

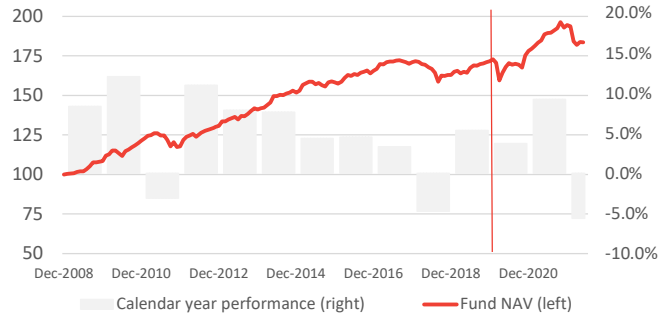
Investment Objectives & Approach

The Fund aims to grow the capital of private individuals and corporate investors over long term. The Fund has a global mandate with emphasis on European markets. The Fund is an actively managed investment fund and mainly combines the best opportunities we find among listed equities, bonds and commodities. The share of each asset class and the Fund's risk level vary over time in accordance with the views of Avaron investment managers. Investors' interests are aligned with Avaron as the Fund's investment managers are the largest investors of the Fund. Arising from the Fund's investment strategy an investor should have an investment horizon of at least 5 years.

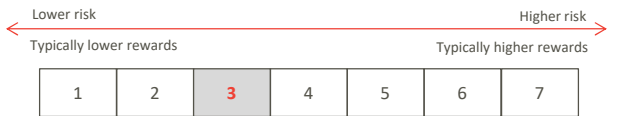
Fund Manager's Comment, May 2022

Global equity markets experienced increased volatility in May. The first half of the month saw a continued correction in equity prices, with US markets like the Nasdaq and S&P 500 entering bear market territory, however the short-term market trend turned in mid-May and stock prices began to rally. As a result, the MSCI ACWI index ended the month almost exactly where it started, losing 0.1% in \$. With inflation numbers at historically high and still growing levels, investor focus continues to be concentrated on growth risks stemming from the increased hawkishness of central banks. Fixed income markets continued to be under pressure, driven lower by high inflation and higher interest rates. The rise in commodity prices halted in May on the increased possibility of a global recession and the resulting decrease in demand for commodities. Avaron Flexible Strategies Fund lost 0.1% in May driven by bond positions and our allocation to gold. As of the end of May, 28% of the Fund's portfolio was invested in equities, 44% in bonds and 3% in gold. 25% of the Fund is in cash, increased due to inflows. Regionally 43% of the Fund is invested in Western Europe, 24% in Eastern Europe and 8% outside of Europe. The Fund's equity portfolio consists of 34 companies, which on average trade at 9.4x 2023 expected earnings and deliver a strong 6.0% dividend yield. The bond portfolio, consisting of 41 bonds, trades at a 7.5% yield to maturity with an average duration of 3.2 years, which is attractive considering the current low yield environment. Following the correction in both equities and fixed income from February to May, prices in equity markets have become more attractive, particularly in Europe. We are currently only adding positions in stocks and bonds which present an attractive risk/reward ratio according to our in-house research.

Performance since launch

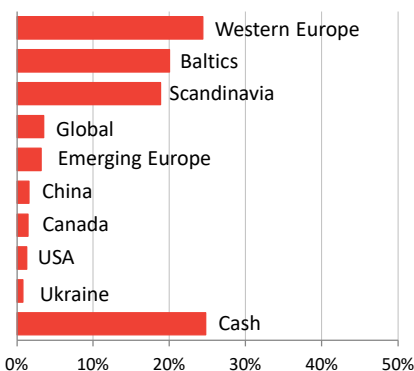


From 2020 the Fund's strategy changed to long-term capital growth from capital protection. Past performance is not a guarantee or indicative of future results

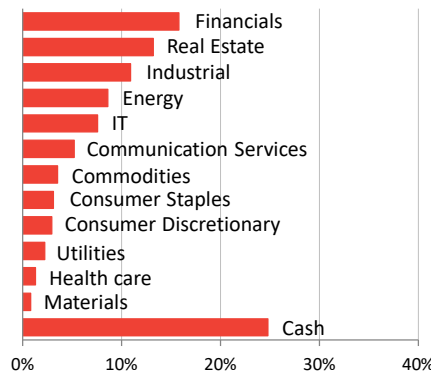


Performance overview	Net return	Calendar year net return	
1 month	-0.1%	2021	9.2%
3 months	-0.3%	2020	3.7%
6 months	-4.8%	2019	5.4%
YTD	-5.6%	2018	-4.8%
1 year	-2.6%	2017	3.3%
3 years	11.7%	CAGR of calendar years	
5 years	7.1%	Years	Fund
7 years	15.7%	2017-2021	3.3%
10 years	48.2%	2019-2021	6.1%
Since inception	83.5%	2020-2021	6.5%

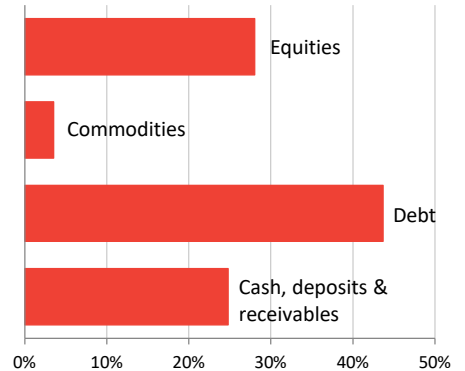
Geographic breakdown



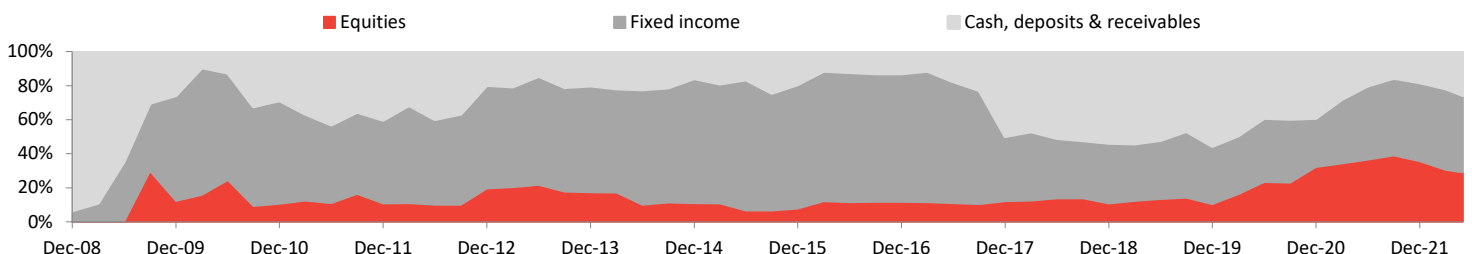
Sector breakdown



Asset class breakdown



Historic Portfolio Allocation by Asset Class



Fund Facts - Avaron Flexible Strategies Fund

Investment Manager	AS Avaron Asset Management
Fund type	non-UCITS, public common alternative investment fund
Asset class	Flexible, all asset classes
Launch date	December 17, 2008
Domicile	Estonia
Currency	EUR
Dividends	reinvested
Fund size, MEUR	12.9
Total AUM, MEUR	138.7

	ISIN Code	NAV 31-May-2022
Unit	EE3500100922	18.3481 EUR

Cut-off subscriptions	10am CET
Cut-off redemptions	10am CET, notice period 30 calendar days

NAV frequency	Daily
Public offering	Estonia
Supervised by	Estonian FSA
Custodian	Swedbank AS
Transfer agent	Swedbank AS
NAV calculation	Swedbank AS
External auditor	KPMG
Internal auditor	PWC

Fund documents & prospectus www.avaron.com/documents

Fund Fees

Front-end load None

Management fee 0.95%

Performance fee 10% over eurozone inflation rate

Back-end load (to the fund) None*

*Fund units can be redeemed in 30 calendar day advance notice. However, investors have the right to redeem fund units also with 7 calendar day advance notice in which case a redemption fee of 1.5% shall be applied and added into Fund's income.

The Fund does not have a minimum investment requirement, however in the interests of return on investment, it is reasonable to start with at least 5,000 euros.

Bloomberg ticker

AVFLXSB ET

See Lipper, TK Valoren tickers:
www.avaron.com/our-products/flex/

Contact Information

Avaron Asset Management
Narva mnt 7D, 10117 Tallinn
ESTONIA
Phone: +372 66 44 205
Fax: +372 66 44 201
E-mail: info@avaron.com
www.avaron.com

About Avaron Asset Management

Avaron Asset Management (founded in 2007) is an independent management-owned investment manager with a clear focus on stock-picking (bottom-up) and value investing in Emerging Europe region. We aim to deliver positive risk-adjusted return to our clients over the market cycle. Our portfolios are long-only and invest in listed stocks.

Investment ideas are generated through in-house proprietary research of approximately 300 companies, backed by regular on the ground visits and meetings. Our stock selection is primarily driven by the upside to internally set target prices on single company level. We invest only in business models that we understand and can model ourselves focusing on companies with leading market positions and strong recurring revenue streams. In addition, we have integrated ESG analysis into our investment process and adhere to the UN Principles for Responsible Investment (UN PRI). Our team of 20 professionals (including 10 in the investment team), based in Estonia and Poland, takes care of 130M+ euros of mainly professional investor assets.

We adhere to the UN Principles for Responsible Investment (PRI) and are supervised by the Estonian Financial Supervision Authority.

Signatory of:



Kristel Kivimurm-Priisalm
Managing Partner,
CEO & Investor Relations



Peter Priisalm
Partner, co-CIO,
Investment Manager



Valdur Jaht
Partner, co-CIO,
Investment Manager



Rain Leesi, CFA
Investment Manager

Important Legal Information

This material has been drawn up by AS Avaron Asset Management (hereafter: Avaron), a fund management company registered in Estonia which is authorised and supervised by the Estonian Financial Supervision Authority. The contact details of Avaron are as follows: address Narva mnt 7d, 10117 Tallinn, Estonia; phone +372 664 4205; fax +372 664 4201; e-mail invest@avaron.com. This material is the copyright property of Avaron, unless noted otherwise, and all rights are reserved.

This material contains data and facts on investments and funds managed by Avaron, which are provided for information and marketing purposes. No investment advice is offered or given by Avaron to persons using this material. This material is complimentary to and not a substitute for independent professional advice from a person qualified to provide it in your home country. Reliance on this material for the purpose of buying the securities to which this material relates may expose a person to a significant risk of losing all of the property or other assets invested. The information herein is, to the best of the knowledge of Avaron, in accordance with the facts. However, Avaron, none of its affiliates, directors or officers accept any liability in respect of the accuracy or completeness of any information herein, or omitted to be included herein, or any information provided, or omitted to be provided, by any third party. All information and expressions of opinion contained in this material are subject to change without notice.

Subscription of Avaron funds should be made on the basis on the funds' prospectus and key investor information, the relevant fund rules and the latest available annual or semi-annual reports. These documents can be obtained from Avaron. Past performance is not indicative of future results. The value of investments and any income derived from the funds may fall as well as rise and investors may not get back the amount invested. An investment in the funds entails risks, some of which are described in the prospectuses of the funds. Investors should be aware of the high risks associated with investments in emerging markets such Emerging Europe. This material may include forward looking statements which are based on Avaron's current opinions, expectations and projections. We undertake no obligation to update or revise any forward looking statements. Actual results could differ materially from those anticipated in the forward looking statements. Any dispute, controversy or claim arising out of or in connection with the information provided in this material shall be settled in accordance with the Estonian law exclusively in Estonian courts.

This material does not constitute or form part of a distribution or an offer or solicitation to buy or sell any securities (in particular, shares or units in any of Avaron funds) to any person in any jurisdiction in which such distribution, offer or solicitation would be contrary to local law or regulation.