

**TRIGON RUSSIA TOP PICKS FUND**

**ANNUAL REPORT 2020**  
(Translation of the Estonian original)

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## Short Description and Contact Details of Trigon Russia Top Picks Fund

### Name

Investment fund Trigon Russia Top Picks Fund

### Legal address

Pärnu road 18  
10141 Tallinn  
Estonia

Phone: + 372 6 679 200

Fax: + 372 6 679 221

### Main Activities

The assets of the Fund may be invested in securities traded on regulated markets of any countries. It is however the intention of the Fund to focus investments into securities of issuers whose basic business field of activity is in Russia and other CIS countries.

### Fund Management Company

AS Trigon Asset Management

### Fund Manager

Jelena Rozenfeld

### Depositary

Swedbank AS

### Auditor

AS PricewaterhouseCoopers  
Pärnu road 15  
10141 Tallinn  
Estonia

Phone: + 372 6 141 800

Fax: + 372 6 141 900

### Reporting period

1 January 2020 – 31 December 2020

## Management Report

Trigon Russia Top Picks Fund (hereinafter: the Fund) was launched on February 15, 2006.

The Fund offers to the unitholders the opportunity to indirectly invest in securities traded on the global regulated markets. The intention of the Fund is to focus investments into securities of issuers whose basic business field of activity is in Russia and other CIS countries. The objective of Trigon Russia Top Picks Fund is the long-term capital growth of the Fund's assets.

The Fund's net asset value as of December 31, 2020, was 0.99 (31.12.2019 4.3) million euros. The Fund has four classes of units. The net asset value of the Fund's Class 1 unit increased by 2.75% during the year, to 11.4396 euros as of December 31, 2020 (31.12.2019: 7.1331) euros. The net asset value of the Fund's Class 2 unit (eQ Russian Top Picks) was at the end of the reporting period 16.9670 (31.12.2019: 16.8258) euros, increasing by 0.84% for the year 2020. The net asset value of the Fund's Class 4 unit was 30.4296 (31.12.2019: 29.9128) euros at the end of 2020, increasing 1.73% for the year. The net asset value of the Fund's Class 5 unit was 13.8434 at the end of 2020 (31.12.2019: 14.0080) euros, decreasing by -1.18% during the year.

At the end of December 2020 equities made up 94.86% (31.12.2019: up 99.27%) of the Fund's market value. The remaining part was made up of cash at the bank and receivables (investment securities sold). As of December 31, 2020, the largest equity investments of the Fund were Gazprom 9.01%, MD Medial Group 7.88%, Globaltrans 6.38% and Alrosa PAO 5.02%. The Fund's investments were made into the companies of Russia and Kazakhstan.

Trigon Russia Top Picks Fund finished the year 2020 with a positive return of +2.8%, being the only Russian long-only fund showing positive performance in such an unprecedented year. Fund's benchmark index MSCI Russia TR index dropped by -19.7%. The main reason for our outperformance was the successful stock selection in the domestic names and materials, as well as significant underweight in the underperforming energy sector.

The resilience of the Russian economy to the Covid-crisis as well as oil output cuts and low oil prices turned out to be stronger than initially expected. Economic results of 2020 look more optimistic than previously anticipated. Russia's GDP decline will be less than -4% in 2020 with recovery starting in 2021 to +3% YoY. The ability to deploy economic stimulus has differentiated Russia from many other emerging markets, as Russia entered the crisis with tight monetary and fiscal policies, significant reserves, and strong corporate balance sheets. In response to the corona crisis, the government has announced additional spending and the CBR has cut rates 200 bps this year to 4.25%. During previous crises, Russia acted oppositely – cut the spending and hiked rates.

Fund flow wise the year 2020 was negative for the Russian stock market due to international fund redemptions. At the same time, domestic retail investors were the ones "saving" the market with record flows into stocks as bank deposit rates hit new lows on the Central Bank easing cycle.

The biggest transformation that has happened to Russian equities over the last years is that companies started to pay dividends and share FCF with minorities. Russian companies have substantially increased their dividend payouts over time from 15% to the current 45-50%. Aside from valuations, Russian companies' high dividend yields remain one of the most attractive in this low yield environment. So, the focus remains on companies that can generate predictable and sustainable FCF for investors.

MSCI Russia's estimated P/E ratio for 2021 is now 8.8x and a dividend yield of 6.1%, well above the Russia Eurobond yield. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 8.3x expected earnings for 2021 and an 8.2% dividend yield.

Jelena Rozenfeld  
Fund Manager

## Signatures of the Fund Management Company's Management Board to the Annual Report 2020

The Fund Management Company has prepared the Trigon Russia Top Picks Fund's annual report 2020, which includes the management report, financial statements, statement of investments, statement of transaction and commission fees and independent auditor's report.

/signed/

Mehis Raud  
AS Trigon Asset Management  
Member of the Management Board

/signed/

Jelena Rozenfeld  
AS Trigon Asset Management  
Member of the Management Board

Tallinn, April 28, 2021

## FINANCIAL STATEMENTS

### Statement of financial position

In euros

<b>ASSETS</b>	<b>Note</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
Cash and cash equivalents		50 233	75 830
Financial assets at fair value through profit or loss	Note 6	954 981	4 246 235
Receivables and prepayments	Note 7	1 535	0
<b>TOTAL ASSETS</b>		<b>1 006 749</b>	<b>4 322 066</b>
<b>LIABILITIES</b>			
Other financial liabilities	Note 8	12 143	64 672
<b>Fund's net assets attributable to holders of redeemable units</b>	<b>Note 10</b>	<b>994 606</b>	<b>4 257 394</b>
<b>TOTAL LIABILITIES</b>		<b>1 006 749</b>	<b>4 322 066</b>

The notes on pages 11-24 are an integral part of this annual report.

## Statement of comprehensive income

In euros

<b>INCOME</b>	<b>Note</b>	<b>01.01-31.12.2020</b>	<b>01.01-31.12.2019</b>
Interest income		0	7
Dividend income	Note 9	232 624	298 206
Net profit/loss from financial assets at fair value through profit or loss	Note 9	-125 799	1 863 040
Net foreign currency profit/losses		-49 890	9 102
<b>TOTAL INCOME</b>		<b>56 934</b>	<b>2 170 355</b>
<b>EXPENSES</b>			
Management fee	Note 11	60 723	104 972
Success fee		2 918	1 257
Depositary fee		20 982	28 306
Transaction costs		5 994	6 305
Other expenses		8 459	13 470
<b>TOTAL EXPENSES</b>		<b>99 076</b>	<b>154 310</b>
<b>FUND'S NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<b>-42 143</b>	<b>2 016 045</b>

The notes on pages 11-24 are an integral part of this annual report.



## Statement of changes in Fund's Net Asset Value

In euros

	Note	01.01-31.12.2020	01.01-31.12.2019
<b>Fund's net assets at the beginning of the reporting period</b>		<b>4 257 394</b>	<b>6 746 050</b>
Proceeds from redeemable units issued		63 224	802 344
Redemption of redeemable units		3 283 869	5 307 046
Fund's net assets attributable to holders of redeemable units		-42 143	2 016 045
<b>Fund's net assets at the end of the reporting period</b>	Note 10, 13	<b>994 606</b>	<b>4 257 394</b>
<b>Fund's Net Asset Value per unit at the end of the reporting period</b>			
Class 1		11.4396	11.1331
Class 2 (eQ Russian Top Picks unit)		16.9670	16.8258
Class 4		30.4296	29.9128
Class 5		13.8434	14.0080
<b>Number of units outstanding</b>		<b>59 821.675</b>	<b>215 027.582</b>
inc. Class 1		37 368.833	109 586.996
Class 2 (eQ Russian Top Picks unit)		4 324.595	5 295.841
Class 4		14 638.010	97 166.200
Class 5		3 490.237	2 978.545

The notes on pages 11-24 are an integral part of the annual report.

## Statement of cash flows

In euros

<b>Cash flows from Fund's operating activities</b>	<b>01.01- 31.12.2020</b>	<b>01.01- 31.12.2019</b>
Interest received	1	7
Interest paid	-3	-1
Dividends received	225 942	325 462
Proceeds from the sale of financial assets	5 012 922	6 521 586
Purchase of financial assets	-1 922 095	-2 431 248
Operating expenses paid	-121 214	-142 895
<b>Total cash inflow/outflow from Fund's operating activities</b>	<b>3 195 554</b>	<b>4 272 911</b>
<b>Cash flows from Fund's financing activities</b>		
Proceeds from redeemable units issued	63 224	803 649
Redemption of redeemable units	-3 283 869	-5 307 046
<b>Total cash inflow/outflow from Fund's financing activities</b>	<b>-3 220 645</b>	<b>-4 503 396</b>
<b>Total cash flows</b>	<b>-25 092</b>	<b>-230 485</b>
<b>Cash and cash equivalents</b>		
At the beginning of the accounting period	75 829	305 542
Effect of exchange rate changes on cash and cash equivalents	-504	772
<b>At the end of the accounting period</b>	<b>50 233</b>	<b>75 829</b>

The notes on pages 11-24 are an integral part of the annual report.

## Notes to the financial statements 2020

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### NOTE 1. General information

Trigon Russia Top Picks Fund is a public open-end common investment fund registered in the Republic of Estonia.

The Fund is managed by AS Trigon Asset Management, with its registered office at Pärnu road 18, 10141 Tallinn. The parent company (61%) of AS Trigon Asset Management is AS Trigon Capital.

The Fund is under the supervision of the Estonian Financial Supervisory Authority.

The objective of Trigon Russia Top Picks Fund is a long-term capital growth of the Fund's assets. The Fund is investing its assets into different securities and other financial instruments abiding by the investment limits set out by the law and the Fund's rules.

### NOTE 2. Basis of preparation

The financial statements of Trigon Russia Top Picks Fund have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS EU). Financial reporting principles of investment funds are set out by the Investment Funds Act, Accounting Act and Regulation no. 8 of the Minister of Finance of February 26, 2018 "Requirements for fund reports subject to disclosure". The financial statements have been prepared to take into account the regulation of determining the net asset value of the Fund, adopted under the Investment Funds Act §54 subsection 11.

The financial statements of the Fund have been prepared in accordance with IFRS to the extent that complies with the requirements of the Investment Funds Act and Regulation no. 8 of the Minister of Finance. In case of non-compliance, the Fund has taken into account the requirements provided in the Investment Funds Act and Regulation no. 8 of the Minister of Finance.

### NOTE 3. Accounting policies used in preparing the financial statements

The financial statements of the Fund have been prepared on a historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

#### Foreign currency transactions and balances

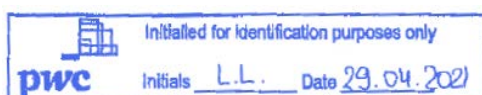
##### Functional and presentation currency

The financial statements of Trigon Russia Top Picks Fund are presented in euros. Fund's functional currency is also the euro.

##### Transactions and balances in foreign currency

Transactions in currencies other than the euro are translated into euro at the last bid exchange rates of depository bank of the transactions trade date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into euro at the last bid exchange rates of depository bank at the reporting date. Foreign currency gains and losses, arising on financial instruments denominated in foreign currencies, are recognised through profit or loss in the line-item *Net foreign currency profit/loss*.

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## Management estimates

The preparation of the financial statements in conformity with IFRS requires the management of the Fund Management Company to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although judgments are based on the management's best knowledge, actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

According to the management, there have not been any events that would have affected the recognition of assets, liabilities, income or expenses.

## Financial assets and liabilities

Cash and cash equivalents, term deposits, securities and other receivables are classified as financial assets. Securities comprise financial assets referred to in the Securities Market Act § 2 (a share or other similar tradable right; debt security, convertible security or other tradable debt obligation issued, a subscription right or other tradable right, an investment fund unit; a money market instrument; derivative security or a derivative contract; a tradable depository receipt). Liabilities to Fund's Management Company, unitholders and other liabilities are classified as financial liabilities.

## Classification of financial assets and financial liabilities

The Fund classifies financial assets and financial liabilities into the following categories:

- financial assets at fair value through profit or loss – equities and investment fund units as these investments do not include only principal and interest payments;
- financial assets at amortised cost – cash and cash equivalents, receivables and prepayments are recognised at amortised cost;
- financial liabilities at amortised cost – liabilities to the depository bank and Fund Management Company are recognised at amortised cost.

The Fund has at the end of the accounting period following financial assets and financial liabilities:

IFRS 9 category class (as defined in the Fund)			31.12.2020	31.12.2019
In euros				
Financial assets	Financial assets at amortised cost	Cash and cash equivalents	50 233	75 830
		Receivables and prepayments	1 535	0
	Financial assets at fair value through profit or loss	Mandatory measurement at fair value through profit or loss	Equities	954 981
Financial liabilities	Financial liabilities at amortised cost	Other financial liabilities	12 143	16 353

## Recognition and derecognition

Financial assets and liabilities are recognised initially when Fund becomes a party to the contractual provisions of the instrument.

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Fund measures financial assets or liabilities at its fair value plus, in the case of a financial asset or liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets or emission of the financial liabilities.

Transaction costs of financial assets and liabilities carried at fair value through profit or loss are recognised as an expense in the statement of comprehensive income.

Financial assets are derecognised when the contractual rights to the cash flows of the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised only when they are extinguished (the contractual obligations are discharged, cancelled or expired).

### Subsequent measurement

#### *Financial assets: debt instruments*

Subsequent measurement of the debt instruments depends on the Fund's business model for managing the financial assets and the cash flow characteristics of the assets.

Fair value through profit or loss (FVTPL): assets that do not meet the criteria for amortised cost or fair value through comprehensive income are measured at fair value through profit or loss (FVTPL). A gain or loss on debt instruments that are subsequently measured at FVTPL is recognised in the statement of comprehensive income in the line-item *Net profit/loss on financial assets at fair value through profit or loss* and presented in the period in which it arises. Such fair value gain and loss includes also contractual interests earned from relevant instruments.

Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income and presented in *Other income*. Foreign exchange gains and losses and impairment losses are presented as separate line items in the statement of comprehensive income.

#### *Equity instruments*

The Fund subsequently measures all equity investments at fair value through profit and loss. Changes in the fair value are recognised in *Net profit/loss from financial assets at fair value through profit or loss* in the statement of comprehensive income.

#### *Impairment of financial assets*

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on where there has been a significant increase in credit risk.

The measurement of the expected credit losses reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and economic forecasts of future conditions.

For trade receivables and contract assets without a significant financing component, the Fund applies a simplified approach permitted by IFRS 9 and measures the allowance for impairment losses at expected lifetime credit losses from initial recognition of the receivable. The Fund uses a provision matrix in which allowance for impairment losses is calculated for trade receivables falling into different ageing or overdue periods.

### Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position only when the Fund has legal right to offset and intends to settle or realise the assets and liabilities simultaneously.

### Fair value measurement

Fair value is the amount of which a Fund's asset could be sold to the independent interested party on the measurement date.

The net asset value of the Fund is determined according to “Net Asset Value Calculation Rules of Investment Funds” as approved by the management board of AS Trigon Asset Management. These rules determine the valuation of the securities traded on a regulated market, securities not traded on a regulated market and other financial assets and financial liabilities of the Fund.

The Fund recognises all investments into securities at fair value through profit or loss except these investments whose fair value cannot be determined. The financial statements of the Fund for the year 2020 have been prepared under the standard IFRS 13 “Fair Value Measurement” where the financial assets and liabilities traded on a regulated market are determined at the market close price if it remains within the bid-ask spread. If the close price does not fall in this spread, the Management Company will determine the value within the bid-ask spread, which most accurately reflects the fair value of specific security.

The fair value of the security (other than debt security) traded on a regulated market is determined based on the closing price of that regulated market on the valuation date. If the closing price is not available, the mid-market price of the regulated market on the valuation date is applied. If the mid-market price is also unavailable, the latest bid price of the regulated market on the valuation date is applied. In case that no bid price is available, the latest share price determined in the manner described above is applied.

The value of debt security traded on a regulated market is determined by applying the average ask and bid price  $((ask+bid)/2)$  given by sources of quotes accepted by the currently used information provider on the valuation date (mid-market price). If the mid-market price is not available, the closing price on the valuation date is applied. If no closing price is available, the mid-market price of the last banking day is applied.

Valuation of security, which is not traded on a regulated market, takes place, above all, by applying the valuation models set out by IFRS. Fair value is the probable selling price of the security, which is determined prudently, in good faith and bearing in mind the best interests of unitholders and at which independent and experienced parties would agree to conclude a transaction.

The value of a share of a unit of an investment fund traded on a regulated market is determined as the value of the security traded on a regulated market. The value of a unit of a common fund not traded on a regulated market is determined based on the latest known redemption or repurchasing price or, if such price is unavailable, based on the net asset value of the fund.

If the fair value of the assets cannot be reliably determined, then they can be recognised at acquisition cost or the fair value will be determined by the management of Fund Management Company using the valuation methods. The valuation methods used by the Management Company include recent arm’s length transactions between independent parties, references to other similar instruments, discounted cash flow analyses and option pricing models and other methods based on market information as much as possible and as little as possible on internal sources.

## Recognition of revenue

### *Interest*

Interest income and expenses are recognised in the statement of comprehensive income using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the net carrying amount of the financial asset. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. Interest received or receivable is recorded in the statement of comprehensive income in the line of *Interest income*.

### *Dividends*

Dividend income is recognised in the statement of comprehensive income on the date when the right to receive payment is established. This is usually the ex-dividend date. Dividend income from equities designated as at fair value through profit or loss is recognised as a separate line-item *Dividend income*.

## Gain/loss on financial assets

Unrealised gain/loss from revaluation of financial assets at fair value through profit or loss includes all fair value changes but excludes interest and dividend income.

Realised gain/loss on financial assets at fair value through profit or loss is calculated using the FIFO method (*first-in, first-out*) which means that the chronological order of purchases of securities is taken into account when calculating gains/losses from the securities.

Net profit/loss from revaluation of financial assets is recognised in the statement of comprehensive income in the line-item *Net profit/loss on financial assets at fair value through profit or loss*.

## Service and commission expenses

Transaction fees arising in acquiring and disposing of securities are recognised on the accrual basis in the statement of comprehensive income in the line-item Transaction costs and paid once a month. Commissions arising in acquiring and disposing of securities are included within the cost of securities.

## Cash and cash equivalents

Cash and cash equivalents include the balances of demand deposits at the bank and overnight deposits. Interest receivable on overnight deposits is recognised in the statement of financial position in the line-item Receivables and prepayments and the statement of comprehensive income in the line-item *Interest income*.

## Term deposits

Term deposits include deposits held at credit institutions. According to the Investment Fund Act, the open-ended public fund may invest into term deposits with a maturity of up to 12 months. Interest receivable on term deposits is recognised in the statement of financial position in the line-item Receivables and prepayments and the statement of comprehensive income in the line-item *Interest income*.

## Fees and expenses

Income and expenses are reported on an accrual basis.

### *Recognition of management and performance fees*

Management fee rates paid to the Fund Management Company are:

- a. Class 1 units: 1.0% of the Fund's assets per annum;
- b. Class 2 units: 2.0% of the Fund's assets per annum;
- c. Class 4 units: 2.0% of the Fund's assets per annum;
- d. Class 5 units: 0.75% of the Fund's assets per annum.

The management fee is deducted daily from the Fund's assets and paid in the month following the calculation.

In addition, the Management Company has the right to receive a performance fee based on the performance of Class 2 and Class 5 units.

The Management Company is entitled to the performance fee if Class 2 unit's net asset value exceeds its highest month-end net asset value of the respective unit to which the required minimum return of 3.5% on annual basis has been added. The performance fee rate is no more than 15% of the net asset value increase over the highest month-end net asset value of the respective unit to which the required minimum return of 3.5% on annual basis has been added. The performance fee is revalued daily on a 365-year basis and is paid out at the end of each month during the following month. The Management Board of the Management Company may decide to use a lower rate of management and performance fees.



Furthermore, the Management Company has the right to receive a performance fee based on the performance of a Class 5 unit. The performance fee is not more than 20% of the Class 5 Unit performance that exceeds the performance of the benchmark index MSCI Russia Daily Net TR EUR – i.e., 20% of the Alpha generated YTD. For calculating the performance fee, a High-Water Mark ('HWM') principle is applied. The HWM principle in the Fund rules context means that after the performance fee has been paid out for the first time during a calendar year, additional performance fee accruals during that year will be made only if additional Alpha is generated since the last month-end when the performance fee was paid out. In that case, the performance fee is charged from the additional Alpha. The performance fee is taken into account daily and paid out at the end of each month during the following month if the Class 5 share performance during the month was positive.

The Management Board of the Management Company may decide to use a lower rate of management and performance fees.

#### *Recognition of depositary and other fees*

The maximum annual rate of the depositary fee is 0.03-0.35% of the Fund's assets per annum, but not less than 9 000 euros per year. The above-mentioned depositary fee rates do not include VAT. The depositary fee is calculated daily from the Fund's assets and is paid in the month following the calculation. Depositary fee in the statement of comprehensive income also includes administration (Fund accounting and net asset value calculation), registry and sub-custodian fees that are paid to the depositary bank in the month/quarter following the calculation.

The Fund shall also pay other expenses related to the Fund's management, safekeeping of the Fund's assets and transaction costs, such as fees to intermediaries, interest expenses, payment and service fees, Fund's auditing expenses payable to the service providers.

#### *Fund units*

The Fund has four classes of units (hereinafter: "Class 1", "Class 2", "Class 4", "Class 5"). Different terms apply to the units depending on their class, such as subscription and redemption fees (see below).

At the request of the unitholder, the Management Company shall redeem the units and the unitholders have the right to redeem units and receive a monetary payment daily following the Fund Rules. Consequently, the issued Fund units are classified as financial liability. Units are recognised in the statement of financial position at redemption value, i.e., the amount that should be paid for at the balance sheet date if the unitholder uses his right to redeem the units. The net asset value of the unit is determined by dividing that class' total net asset value by that class' number of units issued and not redeemed as at the point of valuation. For subscription or redemption, the net asset value of the units is based on the Fund's net asset value which is derived by measuring the Fund's investments fair value using the closing price before the transaction date.

The issue of units is arranged by the Management Company according to the rules set out in legislation. The issuing of units is not restricted by time or volume.

As of March 31, 2019 Class 3 unit is liquidated. Class 4 unit was launched on April 15, 2009, and Class 5 unit on August 31, 2011.

A unit may be issued only upon a monetary payment into the assets of the Fund corresponding to the number of respective units to be issued and at the unit's net asset value. When issuing a fraction of unit an amount corresponding to the fraction of the respective unit's net asset value must be paid into the assets of the Fund.



The unit's issue price is the net asset value of the unit of the respective class calculated on the following banking day from the banking day the purchase order was received. The issue price may also include an issue fee or intermediary's service fee.

The issue fee of a unit is:

- a) for Class 1 units there is no issue fee;
- b) for Class 2 units there is no issue fee. A unitholder shall bear the fee payable to the intermediary which is 1.0% of the subscription amount;
- c) for Class 4 units there is no issue fee;
- d) for Class 5 units there is no issue fee.

The Management Company has the right to charge a lower issue fee on a mutual agreement. A unit is deemed to be issued at the time of making the respective entry in the registry of units.

The unit's redemption price is the net asset value of the unit of the respective class calculated on the following banking day from the banking day the sale order was received. The redemption price may also include a redemption fee or intermediary's transaction cost.

The redemption fee of a unit is:

- a) for Class 1 units there is no redemption fee;
- b) for Class 2 units there is no redemption fee. The unitholder shall bear the intermediary's transaction cost of 20 euro per transaction;
- c) for Class 4 units there is no redemption fee;
- d) for Class 5 units there is no redemption fee.

The Fund Management Company has the right to charge a lower redemption fee on a mutual agreement. Upon redemption of a unit, a monetary payment shall be made out of the assets of the Fund to the current account linked to the Unit holder's securities account. Payments shall be made in the order that the redemption requests were submitted. The payment may be postponed following the law and Fund Rules. The unit shall be considered as redeemed from the time of making a respective entry in the registry of units.

### Implementation of new and amended standards and interpretations

Certain new International Financial Reporting Standards, also amendments and interpretations to existing standards have been published by the time of compiling these consolidated financial statements which become mandatory for the Fund's accounting periods beginning on January 1, 2020, and which the Fund did not adopt early.

New or amended standards or interpretations that became effective for the reporting period beginning on January 1, 2020, are not expected to have a significant impact on the Fund.

### New standards, interpretations and their amendments

New or revised standards and interpretations have been issued that become mandatory for the Fund from January 1, 2020, or later, and which the Fund has not yet implemented.

Other new or amended standards or interpretations that are not yet effective are not expected to have a material impact on the Fund.

#### NOTE 4. Risk management

The Fund invests its assets according to the Fund's investment objectives in various securities, derivatives, deposits.

Various risks arise from investing in funds that may affect the return of the investment. Past returns of Funds are not indicative of future returns of the Funds. The net asset value of the unit may fluctuate as a result of the Funds' investment policy. Funds may generate both profits and losses. Investors should take into account that there is no guarantee for a positive return on their investments into the Fund. The shorter the duration of the investment, the more probable a loss is.

The Fund Manager invests Fund assets in accordance with the Fund's investment objectives, in consideration of the restrictions imposed by the Investment Funds Act and Fund Rules. Adherence to investment limits is monitored daily, in case the investment restrictions are exceeded, the fund manager shall take measures to liquidate them.

As a result of the fund's investment policy, the Fund is subject to the following risks:

- market risk
- credit risk
- liquidity and capital risk

Market disruptions associated with the COVID-19 pandemic have had a global impact to economy and financial markets and uncertainty exists as to its long-term implications. Such disruptions can adversely affect the assets of the fund and thus fund performance.

Other key risks and their descriptions are provided in the Fund prospectus.

#### Market risk

Market risk is a possibility that the volatility of market prices of securities or other assets (share prices, foreign currency rates, interest rates) may decrease the value of the Fund's assets. The higher the volatility of prices, the higher the risk of potential loss from the investment is. At the same time, the more volatile the investment is the higher the profit may be.

To mitigate market risk, investments are diversified between various issuers, fields of activities, countries and regions and derivatives may be used.

The events of the securities markets are monitored daily. In the event of changes in market conditions, changes may be made to investments, such as reducing or increasing the weight of equities in the total investment portfolio of the Fund.

The Fund's investments as at the reporting date are provided in the statement of the investments.

#### Currency risk

Fund's functional currency is the euro. In addition to the investments and assets denominated in euro, the Fund has exposures also in other currencies. As a result, the Fund is exposed to the risk that the weakening of other currencies against the Fund's functional currency may unfavourably affect the Fund's net assets.

To mitigate currency risk, the Fund may use derivative instruments. This is done mainly through OTC (over the counter) swaps and forwards. OTC derivatives expose the Fund to the risk that the counterparty of that trade may default on their obligations to the Fund. To mitigate that risk the Fund is using reliable counterparties.

As of 31.12.2019 and 31.12.2020, the Fund did not have exposures to the derivative instruments.

If foreign currencies' value compared to euro would fluctuate +/- 10%, then at the balance sheet date the effect of the open currency position on the profit/loss of the Fund would be +/- 99 thousand (2019: 426 thousand) euros.

The next table provides an overview of the assets and liabilities of the Fund at the reporting date based on currencies:

In euros as at 31.12.2020	USD	GBP	RUB	EUR
<b>ASSETS</b>				
Financial assets at fair value through profit or loss	910 923	44 058	0	0
Cash and cash equivalents	32 764	0	1 101	16 368
Receivable and prepayments	977	0	558	0
<b>Total assets</b>	<b>944 664</b>	<b>44 058</b>	<b>1 659</b>	<b>16 368</b>
<b>LIABILITIES</b>				
Other financial liabilities	0	0	0	12 143
Fund's net asset value (NAV)	0	0	0	994 606
<b>Total liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 006 749</b>
<b>Open currency position</b>	<b>944 664</b>	<b>44 058</b>	<b>1 659</b>	<b>-990 381</b>
<hr/>				
In euros as at 31.12.2019	USD	GBP	RUB	EUR
<b>ASSETS</b>				
Financial assets at fair value through profit or loss	4 083 205	163 030	0	0
Cash and cash equivalents	46 327	0	11 522	17 982
Receivable and prepayments	0	0	0	0
<b>Total assets</b>	<b>4 129 532</b>	<b>163 030</b>	<b>11 522</b>	<b>17 982</b>
<b>LIABILITIES</b>				
Other financial liabilities	0	44 800	0	19 871
Fund's net asset value (NAV)	0	0	0	4 257 394
<b>Total liabilities</b>	<b>0</b>	<b>44 800</b>	<b>0</b>	<b>4 277 265</b>
<b>Open currency position</b>	<b>4 129 532</b>	<b>118 229</b>	<b>11 522</b>	<b>-4 259 283</b>

### Equity price risk

Equity price risk is the risk that the fair value of financial instruments fluctuates due to changes in the market prices (except for those changes related to the interest rates and foreign currency rate risks).

Fluctuations of market prices may be associated with the particular issuer or the overall equity market conditions which often affects all shares traded on the stock markets.

The Fund's investments at 31.12.2020 and 31.12.2019 mainly consist of equity investments and are most sensitive to fluctuations of the stock market. If Fund's equity investments would drop/rise +/-10% at the end of the accounting period, the effect on the Fund's results would be following:

In euros	31.12.2020	31.12.2019
<b>Change +/- 10%</b>		
Equity securities	+/- 95 498	+/- 424 624

The Fund's investments are monitored for their concentration in industries and geographic regions. If the concentration in a specific industry, country or region is high then in case of deterioration of the situation of the respective industry, country or region the risk to the Fund's investments may increase. To minimize that risk the Fund's investments are diversified between various industries and countries.

### Risk concentration

At the reporting date the Fund's investments were diversified between the following industries:

Industry	31.12.2020	31.12.2019
Materials	28.08%	11.83%
Energy	21.46%	18.29%
Consumer	9.41%	13.54%
Health Care	7.88%	8.52%
Industrial	6.38%	8.85%
Telecommunication	4.67%	8.73%
Holding	4.67%	0.00%
Telecommunication	4.62%	15.38%
Real estate	4.30%	3.62%
Finance	3.39%	10.50%
Cash	5.14%	0.74%

The table below sets out the distribution of the Fund investments based on listing on regulated markets:

In euros	Note	31.12.2020	31.12.2019
<b>Securities listed on regulated markets</b>			
Equity securities	Note 5, 6	954 981	4 246 235
<b>Total investments</b>		<b>954 981</b>	<b>4 246 235</b>

The Management Company is monitoring investment restrictions set by Investment Funds Act, Fund Rules and also internally set limits on a daily basis. The Fund had no investment limits breaches as of the reporting date.

### Interest rate risk

Interest rate risk is based on the possibility that interest rate, yield curve or interest rate volatility will change unfavourably.

Since as of 31.12.2020 or 31.12.2019, the Fund does not have any substantial interest carrying assets or liabilities, funds exposure to interest rate risk is marginal.

### Credit risk

Credit risk may arise from the nature and success of the issuer's business that may significantly affect the prices of the issuer's securities and create a situation when the issuer fails to fulfil the obligations taken at issuance of the securities (perform redemption and interest payments).

Realization of credit risk is more probable with debt securities and term deposits.

To mitigate credit risk, the Management Company analyses and monitors the strength and reliability of issuers' businesses and diversifies investments in different issuers.

Credit risk related to balances due from brokers (pending security transactions) is considered to be low because to minimize that risk the Fund prefers markets where DVP (i.e., delivery-versus-payment) principles are adhered to and use reliable and known counterparties for trading.

The Fund's cash and cash equivalents are held with Fund's depository bank AS Swedbank, whose parent bank is rated as Aa3 (Moody's).

Management has assessed the ECL from credit institutions' exposures and due to the strong ratings of corresponding parties, their financial position and also due to the positive economic outlook, the Fund's credit institutions' exposures do not need to be significantly impaired as at the balance sheet date.

Receivables and prepayments include dividend receivables and securities transactions pending on the value date that have been collected by the time of compiling the financial statements. The Management estimates that the expected credit loss for these receivables is immaterial.

### Liquidity and capital risk

Liquidity risk is the risk that due to the low liquidity of markets the Fund is unable to purchase or sell securities at a fair value and as a result of that, the Fund cannot observe its investment policy and objectives. This may lead to the situation where the Fund will encounter difficulties in fulfilling payments for redemptions on time, especially when many large redemption orders have accumulated at the same time.

Liquidity risk may also arise as a result of the increase of market risk and credit risk during a difficult market situation, for example during a recession.

Large redemption orders during the times when market liquidity is low may have a negative impact on the remaining investors in the Fund. On the demand of large redemption orders, the Fund follows the laws and Fund Rules protecting the interests of the remaining unitholders.

The Management Company may suspend redeeming units under the conditions and according to the procedures provided for in the Investment Funds Act, incl. suspending the redemption of units for up to three months if the cash balances in the accounts of the Fund is insufficient for the payment of the redemption price for the units, if the regular management of the Fund may be harmed by the payment of the price, if the securities or other assets of the Fund cannot be promptly sold or if the interests of other unit-holders would be materially harmed thereby.

Daily, the Fund manager monitors the Fund's necessary liquidity to meet its liabilities, including estimated payments for purchases of securities and redemptions of units. If necessary, the Fund manager takes measures to settle the Fund's liabilities, for instance, uses overdraft or sells liquid assets.

To mitigate liquidity risk, the Fund diversifies investments between issuers and part of the Fund's assets is invested in securities with high liquidity.

The majority of the Fund's investments are publicly traded and liquid, they can be quickly realized and therefore the Fund's overall liquidity risk is not high.

The liquidity table below presents the potential realisation period of the Fund's assets (assuming that the Fund can take up to 50% of daily traded volume):

In euros as at 31.12.2020	1-3 banking days	4-5 banking days	more than 5 banking days
Equities	954 981	0	0
Cash and cash equivalents	50 233	0	0
Receivables and prepayments	0	977	558
<b>Total</b>	<b>1 005 214</b>	<b>977</b>	<b>558</b>

In euros as at 31.12.2019	1-3 banking days	4-5 banking days	more than 5 banking days
Equities	4 128 774	48 889	68 573
Cash and cash equivalents	75 830	0	0
Receivables and prepayments	0	0	0
<b>Total</b>	<b>4 204 604</b>	<b>48 889</b>	<b>68 573</b>

As of 31.12.2020, there were no assets in the Fund for which the total realisation of the position will take more than 5 banking days (assuming that the Fund can take up to 50% of daily traded volume).

As of 31.12.2019, there were the following assets in the Fund for which the total realisation of the position will take more than 5 banking days (assuming that the Fund can take up to 50% of daily traded volume):

In euros as at 31.12.2019

Name	Total market value	Sellable in 1 day in case of regular transactions
PROTEK	168 924	10.99%
MD MEDICAL GROUP INVEST-REGS	195 625	15.69%

Taking into account alternative transaction methods, including block transactions, there are no illiquid equities in the Fund which realization period exceeds 14 days.

The following table gives an overview of the timely fulfilment of the obligations of the Fund (considering that 5% of the net value of the assets belonging to the unitholders is redeemable after 5 days during one month and 95% - during 1-3 months):

In euros as at 31.12.2020	Less than 5 banking days	5 banking days to 1 month	1-3 months
Payables to Management Company	2 625	0	0
Payables to depository bank	3 149	0	0
Other liabilities	2 949	0	3 420
Fund's net assets attributable to holders of redeemable units	0	49 730	944 876
<b>Total</b>	<b>8 723</b>	<b>49 730</b>	<b>948 296</b>

In euros as at 31.12.2019	Less than 5 banking days	5 banking days to 1 month	1-3 months
Payables to Management Company	6 484	0	0
Payables to depository bank	0	4 250	0
Other liabilities	0	53 938	0
Fund's net assets attributable to holders of redeemable units	0	212 870	4 044 524
<b>Total</b>	<b>6 484</b>	<b>271 057</b>	<b>4 044 524</b>

The Fund Manager monitors on a daily basis Fund's liquidity and ensures that there are enough monetary assets to fulfil Fund's liabilities. As of 31.12.2019 and 31.12.2020 Fund's liquidity assets exceed Fund's short-term liabilities.

#### NOTE 5. Valuation of financial instruments

The Fund recognises financial assets at fair value through profit or loss. Financial investments are categorized into 3 levels depending on their revaluation:

- Level 1: Financial investments valued based on unadjusted quoted price from the stock market or other active markets.
- Level 2: Financial investments valued using valuation methods based on observable inputs. For example, this category includes investments measured using quoted prices in active markets for similar instruments or financial instruments that are valued at quoted price in active markets but have low liquidity.
- Level 3: Financial investments valued using valuation methods based on unobservable inputs.

The table below categorises financial instruments measured at fair value in 3 levels of fair value hierarchy:

In euros as at 31.12.2020

	Note	Level 1	Level 2	Level 3
Equity securities	Note 4, 6	954 981	0	0
<b>Total</b>		<b>954 981</b>	<b>0</b>	<b>0</b>

In euros as at 31.12.2019

	Note	Level 1	Level 2	Level 3
Equity securities	Note 4, 6	4 246 235	0	0
<b>Total</b>		<b>4 246 235</b>	<b>0</b>	<b>0</b>

The fair value of the assets recognized at amortized cost - cash and cash equivalents and receivables - at the balance sheet date does not differ from their amortised cost as these financial assets are very short-term.

#### NOTE 6. Financial assets at fair value through profit or loss

In euros

	Note	31.12.2020	31.12.2019
Equities	Note 4, 5	4 246 235	4 246 235
<b>Total</b>		<b>4 246 235</b>	<b>4 246 235</b>

#### NOTE 7. Receivables and prepayments

In euros

	31.12.2020	31.12.2019
Dividends receivable	1 535	0
Balances due from brokers	0	0
<b>Total</b>	<b>1 535</b>	<b>0</b>

#### NOTE 8. Other financial liabilities

In euros

	Note	31.12.2020	31.12.2019
Payables to Management Company	Note 11	2 625	6 484
Payables to the depositary bank		3 149	4 250
Other liabilities		6 369	53 938
<b>Total</b>		<b>12 143</b>	<b>64 672</b>

#### NOTE 9. Net profit/loss on financial assets at fair value through profit or loss

In euros

	01.01-31.12.2020	01.01-31.12.2019
Equities and units		
Realised gain/loss	14 330	-296 263
Unrealised gain/loss	-140 129	2 159 303
<b>Total</b>	<b>-125 799</b>	<b>1 863 040</b>

In 2020 the Fund Fond earned dividend income in the amount of 232 624 (2019: 298 206) euros.



## NOTE 10. Comparative analysis of the net asset value

In euros

Year	Fund's net asset value	Net asset value of Fund unit			
		Class 1	Class 2 (eQ Russian Top Picks unit)	Class 4	Class 5
15.02.2006	-	6.3912	9.9993	-	-
31.12.2006	5 845 026	7.3149	11.4520	-	-
31.12.2007	25 919 012	8.9466	13.9723	-	-
31.12.2008	1 214 165	3.2537	5.0782	-	-
31.12.2009	1 875 454	5.3113	8.2893	15.6999	-
31.12.2010	3 667 792	9.0302	14.0780	24.7783	-
31.12.2011	6 534 039	6.9187	10.7867	18.9016	9.1686
31.12.2012	9 796 134	7.5982	11.8460	20.7575	10.0577
31.12.2013	7 822 598	6.9308	10.8047	18.9327	9.1736
31.12.2014	1 540 156	3.6515	5.6924	9.9750	4.8327
31.12.2015	4 798 052	5.1752	8.0674	14.1364	6.6921
31.12.2016	25 196 133	9.1022	14.1897	24.8625	11.5227
31.12.2017	14 509 200	8.8090	13.7329	24.0644	10.9971
31.12.2018	6 746 050	7.7514	12.0062	21.0384	9.7270
31.12.2019	4 257 394	11.1331	16.8258	29.9128	14.0080
31.12.2020	994 606	11.4396	16.9670	30.4296	13.8434

## NOTE 11. Related parties

For the preparation of these financial statements, related parties are considered to be AS Trigon Asset Management (Fund Management Company), AS Trigon Capital (the majority shareholder of the Fund Management Company), OÜ Fero Invest (shareholder with significant influence), companies belonging to the same consolidation group as the Fund Management Company, other funds managed by AS Trigon Asset Management, Fund Management Company beneficial owners and members of the Management Board.

Trigon Russia Top Picks Fund paid to the Fund Management Company management fees during the period 01.01-31.12.2020 in a total of 60 723 (2019: 104 972) euros and performance fees in total 2 918 (01.01-31.12.2019: 1 257) euros. As of 31.12.2020 amount owed to Fund Management Company was 2 625 (31.12.2019: 6 484) euros (note 8). No transactions with other funds managed by AS Trigon Asset Management were made in 2020 and 2019.

## NOTE 12. Fund Management Company's remuneration principles

The members of the Management Board and employees of Trigon Asset Management receive a fixed remuneration monthly. In addition, employees responsible for the Fund distribution can also receive variable remuneration. Fixed remuneration is the main part of the employees' remuneration which is based on the fixed salary agreement. Fixed remuneration is set on an individual basis with consideration to the role of the individual, including responsibility and position profile, achievements, qualification and expertise and market standards in respect of the relevant positions. Variable remuneration depends on the performance of the individual and the overall results of the company. Variable remuneration is paid in bonuses. Such bonuses are paid in accordance with the company results, evaluated each time and not defined as a fixed amount. When deciding on remuneration practices for employees the Fund Management Company follows a principle of a proper balance. The Fund Management Company has not applied any termination benefits or non-monetary compensations.

The average number of employees (including Management Board members) in Trigon Asset Management in the reporting year was 11 (01.01-31.12.2019: 12). The total amount of fixed salary (incl. taxes) paid to employees was 597 325 (01.01-31.12.2019: 540 090) euros. The total amount of fixed salary (incl. taxes) paid to the members of the Management Board during the reporting period was 118 641 (01.01-31.12.2019: 110 106) euros. Members of the Supervisory Board did not receive any remuneration for participating in the work of the board. Bonuses (incl. taxes) paid to the employees directly involved in the Fund distribution process during the reporting period were 48 591 (01.01-31.12.2019: 15 734) euros.







## Independent Auditor's Report

To the Shareholders of Trigon Russia Top Picks Fund

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### Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Trigon Russia Top Picks Fund (the Fund) managed by AS Trigon Asset Management (the Management Company) as at 31 December 2020, and the Fund's financial performance and cash flows for the year then ended in accordance with the Investment Funds Act.

### What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in the Fund's Net Asset Value for the year then ended;
- the statement of cash flow for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Fund's financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Fund and of the Management Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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### Other information

The Management Company's Management Board is responsible for the other information. The other information comprises Short Description and Contact Details of Trigon Russia Top Picks Fund, the Management Report, the Statement of Transaction and Commission Fees and the Statement of Investments (but does not include the financial statements and our auditor's report thereon).

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

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Translation note:

This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.



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

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### Responsibilities of the Management Company's Management Board and those charged with governance for the Fund's financial statements

The Management Company's Management Board is responsible for the preparation and fair presentation of the Fund's financial statements in accordance with the Investment Funds Act and for such internal control as the Management Company's Management Board determines is necessary to enable the preparation of the Fund's financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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### Auditor's responsibilities for the audit of the Fund's financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Fund's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company's Management Board.

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- Conclude on the appropriateness of the Management Company's Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Fund's financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Fund's financial statements, including the disclosures, and whether the Fund's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

AS PricewaterhouseCoopers

/signed/

Verner Uibo  
Auditor's certificate no.568

29 April 2021  
Tallinn, Estonia

Translation note:

This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

## STATEMENT OF TRANSACTION AND COMMISSION FEES

In euros

Commissions are fees paid to the intermediaries of securities transactions. Transaction costs consist of the fees charged by the depositary bank for making transactions, fees for sub-depositaries or correspondent banks and fees charged for executing payment orders.

### 01.01-31.12.2020

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average Fee
<i>Securities traded on regulated markets</i>				
Atonline Limited	74	2 015 563	2 016	0.10%
BCS Prime Brokerage Limited	31	2 004 174	2 005	0.10%
Erste Bank	35	822 674	917	0.11%
Raiffeisenbank International AG	4	155 049	155	0.10%
Renaissance Capital	1	24 549	25	0.10%
Sberbank CIB (UK) Limited	20	1 208 572	1 612	0.13%
SOVA Capital Limited	9	660 150	661	0.10%
<b>Total</b>	<b>174</b>	<b>6 890 730</b>	<b>7 391</b>	<b>0.11%</b>

Additionally, transaction costs of 5 994 euros were paid to Swedbank AS which was 0.09% of the total transactions volume.

### 01.01-31.12.2019

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average Fee
<i>Securities traded on regulated markets</i>				
Atonline Limited	50	1 553 090	1 506	0.10%
BCS Prime Brokerage Limited	24	1 933 525	1 934	0.10%
Erste Bank	41	818 057	818	0.10%
Renaissance Capital	1	21 424	21	0.10%
Sberbank CIB (UK) Limited	30	1 939 878	2 776	0.14%
VTB Capital	46	2 710 883	2 711	0.10%
<b>Total</b>	<b>192</b>	<b>8 976 857</b>	<b>9 766</b>	<b>0.11%</b>

Additionally, transaction costs of 6 305 euros were paid to Swedbank AS which was 0.07% of the total transactions volume.

## STATEMENT OF INVESTMENTS

In euros, as at 31.12.2020

Name	Rating (S&P)	Country	ISIN code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>EQUITIES</b>											
<i>LISTED ON REGULATED MARKETS:</i>											
AK ALROSA OAO	BBB-	RU	RU0007252813	0.50	USD	47000	1	47 010	1.0753	50 538	5.08%
ETALON GROUP LTD GDR RU		CY	US29760G1031	1.00	USD	31784	1.1	35 016	1.3615	43 273	4.35%
EVRAZ PLC	BB+	GB	GB00B71N6K86	1.00	GBP	9000	3.24	29 142	5.2597	47 337	4.76%
GAZPROM	BBB-	RU	RU0007661625	1.00	USD	39000	1.85	72 176	2.3259	90 708	9.12%
GAZPROM NEFT	BBB-	RU	RU0009062467	0.00	USD	12000	4.34	52 136	3.466	41 592	4.18%
GLOBALTRANS INVESTMENT PLC		CY	US37949E2046	5.00	USD	13000	6.59	85 660	4.9435	64 265	6.46%
HALYK - ADR	BB	KZ	US46627J3023	0.00	USD	3600	8.23	29 626	9.4723	34 100	3.43%
INTER RAO		RU	RU000A0JPNM1	0.00	USD	800000	0.06	44 217	0.0581	46 475	4.67%
MAGNIT COMMON STOCK	BB	RU	RU000A0JKQU8	0.00	USD	800	30.62	24 493	61.9875	49 590	4.99%
MAGNITOGORSK METALLURGICAL	BBB-	RU	RU0009084396	1.00	USD	70000	0.5	34 959	0.6104	42 725	4.30%
MD MEDICAL GROUP INVEST-REGS		RU	US55279C2008	0.00	USD	16000	3.99	63 767	4.9598	79 356	7.98%
MOBILE TELESYSTEMS PJSC	BBB-	RU	RU0007775219	0.10	USD	13000	3.64	47 343	3.6158	47 005	4.73%
NAC KAZATOMPROM JSC-GDR		KZ	US63253R2013	0.01	USD	2500	11.86	29 657	14.1068	35 267	3.55%
NORILSK NICKEL MMC	BBB-	RU	RU0007288411	0.01	USD	190	204.29	38 815	259.1262	49 234	4.95%
PETROPAVLOVSK PLC SHARE	B-	GB	GB0031544546	0.00	GBP	130000	0.15	19 674	0.3389	44 058	4.43%
ROSNEFT OIL COMPANY	BBB-	RU	RU000A0J2Q06	0.00	USD	8000	4.86	38 898	4.7591	38 073	3.83%
SISTEMA PJSC FC	BB	RU	RU000A0DQZE3	3.00	USD	150000	0.17	25 848	0.3132	46 980	4.72%
SURGUTNEFTEGAZ PREF		RU	RU0009029524	0.09	USD	100000	0.42	42 305	0.4575	45 748	4.60%
UNITED CO RUSAL INTERNATIONAL		RU	RU000A1025V3	1.00	USD	35000	0.33	11 430	0.3872	13 553	1.36%
X5 RETAIL GROUP NV GDR	BB+	NL	US98387E2054	0.40	USD	1500	16.85	25 278	30.0675	45 101	4.53%
<b>TOTAL EQUITIES</b>								<b>797 449</b>		<b>954 981</b>	<b>96.02%</b>
<b>TOTAL SECURITIES</b>								<b>797 449</b>		<b>954 981</b>	<b>96.02%</b>
<b>CASH</b>											
BANK ACCOUNT		EE			EUR			50 233		50 233	5.05%
<b>TOTAL INVESTMENTS</b>								<b>847 682</b>		<b>1 005 214</b>	<b>101.07%</b>
<b>OTHER ASSETS</b>											
DIVIDENDS RECEIVABLE										1 535	0.15%
<b>TOTAL OTHER ASSETS</b>										<b>1 535</b>	<b>0.15%</b>
<b>TOTAL FUND ASSETS</b>								<b>847 682</b>		<b>1 006 749</b>	<b>101.22%</b>
<b>NET ASSET VALUE</b>										<b>994 606</b>	<b>100.00%</b>

In euros, as of 31 December 2019

Name	Rating (S&P)	Country	ISIN code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>EQUITIES</b>											
<b>LISTED ON REGULATED MARKETS:</b>											
AK ALROSA OAO	BBB-	RU	RU0007252813	0.50	USD	100000	1.1	110 252	1.2127	121 412	2.85%
BANK ST.PETERBURG		RU	RU0009100945	1.00	USD	90319	0.78	70 551	0.8097	73 218	1.72%
DETSKY MIR PJSC		RU	RU000A0JSQ90	1.00	USD	186043	1.27	236 760	1.4382	267 882	6.29%
ENEL RUSSIA PJSC		RU	RU000A0F5UN3	1.00	USD	11000000	0.02	202 956	0.0133	146 032	3.43%
ETALON GROUP LTD GDR		GB	US29760G1031	0.00	USD	100000	2.26	225 562	1.5534	154 986	3.64%
GAZPROM	BBB-	RU	RU0007661625	5.00	USD	86000	2.67	229 716	3.6876	317 502	7.46%
GAZPROM NEFT	BBB-	RU	RU0009062467	0.00	USD	45000	4.72	212 362	6.0427	272 237	6.39%
GLOBALTRANS INVESTMENT PLC		CY	US37949E2046	0.00	USD	48000	8.31	398 824	7.8919	378 395	8.89%
HALYK - ADR	BB	KZ	US46627J3023	0.00	USD	15000	10.36	155 419	11.9048	178 779	4.20%
INTER RAO		RU	RU000A0JPNM1	1.00	USD	2800000	0.05	148 150	0.0725	203 279	4.77%
MD MEDICAL GROUP INVEST-REGS		RU	US55279C2008	0.00	USD	44000	3.78	166 142	4.4409	195 625	4.59%
MOBILE TELESYSTEMS PJSC	BB+	RU	RU0007775219	0.10	USD	43000	3.71	159 405	4.6016	198 098	4.65%
PETROPAVLOVSK PLC	B-	GB	GB0031544546	0.01	GBP	1100000	0.14	153 310	0.1506	163 030	3.83%
PROTEK		RU	RU000A0JQU47	0.01	USD	116966	1.56	182 545	1.4425	168 924	3.97%
ROSNEFT GDR	BBB-	RU	US67812M2070	0.00	USD	30000	6.14	184 113	6.4277	192 411	4.52%
Ros Agro Plc GDR		CY	US7496552057	0.00	USD	12000	10.2	122 402	8.6499	111 633	2.62%
SBERBANK RF-PFD		RU	RU0009029557	3.00	USD	60000	2.81	168 797	3.2835	197 237	4.63%
SISTEMA PJSC FC	BB-	RU	RU000A0DQZE3	0.09	USD	800000	0.27	216 928	0.2191	175 506	4.12%
TERRITORIAL GENERATION COMPANY	BBB-	RU	RU000A0JNUD0	1.00	USD	800000000	0.0002	129 312	0.0002	148 558	3.49%
UNIPRO PJSC		RU	RU000A0JNGA5	0.40	USD	4000000	0.04	151 159	0.04	160 118	3.76%
UNITED CO RUSAL PLC		IE	JE00B5BCW814	0.01	USD	500000	0.4	198 504	0.443	221 744	5.21%
X5 RETAIL GROUP NV GDR	BB	NL	US98387E2054	0.30	USD	6457	19.42	125 405	30.7651	199 630	4.69%
<b>TOTAL EQUITIES</b>								<b>3 948 573</b>		<b>4 246 235</b>	<b>99.74%</b>
<b>TOTAL SECURITIES</b>								<b>3 948 573</b>		<b>4 246 235</b>	<b>99.74%</b>
<b>CASH</b>											
BANK ACCOUNT		EE			EUR			75 830		75 830	1.78%
<b>TOTAL INVESTMENTS</b>								<b>4 024 404</b>		<b>4 322 066</b>	<b>101.52%</b>
<b>TOTAL FUND ASSETS</b>								<b>4 024 404</b>		<b>4 322 066</b>	<b>101.52%</b>
<b>NET ASSET VALUE</b>										<b>4 257 394</b>	<b>100.00%</b>