



# **Avaron High Yield Bond Fund**

**ANNUAL REPORT FOR THE FINANCIAL YEAR 2025**

*Translation from Estonian original*

## TABLE OF CONTENTS

FUND FACTS .....	3
INVESTMENT MANAGERS' REPORT .....	4
CONFIRMATION OF ANNUAL FINANCIAL STATEMENTS OF 2025 .....	6
FINANCIAL STATEMENTS .....	7
BALANCE SHEET .....	7
STATEMENT OF INCOME AND EXPENSES .....	8
STATEMENT OF CHANGES IN NET ASSETS .....	9
STATEMENT OF CASH FLOWS .....	10
NOTES TO THE FINANCIAL STATEMENTS .....	11
NOTE 1. ACCOUNTING POLICIES AND ASSESSMENTS USED .....	11
NOTE 2. RISK MANAGEMENT .....	17
NOTE 3. CASH AND CASH EQUIVALENTS .....	24
NOTE 4. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES TO CATEGORIES AND LEVELS .....	25
NOTE 5. NET GAIN/LOSS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS .....	27
NOTE 6. DERIVATIVE INSTRUMENTS .....	28
NOTE 7. TRANSACTIONS WITH RELATED PARTIES .....	29
STATEMENT OF INVESTMENTS .....	30
STATEMENT OF COMMISSIONS .....	37
REPORT ON REMUNERATION OF THE FUND MANAGEMENT COMPANY .....	39
INDEPENDENT CERTIFIED AUDITOR'S REPORT .....	40

## FUND FACTS

Avaron High Yield Bond Fund is a public common investment fund registered in the Republic of Estonia. The Fund complies with the requirements set out in the Directive 2009/65/EC of the European Parliament and of the Council.

Name of the Fund	Avaron High Yield Bond Fund
Fund Management Company	AS Avaron Asset Management (reg. no. 11341336)
Registered address and contact details of the Fund Management Company	Address: Narva mnt 7d, 10117 Tallinn, Estonia Phone: +372 664 4200 Facsimile: +372 664 4201 E-mail: <a href="mailto:avaron@avaron.com">avaron@avaron.com</a> <a href="https://avaron.com/">https://avaron.com/</a>
Depository & Custody Bank	Swedbank AS (reg. no. 10060701)
Fund Administration (NAV calculation) & Transfer Agent services	Swedbank AS (reg. no. 10060701)
Investment Managers	Rain Leesi
Fund established	9 October 2023
Start of the Fund's activities	13 October 2023
Reporting period	1 January 2025 – 31 December 2025

## INVESTMENT MANAGERS' REPORT

**Avaron High Yield Bond Fund invests in high yield bonds.** The Fund invests primarily into European high yield corporate bonds that offer a yield above that generally available on investment grade debt securities. As the Fund invests mostly in high yield bonds that are unrated or have a rating below investment grade, the Fund's risk level is higher compared to bond funds that invest in government bonds and investment grade bonds, thus the Fund has a medium risk level. Arising from the Fund's risk level, investors should have an investment horizon of at least 2 years. The Fund was launched in October 2023 as non-public alternative investment fund. From January 21st, 2025 onwards, the Fund is a UCITS fund.

### 2025 was a strong year for Fund's investors

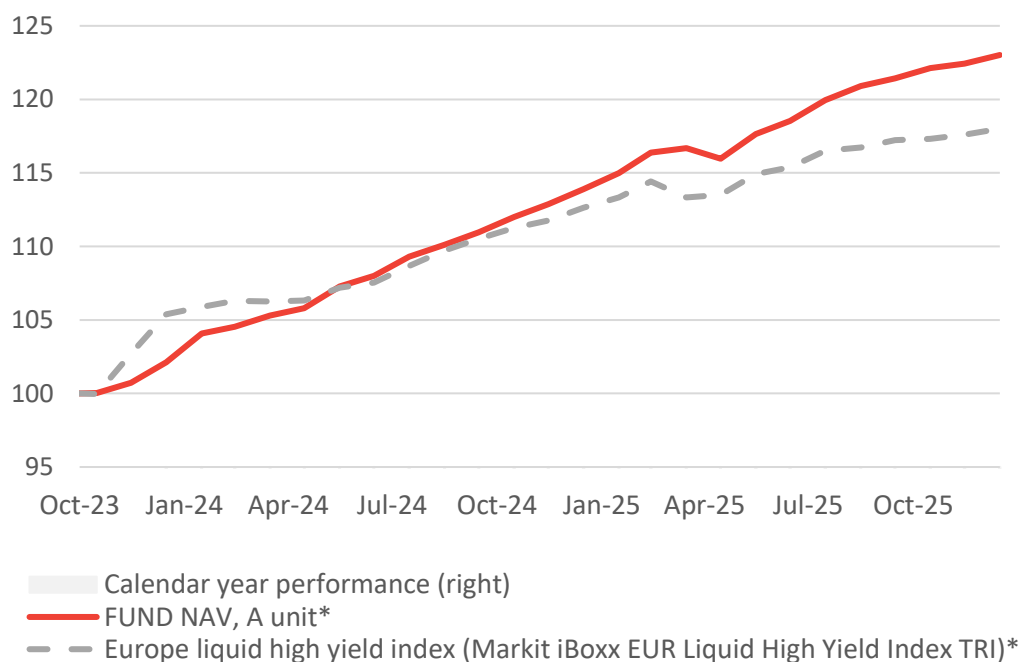
**The return of Avaron Bond Fund's Class A unit amounted to 8.0% in 2025, outperforming the European high yield bond index by 3.2 percentage points.** Since the Fund's inception in October 2023, the unit value has increased by 23%. As of the end of the year, the Fund's assets under management totalled €40.1 million, of which approximately €3.5 million is invested by Avaron and its fund managers.

**Table 1.** Net return of the Fund units, in EUR

	A unit	B unit	C unit*	D unit*
<b>1 year</b>	8.0%	7.8%	8.2%	8.4%
<b>2 years</b>	20.5%	19.6%	-	-
<b>Since launch (Oct 2023)</b>	23.0%	21.9%	-	-

\* C and D Unit were launched in November 2024.

**Graph 1.** Fund performance and index performance since launch

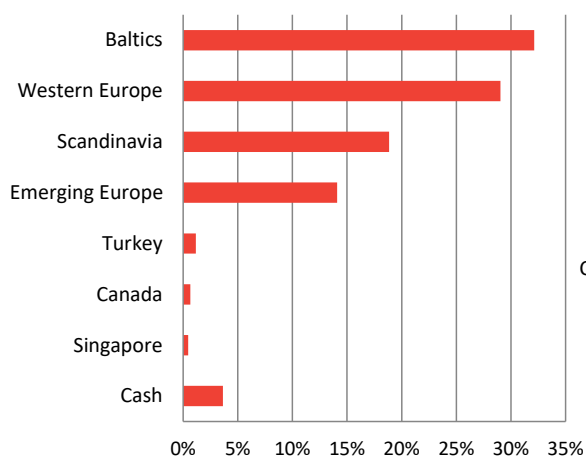


\*Rebased (October 2023 = 100)

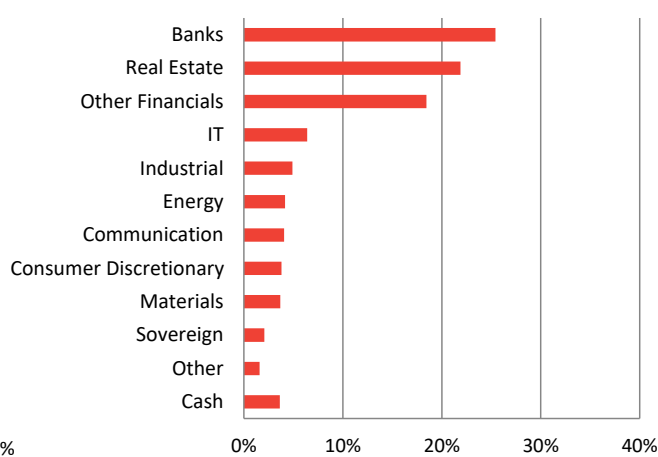
**The Fund’s portfolio consists of 97 instruments from 80 issuers, with a yield to maturity of 8.2%, which we consider to remain an attractive level.** The weighted average maturity of the bonds in the portfolio is 15.3 years. Assuming that issuers redeem bonds early—as many typically do—the average effective maturity is 3.4 years. The portfolio’s current yield is 7.9% per annum.

Geographically, the majority of the Fund’s investments are allocated to the Baltics (32%) and the Nordic countries (19%), where higher interest rates provide attractive opportunities and competition from international investors is more limited. The portfolio is diversified across more than 15 countries, with the largest sector allocations in banking, real estate, and the financial sector.

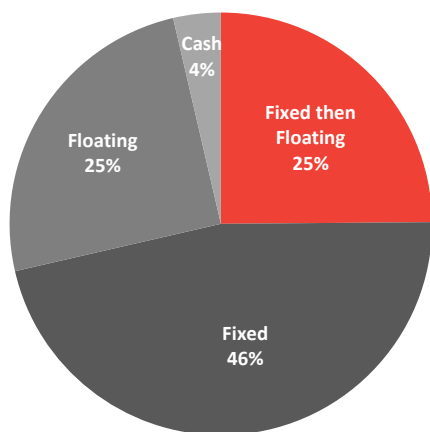
**Breakdown by country**



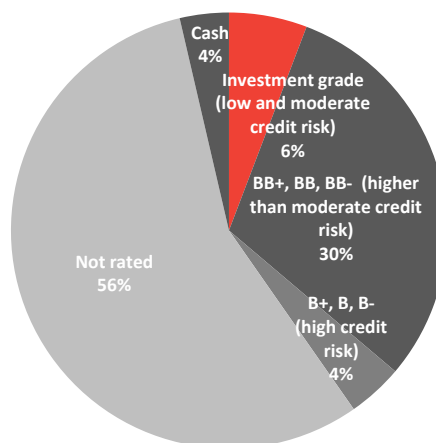
**Breakdown by sector**



**Breakdown by coupon type**



**Breakdown by credit rating**



27 March 2026  
 Kristel Kivinurm-Priisalm  
 Member of the Management Board

## CONFIRMATION OF ANNUAL FINANCIAL STATEMENTS OF 2025

The Management Board of the Fund Management Company has prepared the annual Financial Statements of Avaron High Yield Bond Fund on March 27<sup>th</sup>, 2026.

The Financial Statements have been prepared in accordance with the requirements stipulated in the regulation no 1606/2002/EU of the European Parliament and of the Council on the application of International Financial Reporting Standards (hereinafter “IFRS”) as adopted by the European Commission, the Investment Funds Act, Minister of Finance Regulation no 8 of 18/01/2017 “Requirements for the reports of investment funds to be published”.

It gives a true and fair view of the assets, liabilities, net asset value and performance results of Avaron High Yield Bond Fund. The Management Board considers Avaron High Yield Bond Fund to carry its activities as a going concern.

The annual Financial Statements of Avaron High Yield Bond Fund have been approved by the Fund Management Company and the Investment Managers.

<b>Name</b>	<b>Date</b>	<b>Signature</b>
<b>Kristel Kivinurm-Priisalm</b> Member of the Management Board of the Fund Management Company	27/03/2026	/Signed digitally/
<b>Valdur Jaht</b> Member of the Management Board of the Fund Management Company	27/03/2026	/Signed digitally/
<b>Rain Leesi</b> Investment Manager	27/03/2026	/Signed digitally/

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

In EUR

<b>ASSETS</b>	<b>Note</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Cash and cash equivalents	3	1,448,235	1,249,903
<b>Financial assets at fair value through profit or loss:</b>			
Bonds	4	36,194,977	17,314,725
Derivatives	6	97,108	0
Not listed bonds	4	2,446,608	1,280,609
Receivables and prepayments	4	8,187	0
		<hr/>	
<b>TOTAL ASSETS</b>		<b>40,195,117</b>	<b>19,845,237</b>
 <b>LIABILITIES</b>			
 <b>Financial assets at fair value through profit or loss:</b>			
Derivatives	6	62,431	33,330
<b>Other financial liabilities</b>			
Payables to the management company		24,772	16,772
Payables to the depository		3,615	1,924
Other payables		6 162	-
		<hr/>	
<b>TOTAL LIABILITIES</b>		<b>96,980</b>	<b>52,026</b>
 <b>NET ASSETS ATTRIBUTABLE TO HOLDERS</b>		<b>40,098,137</b>	<b>19,793,211</b>

## STATEMENT OF INCOME AND EXPENSES

In EUR

	Note	01/01/2025- 31/12/2025	09/10/2023- 31/12/2024
<b>INCOME</b>			
<b>Interest income</b>		<b>2,287,074</b>	<b>882,022</b>
From bonds		2,279,679	853,488
From deposits		7,394	28,534
<b>Net gain/loss from financial assets at fair value through profit or loss</b>		<b>287,106</b>	<b>464,895</b>
From bonds	3	207,422	498,226
From derivative instruments	3	79,684	-33,330
<b>Net gain/loss from foreign exchange</b>		<b>-156,370</b>	<b>28,110</b>
<b>Other financial income</b>			
Other interest		8,259	0
<b>TOTAL INCOME</b>		<b>2,426,069</b>	<b>1,375,027</b>
<b>OPERATING EXPENSES</b>			
Management fees	4	187,079	94,838
Performance fees	4	31,448	35,109
Custodian fees		54,536	13,106
Transaction fees		1,389	1,355
Other operating expenses		3,403	1,408
<b>TOTAL OPERATING EXPENSES</b>		<b>277,856</b>	<b>145,816</b>
<b>NET INCOME</b>		<b>2,148,212</b>	<b>1,229,211</b>

## STATEMENT OF CHANGES IN NET ASSETS

In EUR

	<b>01/01/2025- 31/12/2025</b>	<b>09/10/2023- 31/12/2024</b>
<b>NET ASSET VALUE AT THE BEGINNING OF THE PERIOD</b>	<b>19,793,211</b>	<b>0</b>
Cash received for fund units issued	23,095,205	32,404,684
Cash paid for fund units redeemed	-4,938,492	-13,840,684
Net result of the Fund	2,148,212	1,229,211
<b>NET ASSET VALUE AT THE END OF THE PERIOD</b>	<b>40,098,137</b>	<b>19,793,211</b>
<b>NUMBER OF THE UNITS IN CIRCULATION AT THE END OF REPORTING PERIOD</b>		
Number of A units in circulation:	397,590.275	193,003.643
Number of B units in circulation:	416,012.140	302,038.797
Number of C units in circulation:	1,161,268.242	476,273.589
Number of D units in circulation:	1,585,200.506	923,275.491
<b>NET ASSET VALUE OF A UNIT AT THE END OF REPORTING PERIOD</b>		
Net asset value of the A unit:	12.3017	11.3890
Net asset value of the B unit:	12.1939	11.3115
Net asset value of the C unit:	10.9575	10.1291
Net asset value of the D unit:	10.9826	10.1317
<b>TOTAL NET ASSET VALUE OF THE FUND SHARES</b>		
Total net asset value of the A units:	4,891,052	2,198,121
Total net asset value of the B units:	5,072,804	3,416,509
Total net asset value of the C units:	12,724,590	4,824,216
Total net asset value of the D units:	17,409,691	9,354,365
<b>TOTAL NET ASSET VALUE</b>	<b>40,098,137</b>	<b>19,793,211</b>

## STATEMENT OF CASH FLOWS

In EUR

	<b>01/01/2025- 31/12/2025</b>	<b>09/10/2023- 31/12/2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	1,899,108	721,915
Net result from foreign exchange	11,816	-5,212
Sale of investments	7,211,361	1,615,654
Purchase of investments	-26,740,228	-19,520,514
Operating expenses paid	-264,980	-125,904
	<b>-17,882,922</b>	<b>-17,311,925</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of units	19,685,585	18,585,796
Payments on redemption of units	-1,525,848	-21,796
	<b>18,159,737</b>	<b>18,564,000</b>
<b>TOTAL CASH FLOWS</b>	<b>196,853</b>	<b>1,249,939</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at the beginning of the period	1,249,903	0
Effect of exchange rate fluctuations on cash and cash equivalents	1,479	-35
<b>Cash and cash equivalents at the end of the period</b>	<b>1,448,235</b>	<b>1,249,903</b>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1. ACCOUNTING POLICIES AND ASSESSMENTS USED

The annual financial statements of Avaron High Yield Bond Fund for 2025 have been prepared in compliance with the valid Investment Funds Act as supplemented by the regulations of the Minister of Finance. The financial statements have been prepared, as stipulated in the Minister of Finance Regulation 8 of 18/01/2017 “Requirements for the reports of investment funds to be published“ in accordance with the accounting policies and information presentation principles of the International Financial Reporting Standards as approved by the European Commission while taking into account the specifications of the regulation and Rules for Calculating Net Asset Value of Funds fund as established in the regulation issued pursuant to § 54(11) of the Investment Funds Act, as well as other specific provisions set out in the aforementioned Regulation 8.

The financial statements have been prepared in EUR, which is also Fund’s functional and presentation currency.

The main accounting principles used when preparing the financial statements have been set out below.

#### **The following standards and interpretations have been used for the current period**

The following amendments to the existing standards issued by the International Accounting Standards Board and adopted by the EU are effective for the current period:

- Amendments to IAS 21 “The Effects of Change in Foreign Exchange Rates.” (effective for annual periods beginning on or after 1 January 2025).

The adoption of these amendments to the existing standards has not led to any significant changes in the Fund’s accounting policies.

#### **Standards and Interpretations issued by IASB that are adopted by the EU but have not yet been implemented**

At present EU has approved the following standards, amendments to the existing standards and interpretations, which were not yet applicable:

- Amendments to IFRS 9 and IFRS 7 - amendments to the Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026),
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

The Fund has not applied the new standards or amendments before deadline. The new standards and amendments listed above may have an impact on Fund’s effective accounting principles. The Fund measures the potential impact on its financial reports.

#### **Standards and interpretations issued by IASB but not yet adopted by the EU**

At present, the IFRS’ as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except the following standards, amendments to the existing standards and interpretations, which were not endorsed for use as at date of publication of the financial statements:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027),

- Amendments to IAS 21 “The Effects of Change in Foreign Exchange Rates.” (effective for annual periods beginning on or after 1 January 2027).

The Fund has not estimated the impact on the new standards and amendments on its accounting principles and annual report.

### **Use of estimates and judgements**

The preparation of the financial statements calls for the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgements have been used according to the best knowledge based on prior experience and other factors that the management considers reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Financial instruments are recognized in the balance sheet at fair value taking into account the principles stipulated in the Rules for Calculating Net Asset Value of Funds approved by the Management Board. The fair value of financial instruments quoted on actively traded markets is determined by the quoted prices. If the prices in active markets are not available other valuation models are being used according to the Rules for Calculating Net Asset Value of Funds. Main risks involved with the estimates and judgements that may affect the value of the Fund’s assets and liabilities are related to measuring the fair value of financial instruments based on valuation models that use unobservable inputs.

### **Foreign currency transactions**

Foreign currency transactions are recorded using the last bid rate established by the depository for the funds managed by AS Avaron Asset Management on the transaction date (hereinafter referred to as the depository bid rate). This rate is based on market inputs. The assets and liabilities quoted in foreign currency are translated into EUR based on the depository bid rate applicable on the reporting date.

Gains and losses from foreign currency transactions are recorded in the statement of income and expenses under “Gain/ (loss) from transactions in foreign currencies” on a net basis.

### **Financial instruments**

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets include cash, contractual right to receive cash or another financial assets (for example receivables) from another entity, equity instruments of another entity and contractual rights to exchange financial assets with another entity under potentially favourable conditions. Financial liabilities include contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets with another entity under potentially unfavourable conditions.

Financial assets and liabilities are initially recorded at cost, which is the fair value of the consideration paid or received to acquire the financial asset or liability. Financial instruments are later divided into three categories in accordance to the principles of IFRS 9 taking into account the measurement:

1. amortised cost (AC);
2. fair value through other comprehensive income (FVOCI);
3. fair value through profit or loss (FVTPL).

The Fund does not hold financial assets measured at fair value through other comprehensive income.

### *Classification*

On initial recognition, the Fund classifies financial instruments at amortised cost or fair value through profit or loss. A financial instrument is measured at amortised cost if it is not designated as at FVTPL, it is held within a business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI). The classification and subsequent measurement depend on the business model for managing the financial assets and the contractual cash flow characteristics. The classification of financial assets is determined at initial recognition. The Fund has determined the following business models for managing financial assets:

- Held-to-collect business model, which includes financial assets that are held to collect contractual cash flows.
- Other business model, where financial assets are not held within a business model whose objective is to hold assets to collect contractual cash flows. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent purchases and sales taking place.

### *Recognition*

In the course of normal business activities investments into shares or units of funds, bonds and derivative instruments are recognised using the trade date accounting principles. Trade date is defined as the date when the Fund takes the obligation to buy or sell the financial instrument. Financial assets and liabilities are initially recognised at acquisition cost, which is the fair value of the consideration paid for the financial asset.

After initial recognition the financial assets and liabilities are measured at fair value in the category “At fair value through profit or loss” or at amortised cost. Gains/ (losses) from the revaluation of securities are recorded in the statement of income and expenses under “Net gain/loss from financial assets at fair value through profit or loss”.

Dividend income from the financial assets at fair value through profit or loss are recorded in the statement of income and expenses under “Dividends” at the moment when the Fund’s right to the dividend is fixed.

### *Fair value of financial instruments*

Fair value is the price that would be received upon selling an asset or paid upon transferring a liability in an orderly transaction in the principal market (or the most advantageous market) (i.e. exit price) between market participants at the measurement date, irrespective if the price is easily traceable or shall be determined using other valuation techniques. According to the fair value hierarchy stipulated in IFRS 13 the financial instruments at fair value shall be divided into three levels depending on the rate of observable inputs used:

- level 1 – unadjusted quoted prices in active market for identical assets or liabilities,
- level 2 – inputs other than quoted prices in level 1 that are observable directly or indirectly,
- level 3 – unobservable inputs for an asset or liability.

Observable inputs are inputs that are determined based on the market data (such as publicly available information about actual events or transactions) and that reflect assumptions which market participants would use when pricing an asset or a liability. When a fair value measurement is developed using inputs from multiple levels of the fair value hierarchy, the fair value

measurement of that instrument shall fall entirely into the lowest level from which the inputs have been used.

If an instrument is traded on multiple regulated markets, based on professional judgement, the one that is most liquid and most representative is considered as the principal market.

Measuring the fair value of financial instruments is based on the Rules for Calculating Net Asset Value of Funds approved by the Management Board. General principles are the following:

- The market value of shares traded on a regulated market is determined on the basis of the official closing price on the reporting date. If the closing price is unavailable, the official mid price is used. If the mid price is also unavailable, the last official bid price is used.
- The value of a listed debt security shall be determined on the basis of the last known market quote representing the fair value of a debt security on the valuation date: last traded price on the regulated market or multilateral trading facility; last reported traded price based on the source of the financial data vendor currently used; mid-market price on the regulated market or multilateral trading facility; bid price on the regulated market or multilateral trading facility; mid-market price provided by sources of the financial data vendor currently used; bid price provided by sources of the financial data vendor currently used. Should market quotes for an instrument not be available or in the opinion of Avaron do not represent the actual value of a listed debt security, its value will be determined on the basis of the yield curve method. If yield curve method cannot be used due to the absence of reliable data or its low sample size, the amortized cost method shall be used.
- Debt securities for which there is no active market or for which price information is not regularly available, such as certain unlisted debt instruments, are valued on an individual basis. As a general rule, such instruments are measured at nominal value plus accrued interest. An exception applies in cases where there are objective indications that the issuer may not be able to service the bonds in accordance with the agreed terms, as a result of which investors should expect, or consider highly probable, a change in the instrument's discounted cash flows. If, in the opinion of the Management Company, it is unlikely that the debt security can be sold (in the absence of an active market) prior to its call or maturity, the bond is not valued above its call or redemption price. The Management Company assesses such instruments at least on a quarterly basis, or more frequently if circumstances arise that would result in changes to the instruments' discounted cash flows. In determining fair value, the Management Company uses various valuation techniques, including, inter alia, off-market transactions between third parties, discounted cash flow analysis, and indirect valuation based on comparable instruments.
- Currency forwards and swaps shall be valued by using valuation date spot rate and forward points, interpolated to maturity.

### *Derecognition*

Securities are removed from the balance sheet when the Fund has lost control over the corresponding financial assets either as a result of selling them or expiry of their term. FIFO method is used in accounting for the realised gains/ (losses) from securities transactions. The line "Sales profit/ (loss)" in the statement of income and expenses indicates the difference between the sales amount of an instrument and the corresponding acquisition cost.

### **Offsetting**

Financial assets and liabilities are offset only when the Fund has a legal right to offset the amounts and it intends to use the right.

### **Cash and cash equivalents and cash flows**

Cash and cash equivalents comprise of the Fund's current accounts and over-night deposits that are subject to an insignificant risk of changes in their fair value.

Cash flows from operating activities are reported using the direct method.

### **Deposits**

Deposits comprise term deposits of credit institutions given that their maturity is less than 12 months. Deposits are initially recognised at acquisition cost and subsequently measured at amortized cost using the effective interest rate method.

### **Receivables**

Receivables include revenues calculated on the accrual basis but not yet collected, including dividend receivables and other accrued income. Miscellaneous receivables include receivables from unsettled sales transactions.

Receivables are initially recognised at fair value and subsequently recorded at amortized cost using the effective interest rate method from which any possible impairment loss has been deducted.

### **Other financial liabilities**

Other financial liabilities include management fee and performance fee payables to the Fund Management Company; depository fee, safekeeping fee and transaction fee payables to the depository. Liabilities also include payables to Fund unitholders for redeemed units. Miscellaneous liabilities include payables for securities purchase transactions.

Other financial liabilities are initially recognised at fair value and subsequently recorded at amortized cost using the effective interest rate method.

### **Fund units**

The Fund has four classes of units which are which are reported as financial liabilities. Units shall be issued every day. The subscription price of the unit is net asset value of the unit to which 0.5% (until July 7<sup>th</sup>, 2025 1%) subscription fee has been added. Subscription fee is Fund's income. Units can be redeemed every banking day or with 10 banking days, one month or two months prior notice depending on the redemption amount. The redemption price is the net asset value of the unit as of the date of receiving the redemption order or fixed after the notice period has passed as stipulated in the Fund's prospectus. Exchange of units to different class of units of the Fund is allowed.

The net asset value of a unit is determined by dividing the total net asset value of a class of units by the number of units of that class that have been issued and not redeemed (adjusted by the number of units from unsettled subscription and redemption orders that have been received by the Management Company).

The income of the Fund shall not be distributed to unitholders but shall be reinvested. A unitholder's profit or loss is reflected in the unit's net asset value change.

### **Interest income**

Interest income is recognised on accrual basis using the effective interest rate method. It comprises reported interest from cash and cash equivalents, deposits and debt instruments at fair value through profit or loss.

### **Operating expenses**

The operating expenses of the Fund include the management fee and performance fee payable to the management company, the custodian fee payable to the Fund's custodian, fund administration fees, fees to the registrar of fund units, transaction fees and other operating expenses stated in the

Fund rules. Transaction fees related to security purchase and sales transactions are recorded under “Transaction fees” in the statement of income and expenses. ✓

**Related parties**

Parties that are considered as related parties to the Fund are the Management Company AS Avaron Asset Management, other investment funds managed by the management company, all the group companies, the Management Board of the Fund Management Company and their related parties. According to the Fund rules the Fund pays management fees to the Management Company on a monthly basis.

## NOTE 2. RISK MANAGEMENT

### Short Overview of the Investment and Risk Management Techniques

The Fund pursues a value-oriented fixed income strategy that seeks attractive returns through investing in a diversified portfolio of high yield bonds. The Fund invests primarily into European high yield corporate bonds and may invest in any type of bonds. Different types of bonds may substantially differ in their terms and conditions (including redemption possibilities, conversion, related risks). During certain times the Fund might have a significant concentration geographically to the Baltics, Emerging Europe, the Nordics or outside of Europe or sector-wise to certain sectors like financials, real estate or energy. The Fund aims to keep a diversified portfolio on single bond position level but from time to time can have relatively high concentration towards specific countries, industries or economic/investment themes. The Fund invests mainly in listed bonds but all bonds invested in may not be traded on the stock exchange. The Fund Management Company applies an active portfolio management strategy in the Fund and makes decisions regarding the allocation of the Fund's assets across different types of bonds, industry sectors and regions based on its professional judgment and prevailing market conditions, drawing on company-specific and macroeconomic analysis.

The Fund is mainly exposed to market risk, including currency risk, interest rate risk and price risk, credit risk and liquidity risk arising from the financial instruments it holds. Funds that invest in fixed income are subject to interest rate and credit risk. Interest rate risk arises from potential decline in bond prices that accompanies a rise in interest rates. Longer-maturity bonds typically decline more than those with shorter maturities. Credit risk is a chance that any fund holding could have its credit rating downgraded or that a bond issuer will default (fail to make timely payments of interest or principal). Foreign securities carry additional risks, including exchange rate changes, adverse political and economic developments, differing regulatory environments and accounting standards.

Avaron has established procedures for internal risk management in order to identify, monitor, measure and, if necessary, hedge the risks associated with the Fund's investments. Avaron regularly examines that the Fund is in compliance with its investment restrictions. Portfolio diversification across sectors, countries, currencies and instruments alongside with liquidity analysis are the main risk management tools used. In addition, Avaron may use derivatives to reduce investment risks. Avaron's investment team actively follows financial results of issuers and makes relevant changes in the Fund's portfolio based on the Fund Managers' views of the economy and attractiveness of each financial instrument in respect to issuer specific risk.

#### Credit risk

Credit risk refers to the risk that the issuer of a security where the Fund has invested or the counterparty to a transaction on account of the Fund fails to perform its obligations either fully or partially (e.g. an issuer fails to redeem the issued debt obligations, a counterparty to a trade does not deliver the securities or cash during the settlement, a counterparty defaults on a loan granted by the Fund), causing damage to the Fund.

Maximum exposure to credit risk as of the end of the period in EUR:

	<b>31/12/2025</b>	<b>% of NAV</b>	<b>31/12/2024</b>	<b>% of NAV</b>
Cash and cash equivalents	1,448,235	3.61%	1,249,903	6.31%
Receivables and prepayments	8,187	0.02%	0	0.00%
Corporate bonds	36,194,977	90.27%	18,595,334	93.95%
Unlisted bonds	2,446,608	6.10%	0	0.00%
<b>TOTAL</b>	<b>40,098,007</b>	<b>100.00%</b>	<b>19,845,237</b>	<b>100.26%</b>

The following table presents information related to the Fund's financial derivative instruments assets and liabilities by counterparty net of amounts available for offset under ISDA agreements and net of related collateral received or pledged by the Fund as of the end of the period in EUR:

In EUR  
31/12/2025

Counterparty	Credit Rating	Gross Amounts of Liabilities in the Balance Sheet	Gross Amount Not Offset in the Balance Sheet				Net Amount
			Derivative Financial Instruments Available to Offset	Cash Collateral Pledged	Non-Cash Collateral		
Swedbank AS	AA- (S&P) - Swedbank AB	8,650	-	-	-	8,650	
SEB Pank AS	AA- (S&P) - SEB AB	88,458	-	-	-	88,458	
SEB Pank AS	AA- (S&P) - SEB AB	-62,431	-	-	-	-62,431	
<b>TOTAL</b>		<b>34,677</b>	-	-	-	<b>34,677</b>	

In EUR  
31/12/2024

Counterparty	Credit Rating	Gross Amounts of Liabilities in the Balance Sheet	Gross Amount Not Offset in the Balance Sheet				Net Amount
			Derivative Financial Instruments Available to Offset	Cash Collateral Pledged	Non-Cash Collateral		
Swedbank AS	A+ (S&P) - Swedbank AB	-33,330	-	-	-	-33,330	
<b>TOTAL</b>		<b>-33,330</b>	-	-	-	<b>-33,330</b>	

The Fund's assets are invested in bonds that are transferable. The Fund Management Company conducts a thorough credit risk analysis of the issuers of the bonds by analysing the financial data and studying the terms of the issue (prospectus).

Allocation of bonds according to Standard & Poor's credit rating scale in EUR:

	<b>31/12/2025</b>	<b>% of NAV</b>	<b>31/12/2024</b>	<b>% of NAV</b>
A+	0	0.00%	219,219	1.11%
A-	645,467	1.61%	609,990	3.08%
BBB+	687,852	1.72%	0	0.00%
BBB	650,073	1.62%	1,102,553	5.57%
BBB-	3,632,260	9.06%	766,735	3.88%
BB+	1,517,406	3.78%	1,124,219	5.70%
BB	1,252,121	3.12%	327,765	1.66%
BB-	463,700	1.16%	1,501,058	7.59%
B+	928,138	2.31%	0	0.00%
B	991,100	2.47%	1,079,145	5.48%
B-	1,257,040	3.13%	380,667	1.95%
No rating	26,616,429	66.38%	11,483,983	57.93%
<b>TOTAL</b>	<b>38,641,585</b>	<b>96.37%</b>	<b>18,595,334</b>	<b>93.95%</b>

The Fund's cash and cash equivalents are held with the Fund's depository Swedbank AS, which parent company Swedbank AB is rated AA- as of 23/09/2025 by Standard & Poor's and with AS SEB Pank, which parent company Skandinaviska Enskilda Banken AB is rated AA- as of 20/11/2025 by Standard & Poor's.

### Liquidity risk

Liquidity risk refers to the risk that due to low liquidity a financial instrument cannot be sold at the desired time, at the desired price or there is no market (buyer) at all. Liquidity risk is particularly relevant in case of investing into small cap companies and instruments not traded on a regulated securities market. The Fund's financial assets include unlisted bond investments, which are generally illiquid. As a result, the Fund may not be able to liquidate some of its unlisted instruments in due time to meet its liquidity requirements.

Liquidity risk is managed through regular liquidity analysis and limitations on estimated exit times from positions and analysis of aggregate ownership in share capital and free float. Regular liquidity stress tests are performed to assess the adequacy of the Fund's liquidity profile.

Maximum exposure to financial liabilities according to the maturity as of the end of the period in EUR:

	Up to 3 days		Up to 1 month		Over 1 month	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Payables to the management company	-	-	24,772	16,772	-	-
Payables to the depository	-	-	3,615	1,924	-	-
Payments on redemption of units	3,023	-	-	-	-	-
Other liabilities	-	-	-	-	3,139	-
<b>TOTAL</b>	<b>3,023</b>		<b>28,387</b>	<b>18,696</b>	<b>3,139</b>	

The Fund maintains a credit line of 1,000,000 EUR that can be accessed to meet short-term liquidity needs. These resources have not been used as of 31/12/2025.

Positions that may take more than 20 days to liquidate based on the six month average trading volume (30% of trading volume).

Instrument	Country	Sector	% of NAV 31/12/2025
YIT OYJ 8.500% PERPETUAL EUR	Finland	Real Estate	2.39%
PLATFORM GRP 8.875% 11.07.2028	Germany	IT	2.39%
LHV GROUP VAR% AT1 PERP TWDN	Estonia	Financials	2.11%
ARTEA BANKAS VAR% PERP COCO	Lithuania	Financials	1.84%
SUMMUS CAPITAL 8.000% 30.06.2029	Estonia	Real Estate	1.78%
LHV GROUP VAR% 16.09.2035 EUR	Estonia	Financials	1.54%
ALPPES CAPITAL 8.000% 09.08.2028	Latvia	Financials	1.50%
ELKO GROUP 7.250% 20.12.2029	Latvia	IT	1.44%
SOSTINES BOKSTAI FRN 18.05.2026	Lithuania	Real Estate	1.38%
POS11 11.000% 02.04.2027	Estonia	Real Estate	1.28%
SUMMUS CAP 9.500% 11.06.2027	Estonia	Real Estate	1.28%
KOLIBRI FRN 13.02.2029	Germany	Industrial	1.24%
NORTHMILL GRP FRN 21.02.2036	Sweden	Financials	1.18%
KLOVERN FRN 01.01.2029	Sweden	Real Estate	1.18%
BONAVA AB FRN 03.09.2028	Sweden	Real Estate	1.18%
KINEPOLIS 2.90% 15.12.2027	Belgium	Communication services	1.13%
MAINOR ULEMISTE 8.50% 10.03.2027	Estonia	Real Estate	1.11%
CIVINITY 10.000% 17.07.2029	Lithuania	Real Estate	1.08%
UBM DEV 7.00% 29.10.2029	Austria	Real Estate	1.06%
ARLES FRN 04.11.2030	Netherlands	Consumer staples	1.04%
HOMNN HOLZWRK 7.50% 02.06.2032	Germany	Materials	1.02%
ARCO VARA 8.800% 24.09.2028	Estonia	Real Estate	1.01%
VLI TIMBER 9.000% 30.03.2028	Lithuania	Energy	1.01%
DELFINGROUP 9.50% 25.09.2027	Latvia	Financials	1.00%
CITADELE BANKA 5.00% 13.12.2031	Latvia	Financials	0.78%
EUROPI PROPERTY FRN 06.12.2027	Sweden	Real Estate	0.76%
ADVANZIA FRN SUBORD 24.03.2031	Luxembourg	Financials	0.76%

Avaron High Yield Bond Fund

BIGBANK 9.000% AT1 TWDN PERP	Estonia	Financials	0.75%
HOTREMA 9.000% 25.04.2028	Lithuania	Industrial	0.75%
JDC GROUP AG FRN 28.08.2029	Germany	Financials	0.64%
BIGBANK 9.000% SUB AT1	Estonia	Financials	0.63%
INBANK ALLUTA T2 9% 13.12.2033	Estonia	Financials	0.62%
EQL PHARMA FRN 24.01.2028	Sweden	Health care	0.59%
SIAULIU BANKAS 10.75% 22.06.2033	Lithuania	Financials	0.58%
CONSILIUM OPTIMUM 9% 20.12.2027	Lithuania	Communication services	0.56%
IUTECR 11.000% 06.10.2026	Luxembourg	Financials	0.52%
IN BALANCE 10.50% 24.02.2026	Lithuania	Industrial	0.52%
DELFINGROUP FRN SUB 25.07.2028	Latvia	Financials	0.50%
HOLM BANK PERP 14%	Estonia	Financials	0.50%
KVARTALAS 8.00% 19.12.2026	Lithuania	Real Estate	0.45%
OKEA 9.125% 25.06.2029	Norway	Energy	0.44%
PANORO 10.25% SIN 11.12.2029	Norway	Energy	0.43%
ARCO VARA 10.000% 12.12.2026	Estonia	Real Estate	0.43%
CONSILIUM OPTIMUM 12% 20.05.2027	Lithuania	Communication services	0.42%
INVALDA INVL 7.000% 14.06.2027	Lithuania	Financials	0.39%
DELFINGROUP 10.0% 25.09.2028	Latvia	Financials	0.38%
CLEANR GRUPA 6.500% 14.11.2029	Latvia	Industrial	0.38%
CITADELE BANKA 8.000% 05.04.2034	Latvia	Financials	0.38%
INBANK 10.0% ALL ADD TIER1	Estonia	Financials	0.37%
VOLTA SKAI 10% 01.10.2027	Estonia	Real Estate	0.26%
LIVEN 10.500% 23.05.2028	Estonia	Real Estate	0.17%
BIGBANK 12.000% SUB AT PERP	Estonia	Financials	0.13%
<b>KOKKU</b>			<b>47.22%</b>

As many trades with fixed income instruments are made over the counter then the actual trading volume data may be not publicly available. For the fixed income instruments for which reliable trading data is not available, it is assumed 0.1% of the amount outstanding is being traded on daily basis. Based on the relevant decision by the Investment Manager relating to specific debt instrument a more conservative assumption may still be used. In this case the instrument shall be assumed not to be sellable before maturity.

### Market risk

Market risk refers to the risk of suffering losses due to adverse price movements at a specific securities market or a market for other assets. Adverse price movements may be caused by a country's weak economic indicators, poor financial results of an business sector, volatile securities market, investors' behaviour and psychology and other factors.

Diversification among sectors, countries, currencies and instruments are the main risk management tools used by the Fund to address market risk.

*Currency risk*

The Fund is open to foreign currency risk. Currency breakdown of the Fund's assets in EUR:

	<b>31/12/2025</b>	<b>% of Assets</b>	<b>31/12/2024</b>	<b>% of Assets</b>
EUR	33,997,730	84.58%	16,959,130	60.90%
USD	2,285,499	5.69%	1,090,054	3.91%
SEK	2,075,810	5.16%	1,035,497	3.72%
NOK	1,773,647	4.41%	760,556	2.73%
<b>TOTAL</b>	<b>40,132,686</b>	<b>99.84%</b>	<b>19,845,237</b>	<b>71.26%</b>

Taking into account the derivatives contracts, net FX positions as per currency were the following:

	<b>31/12/2025</b>	<b>% of Assets</b>	<b>31/12/2024</b>	<b>% of Assets</b>
USD	826,224	2.06%	1,090,054	3.91%
NOK	1,773,647	4.41%	760,556	2.73%
SEK	614,639	1.53%	1,035,497	3.72%
<b>TOTAL</b>	<b>3,214,510</b>	<b>8.00%</b>	<b>2,886,107</b>	<b>10.36%</b>

*Currency risk sensitivity analysis*

Fund's net asset value would have been affected by the weakening of foreign currencies against EUR on 31 December 2025. The sensitivity analysis assumes the weakening of foreign currency rates 10% against EUR. Below table illustrates the maximum weakening of foreign currency in the magnitude of the change from the higher to lower value since December 31, 2015. The analysis assumes that all the other variables remain constant. Analysis for 31 December 2024 has not been made.

The impact on net assets attributable to Fund's unit holders and net income:

	<b>31.12.2025</b>		
	<b>Impact in EUR (-10% weakening)</b>	<b>Maximum annual currency weakening</b>	<b>Currency's % of NAV</b>
SEK	-207,581	-13%	5.16%
NOK	-177,365	-25%	4.41%
USD	-228,550	-16%	5.69%
<b>TOTAL</b>	<b>-613,496</b>		<b>15.26%</b>

*Instrument's price risk*

Price risk is closely related to market risk but mainly affects a specific security or investment. Price risk is the risk of suffering losses due to adverse price movements of a specific stock or another investment. The price of a specific security is affected by developments in the issuer's financial results, changes in the competitive environment, analyst estimates and commentaries, etc.

Concentration of risk of the Fund's investments based on sectors as of the end of the period in EUR:

	<b>31/12/2025</b>	<b>% of NAV</b>	<b>31/12/2024</b>	<b>% of NAV</b>
Financials	17,588,370	43.86%	10,071,256	50.89%
Real Estate	8,777,457	21.89%	3,900,495	19.71%
IT	2,561,221	6.39%	1,121,947	5.67%
Industrial	1,963,862	4.90%	619,053	3.13%
Energy	1,665,639	4.15%	792,259	4.00%
Communication Services	1,627,472	4.06%	879,040	4.44%
Consumer Staples	1,524,358	3.80%	0	0.00%
Materials	1,473,748	3.68%	305,608	1.54%
Sovereign	830,374	2.07%	0	0.00%
Utilities	247,998	0.62%	477,583	2.41%
Health Care	236,131	0.59%	112,131	0.57%
Consumer Discretionary	144,955	0.36%	315,962	1.60%
<b>TOTAL</b>	<b>38,641,585</b>	<b>96.37%</b>	<b>18,595,334</b>	<b>93.96%</b>

Concentration of risk of the Fund's investments based on geographic location as of the end of the period in EUR:

	<b>31/12/2025</b>	<b>% of NAV</b>	<b>31/12/2024</b>	<b>% of NAV</b>
Estonia	6,270,757	15.65%	2,820,312	14.25%
Lithuania	3,813,870	9.52%	3,006,345	15.19%
Luxembourg	3,441,903	8.58%	1,688,838	8.53%
Norway	3,233,383	8.06%	1,434,142	7.25%
Germany	3,280,679	8.18%	938,184	4.74%
Latvia	2,800,596	6.98%	1,177,108	5.95%
Sweden	2,742,610	6.84%	1,633,704	8.25%
Romania	2,287,714	5.71%	766,735	3.87%
Greece	1,745,215	4.35%	1,396,022	7.05%
Austria	1,699,104	4.24%	913,504	4.62%
United Kingdom	1,508,904	3.76%	625,561	3.16%
Finland	958,562	2.39%	213,479	1.08%
Poland	928,138	2.31%	0	0.00%
France	741,675	1.85%	192,691	0.97%
Slovenia	687,852	1.72%	681,283	3.44%
Denmark	622,586	1.55%	0	0.00%
Turkey	463,700	1.16%	0	0.00%
Belgium	453,403	1.13%	0	0.00%
Netherlands	415,409	1.04%	0	0.00%
Canada	262,332	0.65%	197,027	1.00%
Singapore	181,166	0.45%	202,625	1.02%

Avaron High Yield Bond Fund

Spain	102,027	0.25%	103,472	0.52%
Czech Rep.	0	0.00%	219,219	1.11%
USA	0	0.00%	205,110	1.04%
Cyprus	0	0.00%	179,973	0.91%
<b>TOTAL</b>	<b>38,641,585</b>	<b>96.37%</b>	<b>18,595,334</b>	<b>93.96%</b>

*Instrument's price risk sensitivity analysis*

Sensitivity analysis is based on standard deviation of the Fund since launch, whereas the Fund's risk profile has been calculated based on normal distribution. The analysis assumes that all the other variables remain constant. Analysis as per 31 December 2024 has not been made.

	<b>Probability</b>	<b>+/- possible change of Fund's NAV during year 31/12/2025</b>
$\sigma$	68.27%	1.51%
$2\sigma$	95.45%	3.02%
$3\sigma$	99.73%	4.54%

**NOTE 3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents by credit institution and currency

	<b>31/12/2025</b>	<b>% of NAV, converted into EUR</b>	<b>31/12/2024</b>	<b>% of NAV, converted into EUR</b>
<b>Swedbank AS</b>		<b>3.61%</b>		<b>6.31%</b>
EUR	986,620	2.46%	1,228,094	6.20%
SEK	86,501	0.02%	112,052	0.05%
NOK	4,656,827	0.98%	141,987	0.06%
USD	71,067	0.15%	0	0.00%
<b>AS SEB Bank</b>				
EUR	60	0.00%	-	-
<b>TOTAL</b>		<b>3.61%</b>		<b>6.31%</b>

The Fund's cash and cash equivalents are held with Fund's custodian Swedbank AS, which parent company Swedbank AB is rated AA- as of 23/09/2025 by Standard & Poor's, with AS SEB Bank, which parent company Skandinaviska Enskilda Banken AB is rated AA- as of 20/11/2025 (Standard & Poor's).

**NOTE 4. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES TO CATEGORIES AND LEVELS**In EUR  
31/12/2025

	Measured at fair value through profit or loss			Financial assets at amortised cost			Financial liabilities at amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>ASSETS</b>									
Cash and cash equivalents	-	-	-	1,448,235	-	-	-	-	-
Listed Bonds	35,369,458	-	825,519	-	-	-	-	-	-
Derivative instruments	-	97,108	-	-	-	-	-	-	-
Unlisted bonds	-	-	2,446,608	-	-	-	-	-	-
Other receivables	-	-	-	-	8,187	-	-	-	-
<b>LIABILITIES</b>									
Derivative instruments	-	62,431	-	-	-	-	-	-	-
Payables to the management company	-	-	-	-	-	-	-	24,772	-
Payables to the depository	-	-	-	-	-	-	-	3,615	-
Payables on redemption of units	-	-	-	-	-	-	-	3,023	-
Other liabilities	-	-	-	-	-	-	-	3,139	-
<b>TOTAL</b>	<b>35,369,458</b>	<b>159,539</b>	<b>3,272,127</b>	<b>1,448,235</b>	<b>8,187</b>	<b>-</b>	<b>-</b>	<b>34,548</b>	<b>-</b>

According to the estimates of the Fund Management Company the carrying value of financial assets and liabilities at amortised cost amounts approximate fair value.

In EUR  
31/12/2024

	Measured at fair value through profit or loss			Financial assets at amortised cost			Financial liabilities at amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>ASSETS</b>									
Cash and cash equivalents	-	-	-	1,249,903	-	-	-	-	-
Listed bonds	17,044,242	-	270,482	-	-	-	-	-	-
Unlisted bonds	-	-	1,280,609	-	-	-	-	-	-
<b>LIABILITIES</b>									
Derivative instruments	-	33,330	-	-	-	-	-	-	-
Payables to the management company	-	-	-	-	-	-	-	16,772	-
Payables to the depository	-	-	-	-	-	-	-	1,924	-
<b>TOTAL</b>	<b>17,044,242</b>	<b>33,330</b>	<b>1,551,091</b>	<b>1,249,903</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,696</b>	<b>-</b>

According to the estimates of the Fund Management Company the carrying value of financial assets and liabilities at amortised cost amounts approximate fair value.

## NOTE 5. NET GAIN/LOSS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In EUR

	01/01/2025- 31/12/2025	09/10/2023- 31/12/2024
<b>Net gain/loss from financial assets at fair value through profit or loss</b>		
<b>From bonds</b>		
Sales profit/(-loss)	355,459	79,552
Unrealised profit /(-loss)	-148,037	418,673
<b>From derivative instruments</b>		
Sales profit/(-loss)	11,675	0
Unrealised profit /(-loss)	68,008	-33,330
<b>Total net gain/(-loss )</b>	<b>287,106</b>	<b>464,895</b>

**NOTE 6. DERIVATIVE INSTRUMENTS**

In EUR  
31/12/2025

Type of Instrument	Issuer of Instrument	Quantity of underlying	The underlying currency	Exercise date	Price of Instrument / premium	Exercise price		Market value	
						Per unit	Total	Date	Total
Swap	Swedbank AS	516,662	EUR	02/05/2025	1.0000	1.0000	516,662	31/12/2025	-
		600,000	USD	30/04/2026	0.8467	1.1613	516,662	31/12/2025	8,650
Forward	SEB Pank AS	938,174	EUR	13/02/2025	1.0000	1.0000	938,174	31/12/2025	-
		1,000,000	USD	10/02/2026	0.8497	1.0659	938,174	31/12/2025	88,458
Forward	SEB Pank AS	1,461,626	EUR	13/02/2025	1.0000	1.0000	1,461,626	31/12/2025	-
		16,500,000	SEK	10/02/2026	0.0814	11.2888	1,461,626	31/12/2025	62,431
<b>TOTAL</b>									<b>34,677</b>

No collateral was pledged or received at the end of 31/12/2025.

In EUR  
31/12/2024

Type of Instrument	Issuer of Instrument	Quantity of underlying	The underlying currency	Exercise date	Price of Instrument / premium	Exercise price		Market value	
						Per unit	Total	Date	Total
Swap	Swedbank AS	542,790	EUR	02/05/2025	1.0000	1.0000	542,790	31/12/2024	-
		600,000	USD	02/05/2025	0.9602	1.1054	542,790	31/12/2024	-33,330
<b>TOTAL</b>									<b>-33,330</b>

No collateral was pledged or received at the end of 31/12/2024.

## NOTE 7. TRANSACTIONS WITH RELATED PARTIES

In addition to the Fund Management Company, companies belonging to the same group, other investment funds managed by the Management Company and shareholders of the management company are considered to be related parties to the Fund.

The transactions with related parties were in EUR as follows:

	01/01/2025- 31/12/2025	09/10/2023- 31/12/2024
<b>Fund Management Company</b>		
Management and performance fees	218,527	129,947
Units bought	0	1,500,000
Units sold	0	399,000
<b>Other investment funds managed by Fund Management Company</b>		
Buy of securities	0	472,107
<b>Other persons belonging to the same consolidation group as the Fund Management Company</b>		
Units bought	0	1,699,000
<b>TOTAL</b>	<b>218,527</b>	<b>4,200,054</b>

The balances outstanding with related parties were as follows in EUR:

	31/12/2025	31/12/2024
<b>Fund Management Company</b>		
Management and performance fee payable	24,772	16,772
<b>TOTAL</b>	<b>24,772</b>	<b>16,772</b>

The Management Company and its related parties owned the following units of Avaron High Yield Bond Fund at market value:

	31/12/2025	31/12/2024
The ultimate owners own	2,022,013	1,875,918
Fund Management Company owns	1,357,209	1,253,973
Other related persons own	177,260	164,150
<b>TOTAL</b>	<b>3,556,482</b>	<b>3,294,042</b>

## STATEMENT OF INVESTMENTS

Statement of investments as of 31/12/2025

Name	ISIN	Emitent country	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
BONDS*										
YIT OYJ 8.500% PERPETUAL EUR	FI4000587464	FI	EUR	7.13%	30/01/3100	100.38	903,400	101.50	958,562	2.39%
PLATFORM GRP 8.875% 11.07.2028	NO0013256834	DE	EUR	6.00%	11/07/2028	101.10	1,011,000	91.57	957,760	2.39%
DL INVEST 6.625% 15.07.2030	XS3109485782	PL	EUR	13.52%	15/07/2030	98.75	888,750	100.00	928,138	2.31%
EUROBANK ER VAR% PERP COCO	XS3224517410	GR	EUR	5.00%	30/01/3100	100.00	900,000	99.13	899,985	2.24%
LHV GROUP VAR% AT1 PERP TWDN	XS3042781024	EE	EUR	6.02%	30/01/3100	100.00	800,000	104.00	844,910	2.11%
ROMANIA 5.625% 22.02.2036	XS2770921315	RO	EUR	7.38%	22/02/2036	94.88	759,000	98.99	830,374	2.07%
TRANSILVANIA VAR% PERP COCO	XS3239211132	RO	EUR	8.50%	30/01/3100	100.41	803,280	100.83	811,910	2.02%
PRA GROUP 6.25% 30.09.2032	XS3185740811	LU	EUR	8.75%	30/09/2032	98.88	791,000	97.52	792,668	1.98%
ARTEA BANKAS VAR% PERP COCO	XS2922133363	LT	EUR	10.50%	30/01/3100	100.46	703,200	103.72	738,591	1.84%
AXACTOR FRN 13.06.2029	NO0013583229	NO	EUR	10.00%	13/06/2029	101.23	708,625	102.40	719,787	1.80%
SUMMUS CAPITAL 8.000% 30.06.2029	EE0000001493	EE	EUR	7.50%	30/06/2029	100.00	704,000	101.45	714,208	1.78%
NOVA LJUBLJAN VAR EUR 24.01.2034	XS2750306511	SI	EUR	11.00%	24/01/2034	100.10	600,600	108.22	687,852	1.72%
REINKE AG VAR% PERP	XS2969264857	DE	EUR	9.63%	30/01/3100	100.08	600,500	101.75	650,073	1.62%
RAIFFEISEN BK VAR PERP /2024	XS2785548053	AT	EUR	9.13%	30/01/3100	100.05	600,300	107.25	645,467	1.61%
TRANSILVANIA VAR% 07.12.2028	XS2724401588	RO	EUR	6.63%	07/12/2028	102.95	617,682	107.10	645,430	1.61%
ELEVING GROUP 9.500% 24.10.2030	XS3167361651	LU	EUR	8.00%	24/10/2030	99.10	584,696	103.62	621,643	1.55%
LHV GROUP VAR% 16.09.2035	XS3153067288	EE	EUR	5.94%	16/09/2035	99.82	598,902	101.13	616,334	1.54%
PARC BIDCO FRN 21.11.2028	NO0013478800	NO	EUR	7.50%	21/11/2028	100.00	600,000	99.63	603,127	1.50%
ALPPES CAPITAL 8.000% 09.08.2028 <sup>1</sup>	LV0000105419	LV	EUR	8.80%	09/08/2028	100.00	600,000	100.00	600,000	1.50%
CPI PROPERTY VAR% PERP	XS3099834676	LU	EUR	9.00%	30/01/3100	96.00	576,000	92.78	580,129	1.45%
ELKO GROUP 7.250% 20.12.2029	LV0000108637	LV	EUR	10.00%	20/12/2029	99.45	571,850	100.00	575,811	1.44%
VERVE GROUP FRN 01.04.2029	SE0023848429	SE	EUR	6.25%	01/04/2029	97.32	583,897	94.14	573,949	1.43%
SOSTINES BOKSTAI FRN 18.05.2026	LT0000407629	LT	EUR	6.00%	18/05/2026	101.34	557,365	99.50	552,516	1.38%
LENZING VAR% SUB PERPETUAL	XS3106543534	AT	EUR	6.77%	30/01/3100	116.60	583,006	100.00	521,575	1.30%
POS11 11.000% 02.04.2027 <sup>1</sup>	EE0000000529	EE	EUR	8.75%	02/04/2027	100.00	500,000	100.00	513,444	1.28%
SUMMUS CAP 9.500% 11.06.2027	LV0000860187	EE	EUR	7.13%	11/06/2027	100.87	505,346	101.90	513,163	1.28%
CHAPTERS 7% 08.08.2030	DE000A4DFK32	DE	EUR	10.50%	08/08/2030	100.00	500,000	99.50	511,405	1.28%
INTRALOT 6.75% 15.10.2031	XS3192259516	LU	EUR	10.63%	15/10/2031	100.00	500,000	99.48	505,823	1.26%
KOLIBRI FRN 13.02.2029	NO0013461384	DE	EUR	8.54%	13/02/2029	100.00	480,000	102.06	495,644	1.24%
NORTHMILL GRP FRN 21.02.2036	SE0026821332	SE	SEK	8.13%	21/02/2036	9.10	455,025	9.39	474,062	1.18%
KLOVERN FRN 01.01.2029	SE0026526238	SE	SEK	7.50%	01/01/2029	9.10	454,794	9.31	473,587	1.18%
BONAVA AB FRN 03.09.2028	SE0023950910	SE	SEK	5.50%	03/09/2028	8.96	447,828	9.42	473,404	1.18%
INTL PERS FIN FRN 10.11.2028	XS3222732664	GB	SEK	9.45%	10/11/2028	9.14	456,921	9.36	473,070	1.18%
TURKIYE BANKASI VAR% PERP	XS2970145012	TR	USD	5.50%	30/01/3100	96.90	484,496	89.18	463,700	1.16%

Statement of investments as of 31/12/2025 (continued)

Name	ISIN	Emitent country	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
<b>BONDS*</b>										
KINEPOLIS 2.90% 15.12.2027	BE0002577550	BE	EUR	6.57%	15/12/2027	92.40	462,000	90.55	453,403	1.13%
WORLDLINE 5.500% 10.06.2030	FR0014010A08	FR	EUR	7.68%	10/06/2030	90.35	451,750	87.41	452,420	1.13%
MAINOR ULEMISTE 8.50% 10.03.2027	EE3300003136	EE	EUR	8.45%	10/03/2027	102.16	434,194	102.50	446,663	1.11%
ALPHA SERV VAR% PERP	XS2805274326	GR	EUR	8.00%	30/01/3100	100.55	402,200	108.82	444,562	1.11%
INEOS FIN 7.25% 31.03.2031	XS3192215492	GB	EUR	9.03%	31/03/2031	100.50	502,500	86.12	440,043	1.10%
CIVINITY 10.000% 17.07.2029	LT0000134413	LT	EUR	8.13%	17/07/2029	100.00	400,000	103.50	432,301	1.08%
LUMINOR HOLD VAR JR SUB PERP	XS2982074861	EE	EUR	6.71%	30/01/3100	100.00	400,000	103.38	425,054	1.06%
UBM DEV 7.00% 29.10.2029	AT0000A3FFK1	AT	EUR	9.50%	29/10/2029	98.50	394,000	105.03	424,937	1.06%
TPA I USD SOFR FRN 26.03.2030	NO0013501759	DK	USD	9.00%	26/03/2030	91.71	458,547	84.28	421,644	1.05%
HAWK INFINITY FRN 15.10.2029	NO0013358069	NO	NOK	9.13%	15/10/2029	8.54	426,816	8.17	417,927	1.04%
ARLES FRN 04.11.2030	NO0013684662	NL	EUR	14.00%	04/11/2030	99.50	398,000	102.50	415,409	1.04%
HOMN HOLTZRK 7.50% 02.06.2032	NO0013536169	DE	EUR	8.35%	02/06/2032	100.00	400,000	101.93	410,104	1.02%
ARCO VARA 8.800% 24.09.2028	EE0000002244	EE	EUR	9.00%	24/09/2026	100.00	400,000	100.90	404,187	1.01%
VLI TIMBER 9.000% 30.03.2028	LT0000134256	LT	EUR	6.75%	30/03/2028	100.00	400,000	100.00	403,000	1.01%
PIRAEUR VAR% PERP	XS3201977595	GR	EUR	10.75%	30/01/3100	100.00	400,000	98.88	400,668	1.00%
DELFINGROUP 9.50% 25.09.2027	LV0000106649	LV	EUR	6.50%	25/09/2027	100.11	400,441	100.00	400,528	1.00%
AIDER KONSERN FRN 05.09.2028	NO0013321349	NO	NOK	11.00%	05/09/2028	8.57	385,738	8.55	386,865	0.96%
INTL PERS FIN 10.75% 14.12.2029	XS2835773255	GB	EUR	8.07%	14/12/2029	108.55	325,650	108.38	326,631	0.81%
CPI PROPERTY 6.00% 27.01.2032	XS2904791774	LU	EUR	8.00%	27/01/2032	95.93	287,796	100.70	318,756	0.79%
CITADELE BANKA 5.00% 13.12.2031	LV0000880102	LV	EUR	9.00%	13/12/2031	96.03	297,703	100.13	311,152	0.78%
EUROPI PROPERTY FRN 06.12.2027	SE0017832728	SE	EUR	7.27%	06/12/2027	100.00	300,000	100.65	303,307	0.76%
ADVANZIA FRN SUBORD 24.03.2031	NO0010955909	LU	EUR	7.00%	24/03/2031	100.50	301,500	101.02	303,169	0.76%
HAWK INFINITY FRN 10.07.2030	NO0013525006	NO	NOK	7.25%	10/07/2030	8.67	320,974	7.95	301,655	0.75%
BIGBANK 9.000% AT1 TWDN PERP <sup>1</sup>	EE3300005081	EE	EUR	10.00%	30/01/3100	100.00	300,000	100.00	301,125	0.75%
HOTREMA 9.000% 25.04.2028	LT0000134553	LT	EUR	7.35%	25/04/2028	100.00	300,000	100.00	300,375	0.75%
VIRIDIEN 8.500% 15.10.2030	XS3023943692	FR	EUR	7.25%	15/10/2030	101.87	276,336	104.86	289,256	0.72%
ITHACA ENERGY N 8.125% 15.10.2029	USG49774AC90	GB	USD	9.60%	15/10/2029	91.69	275,071	88.28	269,161	0.67%
INTL PETROL 7.5% 10.10.2030	NO0013671107	CA	USD	6.52%	10/10/2030	85.45	256,345	86.03	262,332	0.65%
JDC GROUP AG FRN 28.08.2029	NO0013618587	DE	EUR	9.13%	28/08/2029	100.00	250,000	101.68	255,693	0.64%
CITADELE BANKA VAR% PERP	XS3060301168	LV	EUR	9.00%	30/01/3100	100.05	250,125	100.50	255,301	0.64%
BIGBANK 9.000% SUB AT1 <sup>1</sup>	EE0000000560	EE	EUR	8.50%	30/01/3100	100.00	250,000	100.00	250,938	0.63%
INBANK ALLUTA T2 9% 13.12.2033	EE3300003714	EE	EUR	10.25%	13/12/2033	100.00	228,000	109.38	249,489	0.62%
CULLINAN HOLDCO 8.5% 15.10.2029	XS3148179230	EE	EUR	8.00%	15/10/2029	73.46	203,211	87.88	247,998	0.62%

Statement of investments as of 31/12/2025 (continued)

Name	ISIN	Emitent country	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
EQL PHARMA FRN 24.01.2028	SE0023595350	SE	SEK	9.50%	24/01/2028	8.71	217,635	9.34	236,131	0.59%
SIAULIU BANKAS 10.75% 22.06.2033	LT0000407751	LT	EUR	9.50%	22/06/2033	112.56	225,120	110.00	231,310	0.58%
CONSILIUM OPTIMUM 9% 20.12.2027	LT0000411266	LT	EUR	7.00%	20/12/2027	100.00	224,000	100.00	224,616	0.56%
AKROPOLIS 6.00% 15.05.2030	XS3046302488	LT	EUR	9.00%	15/05/2030	100.00	200,000	105.15	217,853	0.54%
SENSYS GATSO FRN 13.09.2028	SE0022727095	SE	EUR	8.50%	13/09/2028	101.00	202,000	102.38	208,171	0.52%
IUTECR 11.000% 06.10.2026	XS2378483494	LU	EUR	13.55%	06/10/2026	93.50	187,000	101.30	207,788	0.52%
IN BALANCE 10.50% 24.02.2026 <sup>1</sup>	LT0000133480	LT	EUR	7.00%	24/02/2026	100.00	200,000	100.00	207,361	0.52%
NTI GROUP FRN 28.03.2030	NO0013505834	EE	EUR	7.25%	28/03/2030	100.05	200,100	100.44	200,942	0.50%
DELFINGROUP FRN SUB 25.07.2028	LV0000802700	EE	EUR	7.25%	25/07/2028	100.00	200,000	100.00	200,375	0.50%
HOLM BANK PERP 14% <sup>1</sup>	EE3300004241	EE	EUR	8.88%	30/01/3100	100.00	200,000	100.00	200,233	0.50%
KVARTALAS 8.00% 19.12.2026	LT0000411167	LU	EUR	7.06%	19/12/2026	102.35	184,538	100.65	181,946	0.45%
YINSON PRO 9.625% 03.05.2029	NO0013215509	LT	USD	6.25%	03/05/2029	92.06	184,124	89.29	181,166	0.45%
OKEA 9.125% 15.05.2028	NO0013223503	RO	USD	6.88%	15/05/2028	93.55	187,110	88.33	178,598	0.45%
OKEA 9.125% 25.06.2029	NO0013593855	SE	USD	5.63%	25/06/2029	86.30	172,607	89.07	178,393	0.44%
PANORO 10.25% SIN 11.12.2029	NO0013415786	NO	USD	7.38%	11/12/2029	93.87	187,737	85.99	172,895	0.43%
ARCO VARA 10.000% 12.12.2026 <sup>1</sup>	EE3300005156	EE	EUR	12.00%	12/12/2026	100.00	170,000	100.00	170,850	0.43%
CONSILIUM OPTIMUM 12% 20.05.2027	LT0000409047	LU	EUR	12.00%	20/05/2027	100.19	160,310	103.25	167,333	0.42%
INVALIDA INVL 7.000% 14.06.2027	LT0000409229	NO	EUR	7.50%	14/06/2027	100.00	155,000	100.77	156,668	0.39%
DELFINGROUP 10.0% 25.09.2028	LV0000803914	LV	EUR	9.50%	25/09/2028	101.04	151,558	102.32	153,688	0.38%
CLEANR GRUPA 6.500% 14.11.2029	LV0000107365	LV	EUR	6.50%	14/11/2029	100.00	150,000	100.48	151,972	0.38%
CITADELE BANKA 8.000% 05.04.2034	LV0000803054	EE	EUR	10.00%	05/04/2034	100.00	140,000	106.50	151,770	0.38%
INBANK 10.0% ALL ADD TIER1 <sup>1</sup>	EE3300004381	EE	EUR	10.63%	30/01/3100	100.00	150,000	100.00	150,083	0.37%
ANDFJORD SALM FRN 23.06.2028	NO0013587246	SE	NOK	8.50%	23/06/2028	8.46	148,099	8.26	144,955	0.36%
OCEAN YIELD FRN 05.09.2029	NO0013321364	NO	NOK	10.50%	05/09/2029	8.49	127,289	8.57	129,180	0.32%
ADVANZIA FRN SUB EUR 28.02.2034	NO0013162743	CA	EUR	2.90%	28/02/2034	100.00	100,000	111.12	111,928	0.28%
AMS-OSRAM 10.5% 30.03.2029	XS2724532333	EE	EUR	10.00%	30/03/2029	107.85	107,850	104.50	107,125	0.27%
VOLTA SKAI 10% 01.10.2027	EE0000002475	LT	EUR	6.13%	01/10/2027	100.00	100,000	100.00	102,472	0.26%
FERTIBERIA CORP FRN 08.05.2028	NO0013219477	EE	EUR	8.82%	08/05/2028	100.00	100,000	101.00	102,027	0.25%
LIVEN 10.500% 23.05.2028	EE3300004332	LU	EUR	6.67%	23/05/2028	100.00	65,000	102.05	67,034	0.17%
BIGBANK 12.000% SUB AT PERP <sup>1</sup>	EE3300003581	LT	EUR	9.00%	30/01/3100	106.55	53,273	104.65	52,573	0.13%
<b>BONDS TOTAL</b>							<b>37,820,710</b>		<b>38,641,585</b>	<b>96.37%</b>

\* Accrued interest in the amount of 683,531.35 EUR has been added to the value of bonds

**Statement of investments as of 31/12/2025 (continued)**

Name	Derivative Type	Emitent country	Rating agency	Rating	FX	Maturity	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
<b>DERIVATIVES</b>										
FX-Forward EUR/USD SEB	Forward	EE			USD	10.02.2026			88,458	0.22%
FX Swap	Swap	EE			USD	30.04.2026			8,650	0.02%
FX-Forward EUR/SEK SEB	Forward	EE			SEK	10.02.2026			-62,431	-0.16%
<b>DERIVATIVES TOTAL</b>									<b>34,677</b>	<b>0.09%</b>
<b>INSTRUMENTS TOTAL</b>							<b>37,820,710</b>		<b>38,676,262</b>	<b>96.45%</b>
Name	Credit Institution's country	Credit Institution	FX	Interest rate	Quantity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
<b>CASH</b>										
CURRENT ACCOUNT	EE	SEB	EUR				60		60	0.00%
CURRENT ACCOUNT	EE	Swedbank	EUR				986,620		986,620	2.46%
CURRENT ACCOUNT	EE	Swedbank	NOK				393,064		393,064	0.98%
CURRENT ACCOUNT	EE	Swedbank	SEK				7,987		7,987	0.02%
CURRENT ACCOUNT	EE	Swedbank	USD				60,503		60,503	0.15%
<b>CURRENT ACCOUNT TOTAL</b>							<b>1,448,236</b>		<b>1,448,236</b>	<b>3.61%</b>
<b>INVESTMENTS TOTAL</b>							<b>39,268,946</b>		<b>40,124,498</b>	<b>100.06%</b>
<b>OTHER ASSETS</b>										
OTHER RECEIVABLE			EUR				8,187		8,187	0.02%
<b>OTHER ASSETS TOTAL</b>							<b>8,187</b>		<b>8,187</b>	<b>0.02%</b>
<b>TOTAL ASSETS OF THE FUND</b>							<b>39,277,133</b>		<b>40,132,686</b>	<b>100.08%</b>
<b>LIABILITIES</b>									-34,549	-0.08%
<b>NET ASSETS OF THE FUND</b>									<b>40,098,137</b>	<b>100.00%</b>

**Statement of investments as of  
31/12/2024**

Name	ISIN	Emitent country	Rating agency	Rating	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
<b>BONDS*</b>												
NOVA LJUBLJAN VAR EUR	XS2750306511	SI	S&P	BBB	EUR	5.84%	24/01/203	100.10	600,600	107.12	681,283	3.44%
TRANSILVANIA VAR% 07.12.2028	XS2724401588	RO	Fitch	BBB-	EUR	4.78%	07/12/202	102.95	617,682	108.65	654,754	3.31%
LHV GROUP VAR% 03.10.2027	XS2693753704	EE			EUR	6.49%	03/10/202	100.67	604,000	105.48	645,687	3.26%
RAIFFEISEN BK VAR PERP	XS2785548053	AT	S&P	A-	EUR	7.30%	30/01/310	100.05	600,300	100.93	609,990	3.08%
SUMMUS CAP 9.500% 11.06.2027	LV0000860187	EE			EUR	7.36%	11/06/202	100.87	505,346	104.75	527,442	2.67%
PLATFORM GRP 8.875%	NO0013256834	DE			EUR	9.14%	11/07/202	100.10	500,500	99.21	516,914	2.61%
SIAULIU BANK VAR% PERP	XS2922133363	LT			EUR	8.70%	30/01/310	100.00	500,000	100.59	511,955	2.59%
ELEVING GROUP 9.500%	XS2393240887	LU	Fitch	B	EUR	10.22%	18/10/202	98.73	483,781	98.82	493,630	2.49%
SOSTINES BOKSTAI FRN	LT0000407629	LT			EUR	8.82%	18/05/202	101.39	456,260	100.00	454,682	2.30%
MAINOR ULEMISTE 8.50%	EE3300003136	EE			EUR	7.29%	10/03/202	102.16	434,194	102.40	446,238	2.25%
ALPHA SERV VAR% PERP	XS2805274326	GR	S&P	BB-	EUR	7.11%	30/01/310	100.55	402,200	105.36	430,706	2.18%
GRENKE VAR% PERP	XS1689189501	DE	S&P	BBB	EUR	9.92%	30/01/310	100.30	401,200	97.99	421,270	2.13%
PIRAEUS FIN VAR% PERP	XS2354777265	GR	S&P	BB-	EUR	8.34%	30/01/310	101.50	406,000	104.76	420,474	2.12%
AIDER KONSERN FRN 05.09.2028	NO0013321349	NO			NOK	8.00%	05/09/202	8.57	385,738	8.70	393,842	1.99%
BONAVA AB FRN 11.03.2027	SE0013887973	SE			SEK	6.88%	11/03/202	8.87	354,984	8.84	355,211	1.79%
VNV GL FRN% 03.10.2027	SE0022761011	SE			SEK	8.69%	03/10/202	8.81	330,222	8.70	333,169	1.68%
INTL PERS FIN 10.75% 14.12.2029	XS2835773255	GB	Fitch	BB	EUR	8.54%	14/12/202	108.55	325,650	108.75	327,765	1.66%
MAXIMA 6.250% 12.07.2027	XS2485155464	LT	S&P	BB+	EUR	5.21%	12/07/202	101.93	305,800	102.38	315,962	1.60%
ALPHA SERV VAR% 13.02.2030	XS2111230285	GR	S&P	BB-	EUR	4.20%	13/02/203	94.63	283,875	100.22	311,862	1.58%
CPI PROPERTY 6.00% 27.01.2032	XS2904791774	LU	S&P	BB+	EUR	5.87%	27/01/203	95.93	287,796	100.72	306,819	1.55%
EUROPI PROPERTY FRN	SE0017832728	SE			EUR	7.88%	06/12/202	100.00	300,000	100.74	303,848	1.54%
BIGBANK 9.000% AT1	EE3300005081	EE			EUR	9.00%	30/01/310	100.00	300,000	100.00	302,325	1.53%
ADVANZIA FRN SUBORD	NO0010955909	LU			EUR	8.65%	24/03/203	100.50	301,500	100.18	300,792	1.52%
ITHACA ENERGY N 8.125%	USG49774AC90	GB			USD	7.80%	15/10/202	91.69	275,071	97.78	297,796	1.50%
AKROPOLIS 2.875% 02.06.2026	XS2346869097	LT	S&P	BB+	EUR	5.03%	02/06/202	90.18	270,525	97.11	296,328	1.50%
CITADELE BANKA 5.00%	LV0000880102	LV			EUR	5.91%	13/12/203	96.03	297,703	94.85	294,805	1.49%
CULLINAN HOLD 4.625%	XS2397354528	LU	S&P	B *-	EUR	7.82%	15/10/202	71.75	215,250	94.74	287,111	1.45%
INBANK ALLUTA T2 9% 13.12.2033	EE3300003714	EE			EUR	7.83%	13/12/203	100.00	228,000	107.48	245,157	1.24%
PIRAEUR FIN VAR% 17.04.2034	XS2747093321	GR	S&P	BB-	EUR	5.64%	17/04/203	99.84	199,678	111.37	232,979	1.18%
HAWK INFINITY FRN 15.10.2029	NO0013358069	NO			NOK	11.13%	15/10/202	8.53	221,777	8.50	226,193	1.14%
CIRCULAR TIRE FRN 26.11.2029	SE0023260674	SE			SEK	7.25%	26/11/202	8.65	216,224	8.94	225,211	1.14%
CONSILIUM OPTIMUM 9%	LT0000411266	LT			EUR	9.00%	20/12/202	100.00	224,000	100.00	224,616	1.13%
CESKA SPOR VAR% 15.01.2030	XS2746647036	CZ	S&P	A+	EUR	3.72%	15/01/203	100.20	200,400	104.98	219,219	1.11%
YIT OYJ FRN 18.06.2027	FI4000571278	FI			EUR	8.11%	18/06/202	101.61	203,225	106.37	213,479	1.08%

**Statement of investments as of 31/12/2024 (continued)**

Name	ISIN	Emitent country	Rating agency	Rating	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
ENCORE CAP FRN 15.01.2028	XS2271247178	US	Fitch	BB+	EUR	7.07%	15/01/202	100.80	201,600	100.97	205,110	1.05%
CAPITALICA BALTIC 10% 07.02.2026	LT0000408692	LT			EUR	9.99%	07/02/202	100.55	201,100	100.00	202,944	1.04%
YINSON PRO 9.625% 03.05.2029	NO001321550	SG			USD	8.67%	03/05/202	92.06	184,124	99.84	202,625	1.04%
LENZING VAR% SUBORD	XS2250987356	AT			EUR	5.70%	07/09/202	88.00	176,000	100.69	202,136	1.04%
BALTIC OPPORTUNIT FRN 27.02.2026	LT0000408817	LT			EUR	8.98%	27/02/202	100.00	200,000	100.00	201,647	1.03%
SENSYS GATSO FRN 13.09.2028	SE0022727095	SE			EUR	8.55%	13/09/202	101.00	202,000	98.50	201,083	1.03%
DELFINGROUP FRN SUB 25.07.2028	LV0000802700	LV			EUR	14.33%	25/07/202	100.00	200,000	100.00	200,398	1.03%
HOLM BANK PERP 14%	EE3300004241	EE			EUR	14.00%	30/01/310	100.00	200,000	100.00	200,233	1.03%
OKEA 9.125% 15.05.2028	NO001322350	NO			USD	8.51%	15/05/202	93.55	187,110	98.27	198,746	1.02%
INTL PETROL 7.25% 01.02.2027	NO001242347	CA	S&P	B	USD	7.77%	01/02/202	88.62	177,238	95.62	197,027	1.01%
IUTECR 11.000% 06.10.2026	XS2378483494	LU			EUR	14.22%	06/10/202	93.50	187,000	95.08	195,352	1.00%
PANORO 10.25% SIN 11.12.2029	NO001341578	NO			USD	10.29%	11/12/202	93.87	187,737	96.41	193,861	0.99%
EUTELSAT 9.75% 13.04.2029	XS2796660384	FR	S&P	B-	EUR	11.48%	13/04/202	101.50	203,000	94.24	192,691	0.99%
ATSINAU ENERGETIK 5.00%	LT0000405938	LT			EUR	10.65%	14/12/202	91.57	183,146	95.00	190,472	0.98%
AXACTOR FRN 15.09.2026	NO001109371	NO	S&P	B-	EUR	13.04%	15/09/202	92.75	185,500	93.65	187,976	0.96%
ATRIUM FIN 2.625% EUR 05.09.2027	XS2294495838	CY			EUR	7.22%	05/09/202	81.00	162,000	89.15	179,973	0.92%
ELKO GRUPA 6% 12.02.2026	LV0000870079	LV			EUR	7.66%	12/02/202	97.80	171,150	98.25	175,963	0.90%
ARCO VARA 10.000% 12.12.2026	EE3300005156	EE			EUR	10.00%	12/12/202	100.00	170,000	100.00	170,803	0.88%
INVALDA INVL 7.000% 14.06.2027	LT0000409229	LT			EUR	6.11%	14/06/202	100.00	155,000	102.00	158,582	0.81%
CONSILIUM OPTIMUM 12%	LT0000409047	LT			EUR	10.87%	20/05/202	100.04	152,062	102.35	157,599	0.81%
CITADELE BANKA 8.000% 05.04.2034	LV0000803054	LV			EUR	7.07%	05/04/203	100.00	140,000	106.25	151,420	0.78%
DELFINGROUP 10.0% 25.09.2028	LV0000803914	LV			EUR	10.00%	25/09/202	101.04	151,558	100.60	151,108	0.78%
INBANK 10.0% ALL ADD TIER1	EE3300004381	EE			EUR	10.00%	30/01/310	100.00	150,000	100.00	150,083	0.77%
OCEAN YIELD FRN 05.09.2029	NO001332136	NO			NOK	7.70%	05/09/202	8.49	127,289	8.52	128,487	0.66%
SIAULIU BANKAS 10.75% 22.06.2033	LT0000407751	LT			EUR	6.13%	22/06/203	114.00	114,000	114.00	119,655	0.61%
ADVISE GROUP FRN 26.05.2026	SE0020180271	SE			SEK	6.58%	26/05/202	8.69	108,652	8.90	112,131	0.58%
TRANSILVANIA VAR% 27.04.2027	XS2616733981	RO	Fitch	BBB-	EUR	6.02%	27/04/202	104.50	104,500	105.95	111,981	0.57%
ADVANZIA FRN SUB EUR 28.02.2034	NO001316274	LU			EUR	8.96%	28/02/203	100.00	100,000	104.25	105,134	0.54%
B2 IMPACT ASA FRN 30.01.2028	NO001313896	NO	S&P	BB-	EUR	6.73%	30/01/202	101.25	101,250	103.65	105,037	0.54%
FERTIBERIA CORP FRN 08.05.2028	NO001321947	ES			EUR	8.00%	08/05/202	100.00	100,000	102.25	103,472	0.53%
MEDIA AND GAMES FRN 21.06.2026	SE0018042277	SE			EUR	7.03%	21/06/202	102.50	102,500	102.85	103,052	0.53%

**Statement of investments as of 31/12/2024 (continued)**

Name	ISIN	Emitent country	Rating agency	Rating	FX	YTM	Maturity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
DELFINGROUP FRN 25.02.2026	LV0000802718	LV			EUR	10.20%	25/02/2026	100.16	100,160	101.75	101,914	0.52%
CAPITALICA BALTIC FRN 30.10.2025	LT0000408247	LT			EUR	7.85%	30/10/2025	100.00	100,000	100.43	101,820	0.52%
MAPON FRN 08.03.2027	LV0000860161	LV			EUR	7.03%	08/03/2027	100.00	100,000	101.50	101,500	0.52%
AMS-OSRAM 10.5% 30.03.2029	XS2724532333	AT	S&P	B	EUR	10.86%	30/03/2029	107.85	107,850	98.75	101,378	0.52%
KVARTALAS 8.00% 19.12.2026	LT0000411167	LT			EUR	7.99%	19/12/2026	100.00	69,900	100.00	70,084	0.36%
LIVEN 10.500% 23.05.2028	EE3300004332	EE			EUR	8.66%	23/05/2028	100.00	65,000	105.35	69,179	0.35%
BIGBANK 12.000% SUB AT	EE3300003581	EE			EUR	11.46%	30/01/3100	106.55	53,273	104.65	52,573	0.27%
BIGBANK 8.000% SUBT2 30.11.2033	EE3300003706	EE			EUR	7.20%	30/11/2033	100.00	10,000	105.25	10,592	0.05%
<b>BONDS TOTAL</b>									<b>17,831,179</b>		<b>18,595,334</b>	<b>93.95%</b>

\* Accrued interest in the amount of 308,667.74 EUR has been added to the value of bonds

Name	Derivative Type	Emitent country	Rating agency	Rating	FX	Maturity	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets	
FX-Swap EUR/USD Swedbank AS	Swap	EE	S&P	A+Swedbank AB	USD	02/05/2025			-33,330	-0.17%	
<b>DERIVATIVES TOTAL</b>									<b>-33,330</b>	<b>-0.17%</b>	
<b>INSTRUMENTS TOTAL</b>									<b>17,831,179</b>	<b>18,562,004</b>	<b>93.78%</b>

Name	Credit Institution's country	Credit Institution	FX	Interest rate	Quantity	Average acquisition cost per unit	Average acquisition cost	Market value per unit	Total market value	Share of market value of fund's net assets
<b>CASH</b>										
CURRENT ACCOUNT	EE	Swedbank	EUR				1,228,094		1,228,094	6.20%
CURRENT ACCOUNT	EE	Swedbank	NOK				12,034		12,034	0.06%
CURRENT ACCOUNT	EE	Swedbank	SEK				9,775		9,775	0.05%
<b>CURRENT ACCOUNT TOTAL</b>							<b>1,249,903</b>		<b>1,249,903</b>	<b>6.31%</b>
<b>INVESTMENTS TOTAL</b>							<b>19,081,082</b>		<b>19,811,907</b>	<b>100.09%</b>
<b>TOTAL ASSETS OF THE FUND</b>							<b>19,081,082</b>		<b>19,811,907</b>	<b>100.09%</b>
<b>LIABILITIES</b>									-18,696	-0.09%
<b>NET ASSETS OF THE FUND</b>									<b>19,793,211</b>	<b>100.00%</b>

## STATEMENT OF COMMISSIONS

In EUR

01/01/2025-31/12/2025

	Number of transactions	Volume of transactions	Total commissions paid
<b>OTC trades</b>			
<b>Derivatives</b>	3	-	-
<b>Bonds</b>			
ABG Sundal Collier ASA	4	1,179,899	-
Adamant Capital Partners	2	414,214	-
Arctic Securities AS	10	2,360,243	-
AS CleanR Grupa	2	740,000	-
Ashenden Finance SA	5	2,352,524	-
B. Metzler seel. Sohn & Co. AG	3	1,314,232	-
Banca Promos SPA	2	1,157,278	-
Bigbank AS	1	250,000	-
DNB Carnegie Investment Bank AB	7	2,553,449	-
ELKO Grupa	1	375,000	-
Erste Group Bank AG	3	1,200,250	-
J.P. Morgan	6	2,795,050	-
Joh. Berenberg, Gossler & Co. KG	1	250,125	-
LHV PANK AS	10	2,830,140	-
Luminor Bank AS Lithuanian Branch	2	800,000	-
OP Corporate Bank PLC	3	1,115,225	-
Pareto Securities AS	14	3,763,218	-
Raiffeisen Bank International AG	1	404,740	-
Redgate Capital AS	2	503,544	-
SEB Pank AS	10	941,608	-
SFI Markets B.V.	1	218,122	-
Signet Bank	3	1,100,000	-
SpareBank 1 Markets AS	2	658,465	-
Swedbank AS	1	114,638	-
UAB FMJ Orion Securities	1	200,000	-
Avaron investment services client	1	99,493	-
BCP Securities LLC	4	741,357	-
Euroxx Securities SA	2	1,400,000	-
<b>TOTAL</b>	<b>107</b>	<b>31,832,813</b>	<b>-</b>

In EUR

09/10/2023-31/12/2024

	Number of transactions	Volume of transactions	Total commissions paid
<b>OTC trades</b>			
<b>Corporate events</b>	4	912,608	-
<b>New issues</b>			
Ashenden Finance SA	5	1,391,263	-
LHV PANK AS	6	978,072	-
Šiauliu bankas AB	3	905,000	-
Pareto Securities AS	4	705,901	-
ABG Sundal Collier ASA	3	616,224	-
Interkapital vrijednosni papiri d.o.o.	1	600,600	-
Arctic Securities AS	3	502,025	-
J.P. Morgan	2	475,096	-
Bigbank AS	2	310,000	-
Siauliu Bankas AB	2	300,000	-
Inbank	2	235,000	-
Banca Promos SPA	1	200,400	-
Redgate Capital AS	1	200,054	-
Holm Bank AS	1	200,000	-
Arco Vara AS	1	170,000	-
Carnegie Investment Bank AB	1	127,289	-
SEB Pank AS	1	100,000	-
Signet Bank	1	100,000	-
Swedbank AS	1	69,900	-
<b>Bonds</b>			
Ashenden Finance SA	14	2,950,049	-
SEB Pank AS	15	1,723,282	-
Pareto Securities AS	6	1,140,499	-
Carnegie Investment Bank AB	4	952,857	-
Adamant Capital Partners	5	798,621	-
Luminor Bank AS Lithuanian Branch	3	756,922	-
LHV PANK AS	3	608,403	-
J.P. Morgan	2	496,761	-
Avaron Flexible Strategies Fund	2	329,106	-
BCP Securities LLC	1	310,266	-
Signet Bank	2	301,739	-
Avaron's investment services client	4	291,807	-
Arctic Securities AS	2	281,728	-
Banca Promos SPA	2	240,786	-
B. Metzler seel. Sohn & Co. AG	1	209,654	-
Gottex Securities	1	187,601	-
Avaron Emerging Europe Fund	1	135,000	-
SFI Markets B.V.	1	103,667	-
ABG Sundal Collier ASA	1	103,648	-
Vertikal Digital OÜ	1	53,273	-
Swedbank AS	1	50,170	-
Avaron Emerging Europe Smaller Companies Fund	1	8,000	-
<b>TOTAL</b>	<b>118</b>	<b>21,133,267</b>	

## REPORT ON REMUNERATION OF THE FUND MANAGEMENT COMPANY

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 Fund Management Company employed 16 specialists as at the end of 2025 (end-2024: 15 specialists). Total remuneration amounted to:

In EUR

	<b>2025</b>	<b>2024</b>
Wages and salaries	610,030	266,310
Social tax and unemployment insurance contributions	196,102	161,588
<b>TOTAL</b>	<b>806,132</b>	<b>427,898</b>
inc. bonus program cost with applicable taxes	93,410	93,587

The Members of the Management Board did not receive extra remuneration for participating in the work of the managing bodies. Independent member of the Supervisory Board did not receive any payments in the financial year 2025.

No remuneration has been paid by the Fund.

## INDEPENDENT CERTIFIED AUDITOR'S REPORT

*Independent auditor's report is available in Estonian at Avaron's website:*

<https://avaron.ee/dokumendid/>