

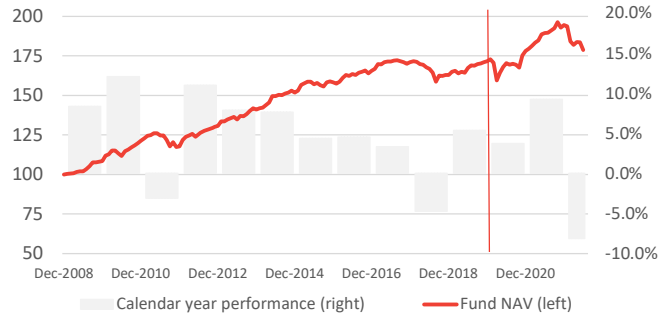
Investment Objectives & Approach

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.

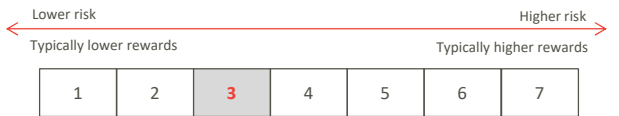
Fund Manager's Comment, June 2022

Global equity markets went through a sharp correction in June, taking most indices into bear market territory. The core market narrative continues to be centered around rising inflation and the policy decisions of the major central banks. Although inflation remains elevated, we are beginning to see the first signs of a slowdown in global economic growth. The decline in equities has been strongest in the US so far this year with the technology sector leading the way down, amid higher interest rates and fears of lower growth. The selloff has so far been somewhat softer for euro-based investors thanks to a strengthening dollar vs the euro. This is largely due to the Federal Reserve's more aggressive tightening of monetary policy and the dollar's continued status as a global reserve currency. The Avaron Flexible Strategies Fund lost 2.7% in June, nearly 2ppts of which came from the decline in equities. As of the end of June, 29% of the Fund's portfolio was invested in equities, 45% in bonds and 3% in gold. The Fund's equity portfolio consists of 36 companies, which on average trade at 8.6x 2023 expected earnings and deliver a strong 6.4% dividend yield. The bond portfolio, consisting of 43 bonds, trades at a 8.1% yield to maturity with an average duration of 3.8 years, which is attractive considering the current low yield environment. The ongoing bear market in both equities and fixed income, has brought prices in equity markets to more attractive levels, particularly in Europe. The correction in bond yields and tech stocks in the past 5 months has been significant enough to emerge some interesting investment opportunities. However we remain conservative prior to adding equity risk to the portfolio as worst-case scenarios such as a significant recession or stagflation are currently not priced in by the market.

Performance since launch

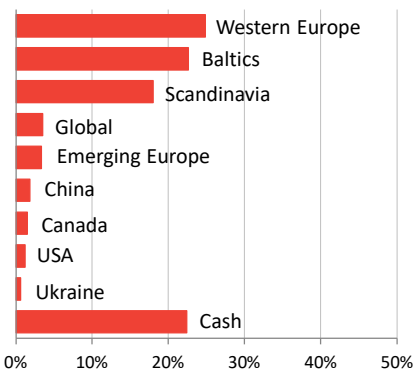


From 2020 the Fund's strategy changed to long-term capital growth from capital protection. Past performance is not a guarantee or indicative of future results

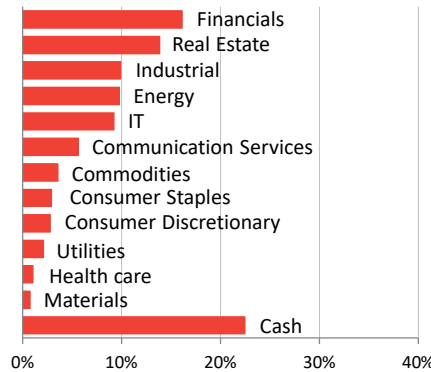


Performance overview	Net return	Calendar year net return	
1 month	-2.7%	2021	9.2%
3 months	-1.8%	2020	3.7%
6 months	-8.1%	2019	5.4%
YTD	-8.1%	2018	-4.8%
1 year	-5.7%	2017	3.3%
3 years	6.7%	CAGR of calendar years	
5 years	4.3%	Years	Fund
7 years	13.8%	2017-2021	3.3%
10 years	42.5%	2019-2021	6.1%
Since inception	78.6%	2020-2021	6.5%

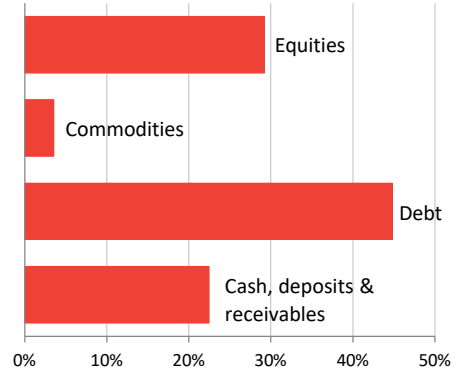
Geographic breakdown



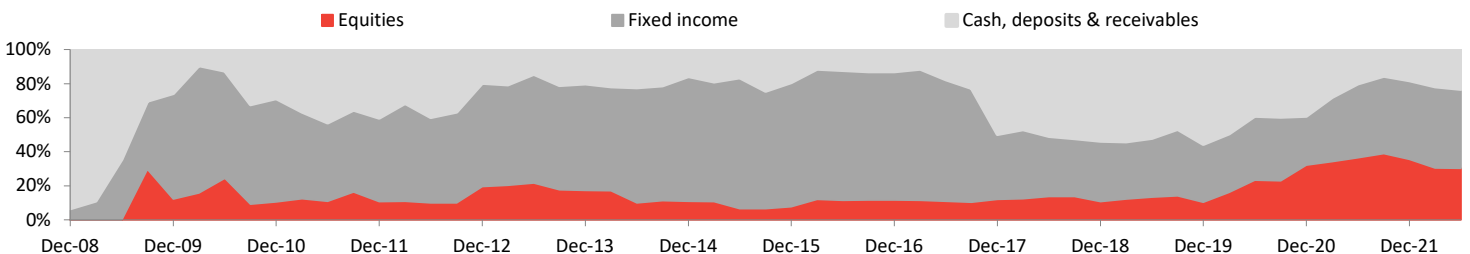
Sector breakdown



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	132.0	

	ISIN Code	NAV 30-Jun-2022
Unit	EE3500100922	17.8608 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/

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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 18 professionals (including 8 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

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