method less principal repayments and any reduction for impairment or uncollectibility.

Financial assets are derecognised when the Company loses the right to the cash flows arising from the financial asset or transfers the cash flows derived from the financial asset and most risks and rewards of ownership of the financial asset to a third party. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

### Trade receivables

Current and non-current trade receivables are recorded at amortized cost, i.e. at their net present value, from which doubtful accounts are deducted.

Trade receivables, which partly or fully are not expected to be collected, are expensed and reported in the income statement as "Miscellaneous operating expenses". Receivables, collection of which is not feasible or economically justified, are considered to be non-collectible and written-off from the balance sheet.

### Tangible assets

Assets held for use in the supply of services or for administrative purposes, with useful life of over one year and with a minimum value EUR 640 are considered to be tangible assets. Tangible assets are recorded at cost, which comprises purchase price and other directly attributable expenditures.

Depreciation is calculated on the straight-line method. Depreciation rates are assigned separately to each tangible asset or its separately identifiable component depending on its estimated useful life as follows:

- IT equipment – 30% per annum,
- Office equipment – 30% per annum,
- Furniture – 25% per annum,
- Other equipment – 25% per annum.

Improvements to tangible assets are capitalised if they comply with the definition of a tangible asset and the criteria for recognizing an asset on the balance sheet, including the participation of these costs in generating future economic benefits. Maintenance and repairs are expensed when incurred.

### Impairment of assets

At each reporting date, it is reviewed whether there is any indication that assets are impaired. If the management board of the Company detects any indication that the value of an asset may have declined below its carrying amount, impairment test is carried out.

### Financial assets

Impairment of individually significant financial assets is assessed separately for each asset. Impairment of financial assets that are not individually significant and for which there are no objective evidence of impairment, are assessed in aggregate.

If there is any objective evidence that a financial asset is impaired, financial assets carried at amortized cost are written down to their net present value of the estimated future cash inflows (discounted with the effective interest rate of the financial asset determined at recognition). Impairment of a financial asset is recognized as expense in the income statement for the financial year.

If the value of financial assets carried at amortized cost increases in subsequent periods, the previously recognized impairment loss is reversed up to the amount which is lower from both the following:

- net present value of expected future cash inflows from the financial asset,
- carrying amount measured at amortized cost as if no impairment loss had been recognized.

The amount of the reversal of impairment losses are recognized in the income statement for the financial year on the same expense account as a reverse entry.

### **Tangible assets**

The recoverable amount of a tangible asset recognized at cost is estimated to conduct the impairment test. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a cash-generating unit to which the asset belongs, is determined.

The recoverable amount is the higher of the asset's net selling price and asset's value in use. In assessing the value in use, the estimated future cash flows from continuous use and subsequent disposal are discounted to their present value using a discount rate that reflects expected return on similar investments.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognized in the income statement as "Change in value of tangible assets" when incurred.

The Company assesses at each reporting date whether there are any indications that the recoverable amount of an impaired asset has increased by performing an impairment test. If it appears as a result of the impairment test, that the recoverable amount has increased and the previously recognized impairment loss is no longer justified, the carrying amount is increased. The reversal should not result in a carrying amount exceeding the amortized cost if no impairment had been recognized.

The amount of the reversal of impairment loss is recognized in the income statement as "Change in value of tangible assets" for the financial year on the same expense account as a reverse entry.

### **Liabilities and obligations**

All known liabilities that can be reliably measured and the realisation of which is probable are recognised in the balance sheet as liabilities. All financial liabilities are measured at amortised cost in the balance sheet, except for derivatives with a negative fair value that are measured at fair value.

Other liabilities the realisation of which is dependent on the fulfilment of certain conditions are disclosed in the notes to the annual accounts as contingent liabilities.

Holiday pay has been expensed in the period when the obligation was due, i.e. when an employee becomes entitled to demand paid holiday. Bonuses to employees have been expensed in the period for which the bonuses are payable. The creation of a provision for holiday pay and bonuses together with the applicable social tax and unemployment insurance tax or the relevant change in the provision is recognized as an expense in the income statement and as a liability on the balance sheet.

### **Reserves**

The statutory legal reserve is recorded according to the requirements of the Commercial Code and comprises distributions made out of the net profit. The annual contribution must amount to at least 1/20 of the net profit for the financial year until the statutory legal reserve equals at least 1/10 of the share capital amount.



### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, i.e. representing the amounts receivable for the services provided. Fee income is recognised in the period when the service was provided, provided that the collection of the relevant receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably. The revenues have been received for services provided in the Republic of Estonia.

Interest income is recognised on accrual basis.

Fee income includes fund management fees, subscription and redemption fees, fees from managing discretionary securities portfolios, investment advisory fees and fees for providing services in to third-party funds under outsourcing agreements.

Fee expense includes expenses directly related to earning fee income, i.e. rebates of fund management and other service fees, fees payable for the services of credit institutions and registrars, and other fee expense directly related to providing the Company's main services.

### Leases

Assets held under operating lease are not reported on the balance sheet. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease, irrespectively from disbursements.

### Cash and cash flows

Cash in the cash flow statement includes cash at hand, demand deposits and other deposits with credit institutions (with remaining term up to 3 months).

Cash flows from operating activities are reported using the indirect method. Cash flows from investing and financing activities are reported based on gross receipts and disbursements made during the financial year.

### Equity instruments

Equity instruments are recognised after the entity has issued these instruments and the other party has a contractual obligation to pay for them. Equity instruments are recorded at the fair value of proceeds received or receivable less issuance costs. If the fair value of proceeds receivable differs from the nominal value of issued equity instruments, the positive difference will be recorded in the item "Share premium" and the negative difference as a reduction of "Share premium" in case it has a positive balance, otherwise in the item "Retained earnings".

**NOTE 2. CASH AND CASH EQUIVALENTS****Original currency, '000**

	<b>31/12/2024</b>	<b>Exchange rate of the ECB's used</b>	<b>Value in EUR</b>	<b>% of Cash, converted</b>
Current account EUR	195	1	195	32%
Current account PLN	20	4.275	5	1%
Current account USD	46	1.0389	44	7%
Overnight deposit EUR	375	1	375	61%
<b>Total</b>			<b>619</b>	<b>100%</b>

	<b>31/12/2023</b>	<b>Exchange rate of the ECB's used</b>	<b>Value in EUR</b>	<b>% of Cash, converted</b>
Current account EUR	46	1	46	6%
Current account PLN	17	4.3395	4	0%
Overnight deposit USD	158	1.105	143	17%
Overnight deposit EUR	644	1	644	77%
<b>Total</b>			<b>837</b>	<b>100%</b>

**NOTE 3. FINANCIAL ASSETS****Financial assets at fair value****EUR '000**

	<b>Units of own investment funds</b>	<b>Bonds</b>	<b>Cash and cash equivalents</b>	<b>Total</b>
<b>31/12/2022</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>125</b>
Purchase of investments	1,136	750	7,836	9,722
Sale or redemption of investments	0	-65	-6,336	-6,401
Gain/loss from sales or revaluation of investments	50	24	0	74
<b>31/12/2023</b>	<b>1,310</b>	<b>709</b>	<b>1,500</b>	<b>3,519</b>
Purchase of investments	500	200	3,627	4,328
Sale or redemption of investments	-399	-200	-4,111	-4,710
Gain/loss from sales or revaluation of investments	172	43	0	215
<b>31/12/2024</b>	<b>1,583</b>	<b>752</b>	<b>1,017</b>	<b>3,352</b>

Fund units are recorded in the net value.

In 2024, purchase and sale transactions with bonds have been made at the market price.

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04. 04. 2025

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**NOTE 4. TANGIBLE ASSETS**

EUR '000	IT and office equipment	Furniture and other equipment	Total
<b>Acquisition cost</b>			
<b>31/12/2023</b>	<b>50</b>	<b>71</b>	<b>121</b>
Addition	6	-	6
Write off	- 10	-	- 10
<b>31/12/2024</b>	<b>45</b>	<b>71</b>	<b>116</b>
<b>Accumulated depreciation</b>			
<b>31/12/2023</b>	<b>41</b>	<b>70</b>	<b>111</b>
Depreciation charge and impairment for the year	7	-	7
Accumulated depreciation of written off tangible	- 10	-	- 10
<b>31/12/2024</b>	<b>38</b>	<b>70</b>	<b>108</b>
<b>Net book value</b>			
<b>31/12/2023</b>	<b>9</b>	<b>1</b>	<b>10</b>
<b>31/12/2024</b>	<b>7</b>	<b>1</b>	<b>8</b>

**NOTE 5. ACCRUED INCOME AND PREPAID EXPENSES**

EUR '000	31/12/2024	31/12/2023
Other prepaid expenses	27	32
Other receivables	45	136
Receivables from employees	1	0
<b>Total</b>	<b>73</b>	<b>168</b>

**NOTE 6. TAX PAYABLES**

EUR '000	31/12/2024	31/12/2023
Corporate income tax	47	0
Social tax	15	15
Personal income tax withheld	9	6
Unemployment insurance payables	1	1
Pension payables	1	1
Value added tax	5	14
<b>Total</b>	<b>78</b>	<b>37</b>

**NOTE 7. PAYABLE TO EMPLOYEES**

EUR '000	31/12/2024	31/12/2023
Accrued salaries and wages	2	17
Provisions for bonuses	31	256
Vacation reserve	17	17
Other liabilities to employees	1	1
<b>Total</b>	<b>51</b>	<b>291</b>

31 thousand euros from "Provisions for bonuses" are classified as short-term liability with maturity 31 December 2025.

**NOTE 8. OTHER LIABILITIES**

EUR '000	31/12/2024	31/12/2023
Trade payables	49	141
Other payables	12	0
Accrued expenses payable	134	57
<b>Total</b>	<b>195</b>	<b>238</b>

**NOTE 9. OPERATION LEASE**

The Company is renting an office space on the conditions of an operating lease. Future expenses from operating leases are as follows:

EUR '000	31/12/2024	31/12/2023
Less than 1 year	13	13
<b>Total payments from non-cancellable operating leases</b>	<b>13</b>	<b>13</b>

Operating lease expense amounted to EUR 29 thousand (2023: EUR 28 thousand).

**NOTE 10. CONTINGENT INCOME TAX ON DIVIDENDS AND OTHER DISTRIBUTIONS OF NET PROFIT**

According to the effective Estonian Income Tax Act the accrued profit of a resident legal entity is not subject to corporate income tax, instead the tax is due on dividends and other distribution of profits as well as other payments made out of the equity of the legal entity that exceed the monetary and non-monetary contributions to the entity's share capital. Based on the effective law, resident legal entities are liable to pay income tax on all profit distributions paid out as dividends or in another form with a tax rate of 20/80 on the actual dividends paid. From 2019 onwards, a lower tax rate of up to 14/86 for companies making regular profit distributions will become available according to the effective Estonian Income Tax Act.

The contingent tax liability that may occur if all distributable retained earnings should be paid out or if the share capital would be reduced is not reported in the balance sheet. The income tax due on dividend distribution is expensed in the income statement when dividends are declared or when other payments

reducing the share capital are made. The Company has not executed any bonus issues of shares that would affect the size of income tax in case the Company decided to reduce share capital.

The Company's distributable retained earnings amounted to EUR 3,752 thousand as of 31 December 2024 (as of 31 December 2023: EUR 4,366 thousand). Consequently, the maximum possible tax liability which would become payable if retained earnings in gross were fully distributed is EUR 826 thousand (2023: EUR 814 thousand).

## NOTE 11. SHARE CAPITAL

The Company's share capital amounted to EUR 271,447.20 as of 31 December 2024 (as of 31 December 2023: EUR 271,447.20), comprising of 3,501 ordinary shares and 747 preferred shares with nominal value of EUR 63.90 per share.

The Company has an option to repurchase the preferred shares from the shareholder, exercisable at any time at the discretion of the Company. The shareholder may request that the Company exercises the repurchase option of the preferred shares to ensure commitments. The preferred shares can be pledged and grant a dividend in the amount of at least 0.5% of the nominal value of the share.

The shareholders of the Company are as follows:

	Number of shares	Share type	Equity stake	Voting power
OÜ Princo (reg no 11019327)	2,334	Common share	54.94%	+
OÜ Venatio (reg no 11153037)	1,167	Common share	27.47%	+
Rain Leesi	291	Preferred share	6.85%	-
Piotr Jurga	249	Preferred share	5.86%	-
Reino Pent	207	Preferred share	4.88%	-
<b>Total</b>	<b>4,248</b>		<b>100.00%</b>	

Additional information on paid up capital instruments in the statement of own funds can be found in Note 15.

## NOTE 12. FEE INCOME

EUR '000	2024	2023
<b>Fee income</b>		
Investment funds management fee	1,643	1,754
Portfolio management services and investment advisory services	23	22
<b>Total fee income</b>	<b>1,666</b>	<b>1,776</b>
<b>Fee expense</b>		
Other distribution and related fees	329	221
<b>Total fee expense</b>	<b>329</b>	<b>221</b>



## NOTE 13. WAGES AND SALARIES

The remuneration principles of all Avaron employees including investment managers and risk-takers are set in the Company's Remuneration Policy. The remuneration of Avaron employees consists of fixed and variable remuneration. The total remuneration is based on local labour market conditions, and is designed so as to achieve a reasonable balance between the fixed and variable components of the salary.

Avaron employees receive a fixed salary, which reflects relevant professional experience and organisational responsibility as set out in the employee's job description. Variable remuneration depends on the performance of the employee, the business unit concerned and Avaron's overall results. The assessment of the performance is set in a three-year framework, to ensure, that the assessment process is based on longer-term performance taking into account the business cycle of the Company and its business risks. After awarding a bonus to the employees the Company has a three-year period during which it has the right to reduce the bonus, stop the payments of the announced bonus or even require partial or full repayment. The full Remuneration Policy of AS Avaron Asset Management can be downloaded here [www.avaron.com/documents](http://www.avaron.com/documents).

The Company employed, on average, 15 specialists in 2024 (2023: 15 specialists). Members of the Management Board did not receive extra remuneration for participating in the work of the managing bodies. Independent members of the Supervisory Board did not receive any payment with applicable social tax in the financial year 2024. Total remuneration amounted to:

EUR '000	2024	2023
Wages and salaries	269	435
Social tax and unemployment insurance contributions	162	162
<b>Total</b>	<b>431</b>	<b>597</b>
incl. bonus program cost with applicable taxes	94	76



## NOTE 14. TRANSACTIONS WITH RELATED PARTIES

Parties are considered related if one party is controlled by another, or one party has significant influence over another, including the parent company and other group companies, managed investment funds, shareholders, the members of the Supervisory Board and the Management Board, their families and the companies in which they hold majority interest or have significant influence.

As of the end of the report period, OÜ Princo owns 54.94% of the Company's common shares. Additional information can be found in Note 11 regarding the issuance of preferred shares and list of shareholders.

The transactions with related parties were as follows:

EUR '000	2024	2023
<b>Parent company</b>		
Costs paid for other legal entities	0	3
<b>Beneficiaries, executive and non-executive management and the related legal entities</b>		
Shares, bonds, units bought	500	1,136
Shares, bonds, units sold	399	0
Management fees, performance fees, subscription and redemption fees of Avaron Estonia domiciled investment funds	1,055	1,112
Distribution fees and related fees for the management of funds and discretionary portfolios	32	12
Other payments to members of management and control bodies, incl. social taxes	88	82
<b>Total</b>	<b>2,073</b>	<b>2,345</b>

Avaron is entitled to earn performance fees if we outperform the set benchmark. Performance fee rates and terms can be found in the respective fund's prospectus and are also available on our webpage.

Information on payments to members of management and control bodies can be found in Note 13. Other payments to members of management and control bodies are included in Note 13 under wages and salaries expense.

The balances outstanding with related parties were as follows:

EUR '000	Note	31/12/2024	31/12/2023
<b>Parent company</b>			
Supplier payables and customer prepayments		17	0
<b>Beneficiaries, executive and non-executive management and the related legal entities</b>			
Units of Avaron Flexible Strategies Fund	3	159	143
Shares of Avaron Emerging Europe Smaller Companies Fund	3	170	146
Units of Avaron Bond Fund	3	1,254	1,021
Accounts receivable		0	17
Receivables from Avaron Estonia domiciled investment funds		228	501
Supplier payables and customer prepayments		1	5
Potential future payments to members of management and control bodies, incl. social taxes		0	141
<b>TOTAL</b>		<b>1,829</b>	<b>1,973</b>

As of 31 December 2024 there are no loan receivables.

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04.04.2025

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**NOTE 15. STATEMENT OF OWN FUNDS****EUR '000**

	<b>Note</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
<b>Own funds section</b>			
Own funds		3,300	3,754
Tier 1 capital		3,300	3,754
Common equity Tier 1 capital		3,300	3,754
Capital instruments eligible as CET 1 capital		224	224
Paid up capital instruments	11	224	224
Retained earnings		3,049	3,503
Other reserves		27	27
<b>Minimum net own funds section</b>			
Own funds		3,300	3,754
Minimum net own funds		206	191
Minimum own funds according to minimum amount of share capital		125	125
Minimum own funds according to fixed overheads		206	191
Excess of own funds (+)		3,094	3,563

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04.04.2025

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## SIGNATURES OF MANAGEMENT BOARD

### To the Annual Report for the financial year ended on 31 December 2024

On 4 April 2025, the Management Board prepared the management report and the annual accounts of AS Avaron Asset Management together with the Management Board's proposal for profit distribution and the sworn auditor's report for the financial year ended 31 December 2024, and has presented them to the sole shareholder for approval.

By signing the annual report, all members of the Management Board validate the fair presentation of the annual report.

Name	Position	Signature	Date
Kristel Kivinurm-Priisalm	Member of the Management Board		4 April 2025
Valdur Jaht	Member of the Management Board		4 April 2025





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## **Independent Auditors' Report**

*(Translation of the Estonian original)*

To the shareholders of AS Avaron Asset Management

### **Opinion**

We have audited the financial statements of AS Avaron Asset Management (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, the statements of cash flows and changes in equity for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the financial statements presented on pages from 12 to 27 present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Estonian financial reporting standard.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. The other information comprises the management report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Estonian financial reporting standard, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (Estonia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Standards on Auditing (Estonia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Baltics OÜ  
Licence No 17

Eero Kaup  
Certified Public Accountant, Licence No. 459

Tallinn, 04.04.2025

## PROPOSAL FOR DISTRIBUTION OF PROFIT

The Management Board of AS Avaron Asset Management proposes to distribute the net profit for the financial year ended on 31 December 2024 of EUR 703 thousand as follows:

To allocate to:

retained earnings

EUR 703 thousand

4 April 2025



Kristel Kivinurm-Priisalm  
Member of the Management Board

**DIVISION OF REVENUES IN ACCORDANCE WITH EMTAK CLASSIFICATION STANDARD**

The revenues (fee income) of AS Avaron Asset Management were divided in accordance with EMTAK classification standard as follows:

<b>EUR '000</b>	<b>2024</b>	<b>2023</b>
66301 Management of investment funds	1,643	1,754
66199 Portfolio management services and investment advisory services	23	22
<b>Total</b>	<b>1,666</b>	<b>1,776</b>

