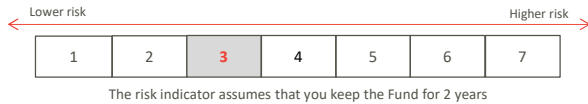
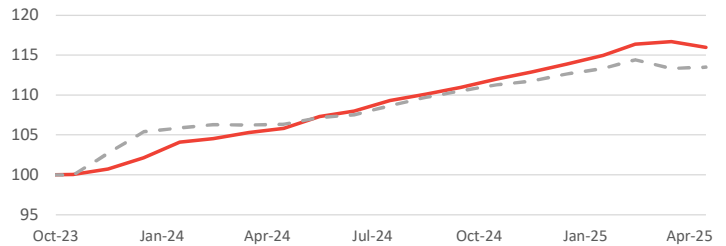


## Investment objectives & Investor profile

Avaron High Yield Bond Fund invests in high yield corporate bonds in Europe, with focus on the Baltics and Emerging Europe. The portfolio is spread across different companies, sectors and countries. We aim to invest in bonds yielding 7%+ per annum. Avaron and Avaron group companies are the Fund's largest investors with over 3M euros.



## Performance since launch



— FUND NAV, A unit\*

— Europe liquid high yield index (Markit iBoxx EUR Liquid High Yield Index TRI)\*

\*Rebased (October 2023 = 100)

Past performance is not a guarantee or indicative of future results.

## Fund Manager's Comment, April 2025

**The European Liquid High Yield Index rose by 0.2% in April and is up 0.8% year-to-date.** The yield to maturity on the index's underlying portfolio with a 3.1-year maturity increased to 5.9%. Despite the index yield to maturity hovering around 5%, we are able to find instruments with reasonable credit risk for our portfolio that offer a significantly higher yield, around 8%.

**The Fund unit value declined by 0.6% in April but remains up 1.8% year-to-date.** Over the past 12 months, the unit price has increased by 9.6%. The Fund's bond portfolio (comprising 82 instruments from 68 different issuers) has a yield to maturity of 8.3% with an average maturity of 17.8 years, which we consider to be an attractive level. The portfolio's current yield stands at 8.1%. The Fund's assets have grown to €25.3 million, of which €3.4 million is invested by Avaron and its fund managers.

**For the past six months, we have followed a consistent strategy in the Fund: selling bonds whose prices have risen, and thus offer lower yields, and reinvesting in bonds with higher yields.** In April, the weighted average yield to maturity on the bonds sold was 5.0%, while the weighted average yield on the newly acquired investments was 9.2%.

Returns*	Fund	Index	Excess	Returns*	Fund	Index	Excess
1 month	-0.6%	0.2%	-0.8%	2025 YTD	1.8%	0.8%	1.1%
3 months	0.9%	0.2%	0.7%	2024	11.5%	6.9%	4.6%
6 months	3.5%	2.0%	1.5%				
YTD	1.8%	0.8%	1.1%				
1 year	9.6%	6.7%	2.9%				
Since inception**	16.0%	13.5%	2.5%				

\* Fund A unit, Index is Europe liquid high yield index (Markit iBoxx EUR Liquid High Yield Index TRI)

\*\* Fund performance since 16.10.2023

## Bond portfolio statistics 30/04/2025

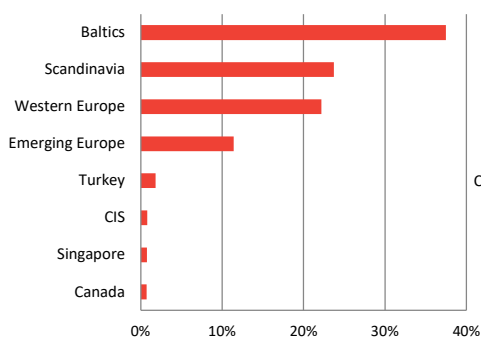
Maturity (years)	17.8
Maturity to call (years)	3.2
Yield to maturity (YTM)	8.3%
Cash adjusted yield to maturity	8.2%
Yield to worst (YTW)	7.0%
Portfolio current yield (CY)	8.1%
Share of perpetuals	22.0%
Current yield of perpetuals	8.7%
Modified duration (%)*	1.9

\* Duration is calculated based on the assumption that perpetual instruments are called at first call date.

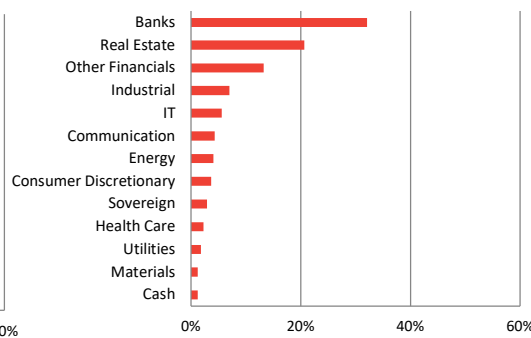
## Fund statistics

Number of bonds	82
Number of issuers	68

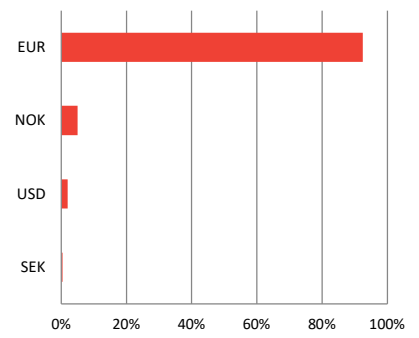
## Breakdown by country



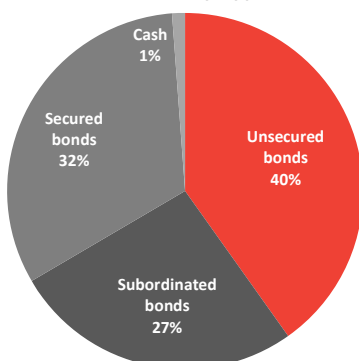
## Breakdown by sector



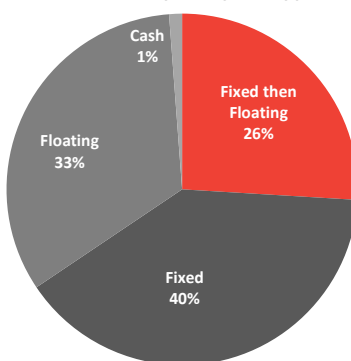
## Breakdown by currency



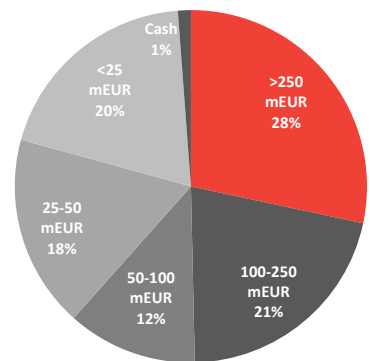
## Breakdown by type



## Breakdown by coupon type



## Breakdown by issue size



## Fund facts - Avaron High Yield Bond Fund

<b>Investment Manager</b>	AS Avaron Asset Management
<b>Fund type</b>	UCITS (launch October 2023)
<b>Asset class</b>	Bonds
<b>Currency and domicile</b>	EUR, Estonia

<b>Dividends</b>	reinvested
<b>Fund size</b>	25.3 MEUR
<b>Avaron's ownership</b>	3.4 MEUR
<b>Total AUM</b>	250+ MEUR

<b>Supervised by</b>	Estonian FSA
<b>Custodian</b>	Swedbank AS
<b>Transfer Agent</b>	Swedbank AS
<b>NAV calculation</b>	Swedbank AS
<b>External auditor</b>	KPMG
<b>Internal auditor</b>	PWC

<b>NAV frequency</b>	Daily
<b>Subscription of units</b>	Daily, cut-off 10am CET

<b>Redemptions &lt;50 000 EUR</b>	Daily, cut-off 10am CET
<b>Redemptions 50k-250k EUR</b>	notice period 10 business days, cut-off 10am CET
<b>Redemptions 250k-1M EUR</b>	at month-end NAV with 1 month notice, cut-off 1st business day 10am CET
<b>Redemptions &gt; 1M EUR</b>	at month-end NAV with 2 months notice, cut-off 1st business day 10am CET

<b>Public offering</b>	Estonia, Latvia, Lithuania
<b>Fund documents &amp; prospectus</b>	<a href="http://www.avaron.com/documents/">www.avaron.com/documents/</a>

Fund Fees	A Unit	B Unit	C Unit	D Unit
<b>ISIN</b>	EE3600001855	EE3600001863	EE3600001897	EE3600001905
<b>Min. initial investment</b>	100 EUR	100 EUR	250 000 EUR	1 000 000 EUR
<b>Front-end load*</b>	1%	1%	1%	1%
<b>Management fee</b>	0.90%	0.30%	0.75%	0.55%
<b>Performance fee</b>	-	9% of return, high-water mark	-	-
<b>Back-end load</b>	-	-	-	-
<b>Bloomberg RIC</b>	AVHYBFA ET LP68855624	AVHYBFB ET LP68855625	AVHYBFC ET LP68855626	AVHYBFD ET LP68855627
<b>NAV as of 30-Apr-2025</b>	11.5964 EUR	11.5135 EUR	10.3187 EUR	10.3284 EUR

\*A subscription fee of 1% of the subscription amount is applied to unit subscriptions. The subscription fee is transferred to the Fund and is the income of the Fund.

## 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](mailto:info@avaron.com)  
[www.avaron.com](http://www.avaron.com)

## About Avaron Asset Management

Avaron is an independent asset management boutique founded in 2007 by Kristel Kivimurm-Priisalm, Valdur Jaht and Peter Priisalm. We invest the assets of private individuals, companies and institutional investors. We have experience in investing in high yield corporate bonds since 2008. Avaron manages the Avaron Flexible Strategies Fund, which invests in European bonds and stocks, and the Avaron Emerging Europe Fund, which invests in stocks in the Eastern European region. Over 500 investors have trusted our team to manage over 250 million euros of their assets. Avaron has one of the largest teams investing in the stock and bond markets in Estonia. We employ 16 dedicated professionals, including three investment managers and four analysts. We have integrated ESG analysis into our investment process and adhere to the UN Principles for Responsible Investment (UN PRI). We are supervised by the Estonian Financial Supervision Authority.



### Kristel Kivimurm-Priisalm

Managing Partner,  
CEO & Investor  
Relations  
Tel: +372 511 2242  
[info@avaron.com](mailto:info@avaron.com)



### Peter Priisalm

Partner, co-CIO,  
Investment Manager



### Valdur Jaht

Partner, co-CIO,  
Investment  
Manager



### Rain Leesi, CFA

Head of Research,  
Investment Manager

**Read more about Avaron:** <https://avaron.com/>  
**Read more about our team:** <https://avaron.com/our-company/team/>

## Important Legal Information

The information presented in this material about the fund, its management, investments and related fees is not complete. Source documents of the fund are the fund rules and prospectus. For additional information turn to AS Avaron Asset Management: phone +372 664 4205, e-mail [invest@avaron.com](mailto:invest@avaron.com), address Tallinn Narva mnt. 7D.

An investment in the fund entails various risks that may affect the return on the investment. A more detailed overview of the risks associated with investing in the fund is provided in the fund's prospectus. The investor should accept that the preservation or growth of the investment placed in the fund is not guaranteed. The net asset value of a unit can fluctuate significantly, and investing can result in profit or loss. If the risks materialize, the investor may lose a significant part of his or her investment. The fund's past performance is not a guarantee and does not indicate the fund's performance in subsequent periods.

The fund's assets are mainly invested in high yield bonds in the European region. The Fund should be considered an investment product with medium risk level. It is suitable for an investor with a moderate risk tolerance whose investment horizon is at least two years and who has previous experience with investing in financial products. The investor should tolerate and his or her financial situation should allow for a significant fluctuation in the net asset value of the unit. The investor should also take into account that there is a waiting period for redemption of fund units. Each investor should independently consider the risks associated with investing in the fund and evaluate their impact and possible consequences, taking into account their own investment experience and knowledge, financial condition, investment time horizon and goals.

Signatory of:

