

TRIGON DIVIDEND FUND

ANNUAL REPORT 2023
(Translation of the Estonian original)

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Short Description and Contact Details of Trigon Dividend Fund

Name

Investment Fund Trigon Dividend Fund

Legal address

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10141 Tallinn
Estonia

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Fax: + 372 6 679 221

Main Activities

Trigon Dividend Fund invests in companies around the world with high or growing dividend yields. Although the Fund's focus is on equities, the Fund may also invest in other instruments, such as convertible bonds or high-yield bonds, to achieve its investment objectives. The Fund invests in companies with a strong balance sheet and free cash flow for sustainable dividend payments.

The Fund's objective is the long-term growth of assets, while offering higher market risk-adjusted returns.

Fund Management Company

AS Trigon Asset Management

Fund Manager

Mihkel Välja
Mehis Raud

Depositary

Swedbank AS

Auditor

AS PricewaterhouseCoopers
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10141 Tallinn
Estonia

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Reporting period

1 January 2023 – 31 December 2023

Management report

Trigon Dividend Fund (hereinafter: the Fund) is a contractual investment fund that invests in companies with high or growing dividend yields. Although the Fund's focus is on equities, the Fund may also invest in other instruments, such as convertible bonds or high-yield bonds, to achieve its investment objectives. The Fund's portfolio consists of approximately 25-50 different companies. The Fund invests in companies with a strong balance sheet and free cash flow for sustainable dividend payments. The Fund aims to provide long-term capital appreciation while offering higher market risk-adjusted returns.

For Trigon Dividend Fund, the year 2023 proved to be its most successful year in nearly four years of operation. The fund achieved a return of 4.3% in December, meaning that throughout the preceding calendar year, each of the 12 months saw positive returns for the fund. Despite the challenges in the global economy and geopolitics, Trigon Dividend Fund delivered a 35.7% return to its nearly one thousand investors in 2023, significantly surpassing global equity markets. In comparison, the MSCI World Index, representing global stock markets, saw a 19.8% increase, the S&P500 in the U.S. rose by 21.7%, and the pan-European Stoxx Europe 600 Index increased by 15.8%. The global MSCI World High Dividend Yield Index only saw a 5.6% increase in euro terms.

The volume of the Dividend Fund increased from 3.8 million euros to 5.5 million euros in 2023. The number of investors in the Fund also increased compared to last year, growing to approximately 900 investors.

In December, the fourth consecutive dividend payment was made to the investors of the D unit of the Trigon Dividend Fund. The payout was 1.04 euros per D unit, which gave a dividend yield of 7.3%. As a result, the NAV or net asset value of the D unit also decreased by the amount of the payout. The next payment will take place in December this year, i.e., distributions to D unit investors will be made once a year. No distributions will be made on the C unit and they will be reinvested on an ongoing basis.

In 2023, companies from Poland, Romania, Hungary, Slovenia, and Kazakhstan delivered the best returns within the fund's portfolio. Magyar Telekom, a Hungarian telecommunications company, stood out with the highest individual gain, achieving a return exceeding 125% in euros, including received dividends. Poland stood out as the most significant contributor among the countries, experiencing a robust rally, particularly after the parliamentary elections in October of the previous year when the populist Law and Justice party (PiS), in power for eight years, lost the majority in the parliament. Looking at sectors, the financial sector played a leading role, accounting for essentially half of the entire fund's performance in 2023.

As we enter the new year, we continue to feel comfortable with companies in the financial sector, who continue to benefit from high-interest rates and low loan defaults. In the second half of 2023, we gradually increased the share of high-interest bonds, reaching 18.8% of the portfolio by the end of December. For comparison, a year ago, the bond allocation in the Trigon Dividend Fund's portfolio was at 13.7%.

The net asset value of the Fund as at the end of December 2023 was 5.5 (31.12.2022: 3.8) million euros. The Fund has three different types of units. The value of the Fund's C unit was 26.802 (31.12.2022: 19.7523) euros, increasing by 35.7% during the year, the net asset value of the Fund's eQ unit (eQ Osinko) was 13.462 (31.12.2022: 9.5933) euros, increasing by 40.3% during the year. The net asset value of the Fund's D unit as of 31 December 2023 was 13.5079 (31.12.2022: 10.7415) euros, increasing by 25.8% per unit during the year. The return of the Fund's D unit differs from the return of the C unit by the amount distributed to unitholders.

As at the end of December 2023, shares and bonds accounted for 98.26% (31.12.2022: 94.4%) of the market value of the Fund's investments, the remaining part being cash in bank accounts, dividend receivables, and other receivables (transactions pending value date). In terms of the companies, as at 31 December 2023, the Fund's largest investments were Nova Ljubljanska Banka DD 5,45% and LHV AT1 bond 5.41% of the Fund's market value. The Fund's investments were distributed among 15 countries – companies in Estonia, Poland, Slovenia, Kazakhstan, Romania, Austria, Hungary, Lithuania, Germany, Finland, Cyprus, Turkey, America, Latvia and the Czech Republic.

Mihkel Välja
Fund Manager

Signatures of the Fund Management Company's Management Board to the Annual Report 2023

The Fund Management Company AS Trigon Asset Management has prepared Trigon Dividend Fund's annual report 2023, which includes the management report, financial statements, statement of investments and statement of transaction and commission fees.

/signed /

Mehis Raud
AS Trigon Asset Management
Member of the Management Board

Tallinn, April 18, 2024

FINANCIAL STATEMENTS

Statement of financial position

In euros

ASSETS	Note	31.12.2023	31.12.2022
Cash and cash equivalents		97,098	193,997
Financial assets at fair value through profit or loss	Note 6	5,496,138	3,597,327
Receivables and prepayments	Note 7	1,087	19,224
TOTAL ASSETS		5,594,323	3,810,548
LIABILITIES			
Other financial liabilities	Note 8	45,052	56,328
Fund's net assets attributable to holders of redeemable units	Note 10	5,549,271	3,754,220
TOTAL LIABILITIES		5,594,323	3,810,548

The notes on pages 11-26 are an integral part of the annual report.

Statement of comprehensive income

In euros

INCOME	Note	01.01-31.12.2023	01.01-31.12.2022
Interest income		63,811	54,301
Dividend income		240,836	202,588
Net profit/loss from financial assets at fair value through profit or loss	Note 9	1,384,582	-459,022
Net foreign currency gain/losses		-1,046	-3,034
TOTAL INCOME		1,688,183	-205,167
EXPENSES			
Management fee	Note 11	1,227	1,191
Performance fee		244,712	20,853
Depositary fee		24,186	23,519
Transaction costs		1,644	1,864
Other expenses		4,856	5,153
TOTAL EXPENSES		276,625	52,576
OPERATING PROFIT/LOSS		1,411,558	-257,743
Distributions to holders of redeemable units		130,606	92,601
FUND'S NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		1,280,952	-350,344

The notes on pages 11-26 are an integral part of the annual report.

Statement of changes in Fund's Net Asset Value

In euros

	01.01-31.12.2023	01.01-31.12.2022
Fund's net assets at the beginning of the reporting period	3,754,220	3,990,311
Proceeds from redeemable units issued	1,190,904	595,877
Redemption of redeemable units	-676,804	-481,624
Fund's net assets attributable to holders of redeemable units	1,280,951	-350,344
Fund's net assets at the end of the reporting period	5,549,271	3,754,220
Fund's Net Asset Value per unit at the end of the reporting period		
eQ Osinko	13.462	9.593
C unit	26.802	19.7523
D unit	13.5079	10.7415
Number of units outstanding	274,206.065	241,110.550
eQ Osinko	5,136.763	5,418.550
C unit	138,825.634	129,905.290
D unit	130,243.668	105,786.710

The notes on pages 11-26 are an integral part of the annual report.

Statement of cash flows

In euros

Cash flows from Fund's operating activities	01.01-31.12.2023	01.01-31.12.2022
Interest received	51,290	49,812
Dividends received	258,658	186,983
Proceeds from the sale of financial assets	2,370,264	1,688,456
Purchase of financial assets	-2,919,940	-1,956,143
Operating expenses paid	-241,760	-57,426
Total cash outflow from Fund's operating activities	-481,488	-88,318
Cash flows from Fund's financing activities		
Proceeds from redeemable units issued	1,190,516	595,178
Redemption of redeemable units	-675,321	-481,624
Distributions to holders of redeemable units	-130,606	-92,601
Total cash inflow from Fund's financing activities	384,589	20,953
Total cash flows	-96,899	-67,365
Change in cash and cash equivalents	-96,899	-67,365
Cash and cash equivalents at the beginning of the accounting period	193,997	261,362
Effect of exchange rate changes on cash and cash equivalents	0	0
Cash and cash equivalents at the end of the accounting period	97,098	193,997

The notes on pages 11-26 are an integral part of the annual report.

Notes to the financial statements 2023

NOTE 1. General information

Trigon Dividend 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 Supervision and Resolution Authority.

The objective of the Fund is the long-term capital growth of the Fund's unitholders assets, by investing its assets to different securities and other financial instruments while abiding the law and the investment limits set out in the Fund's rules.

NOTE 2. Basis of preparation

The financial statements of the Fund have been prepared in accordance with 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 considering 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. Material accounting policy information

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 Dividend 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 euros 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 losses in the statement of comprehensive income*.

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 depositary 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 a depositary 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)			31.12.2023	31.12.2022	
In euros					
Financial assets	Financial assets at amortised cost		Cash and cash equivalents	97,098	193,997
			Receivables and prepayments	1,087	19,224
	Financial assets at fair value through profit or loss	Mandatory measurement at fair value through profit or loss	Equities, fund units and debt securities	5,496,139	3,597,327
Financial liabilities	Financial liabilities at amortised cost		Other financial liabilities	45,052	56,328

Recognition and derecognition

Financial assets and liabilities are recognised initially when the 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 gain/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.

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 2023 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 midmarket 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. 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 gain/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. eQ units: 2.0% of the Fund's assets per annum;
- b. C units: 0.0% of the Fund's assets per annum;
- c. D units: 0.0% of the Fund's assets per annum.

The management fee is deducted daily from the Fund's assets and is 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 eQ, C and D units.

The Management Company has the right to receive a performance fee from the increase of the net asset value of the unit in case the net asset value of the unit exceeds the net asset value of the unit as of the end of the previous calendar year. The performance fee rate is no more than 15% of the net asset value increase. The performance fee is calculated daily based on the so-called high-water mark ("HWM") principle (after the performance fee is calculated for the first time in a calendar year, the additional performance fee is calculated during the same year only if the unit's net asset value has increased since the last performance fee calculation).

The Management Company has the right to receive a performance fee from the increase of the net asset value of eQ unit that exceeds the unit's highest historical end of month net asset value and the minimum rate of 3.5% per annum. The performance fee rate is 15% of the net asset value increase.

The performance fee is revalued daily based 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.

The purpose of the Management Company is to make distributions to the holders of D units every year. Payments are made at the expense of the net asset value of the D Unit based on the respective decision of the Management Company. The amount of the distribution is approved by the Management Board of the Management Company. The right to deviate from the above policy exists if, in the opinion of the Management Company, it may harm the interests of the unitholders. Payments to unitholders are not guaranteed.

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. Depository 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 depository bank in the month/quarter following the calculation.

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

Fund units

The Fund has three classes of units (hereinafter: "eQ", "C unit" and "D unit"). 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 under 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., 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's total net asset value by that class's 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 under the rules set out in legislation. The issuing of units is not restricted by time or volume.

As of April 6, 2009, no Class 1 units will be issued. C unit was launched on April 6, 2009, and the D unit was launched on June 19, 2020. Starting from February 28, 2020, Class 1 and Class 3 units were merged into C units.

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 eQ units, there is no issue fee. A unitholder shall bear the fee payable to the intermediary which is 1.0% of the subscription amount;
- b) for C units there is no issue fee;
- c) for D 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 eQ units, there is no redemption fee. The unitholder shall bear the intermediary's transaction cost of at least 0.5% of the deemed amount, but not less than 20 euro per transaction;
- b) for C units there is no redemption fee;
- c) for D 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 from 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 or after January 1, 2023, 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, 2022, are not expected to have a significant impact on the Fund.

New standards, interpretations, and their amendments

Certain new international financial reporting standards, amendments and interpretations of existing standards entered into force as of January 1, 2023 or become mandatory for the Company in later reporting periods. The standards that came into effect on January 1, 2023 did not have a significant impact on the Company, except for the amendment to IAS 1 in terms of accounting policies, which the Company adopted, which changed the content and title of Appendix 3 "Summary of significant accounting policies" by replacing it with the name "Material accounting policy information". The change was not accompanied by changes in the accounting principles themselves, they only affected the accounting principles disclosed in certain cases. The amendments to the standards, which will come into effect for reporting periods beginning on or after January 1, 2024, include amendments to the standard IAS 1 Presentation of Financial Statements. The Company estimates that the potential or actual impact of implementing these changes is not material.

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 consider 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 is the loss.

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

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 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 at 31.12.2022 and 31.12.2023, the Fund did not have exposures to 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 +/- 259,691 (2022: +/- 215,615) euros.

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

In euros as at
31.12.20223

	CZK	EUR	HUF	PLN	RON	TRY	USD	TOTAL
ASSETS								
Financial assets at fair value through profit or loss	74,120	2,899,228	398,408	862,641	542,166	114,560	605,015	5,496,138
Cash and cash equivalents	0	97,098	0	0	0	0	0	97,098
Receivables and prepayments	0	1,087	0	0	0	0	0	1,087
TOTAL ASSETS	74,120	2,997,413	398,408	862,641	542,166	114,560	605,015	5,594,323
LIABILITIES								
Other financial liabilities	0	45,052	0	0	0	0	0	45,052
Fund's net asset value (NAV)	0	5,549,271	0	0	0	0	0	5,549,271
Total liabilities	0	5 594 323	0	0	0	0	0	5,594,323
Open currency position	74,120	-2,596,910	398,408	862,641	542,166	114,560	605,015	

In euros as at
31.12.20222

	CZK	EUR	HUF	PLN	RON	USD	TOTAL
ASSETS							
Financial assets at fair value through profit or loss	197,247	1,555,359	394,169	585,399	416,297	448,856	3,597,327
Cash and cash equivalents	0	79,818	0	0	114,179	0	79,818
Receivables and prepayments	0	19,224	0	0	0	0	1,087
TOTAL ASSETS	197,247	1,654,401	394,169	585,399	530,476	448,856	3,810,548

LIABILITIES

Other financial liabilities	0	56,328	0	0	0	0	56,328
Fund's net asset value (NAV)	0	3,754,220	0	0	0	0	3,754,220
Total liabilities	0	3,810,548	0	0	0	0	3,810,548
Open currency position	197,247	-2,156,146	394,169	585,399	530,476	448,856	

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 issuer or the overall equity market conditions which often affects all shares traded on the stock markets.

The Fund's investments at 31.12.2023 and 31.12.2022 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	31.12.2023	31.12.2022
Change +/- 10%		
Equity securities	+/- 444,360	+/- 307,497

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 countries:

Country	31.12.2023	31.12.2022
Estonia	17.75%	13.12%
Poland	15.42%	15.59%
Slovenia	12.88%	16.21%
Kazakhstan	8.99%	11.96%
Romania	7.99%	9.26%
Austria	7.82%	5.86%
Hungary	7.12%	10.50%
Lithuania	6.02%	0%
Germany	3.20%	0%
Finland	2.34%	0%
Cyprus	2.06%	1.83%
Turkey	2.05%	0%
America	1.83%	0%
Latvia	1.46%	4.78%
Czech Republic	1.33%	5.25%
Cash	1.74%	5.64%

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

Industry	31.12.2023	31.12.2022
Finance	31.42%	33.73%
Consumer discretionary and staples	19.62%	16.03%
Bonds	18.82%	13.70%
IT	7.00%	7.65%
Energy	5.84%	7.97%
Utilities	4.64%	0.00%
Materials	3.13%	3.58%
Real Estate	2.68%	0.84%
Telecommunication	2.67%	6.44%
Industrial	2.44%	3.41%
Health Care	0.00%	1.01%
Cash	1.74%	5.64%

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

In euros	31.12.2023	31.12.2022
Securities listed on regulated markets		
Equity investments	4,443,603	3,074,965
Debt securities	1,052,536	522,362
Total	5,496,138	3,597,327

The Management Company monitors investment restrictions set by Investment Funds Act, Fund Rules and internally set limits daily. 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. Most of the interest rate risk arises from debt securities, the Fund invests mainly in fixed interest rate bonds. According to the Fund Manager, changes in interest rates do not significantly affect the fair value of the Fund's debt securities and thus the impact of interest rate risk on the Fund 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 depositary 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 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 because 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 to 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 unitholders 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 31.12.2023	1-3 banking days	4-5 banking days	More than 5 banking days
Equities, fund investments and debt securities	5,303,686	49,831	142,621
Cash and cash equivalents	97,098	0	0
Receivables and prepayments	1,087	0	0
Total	5,401,871	49,831	142,621
In euros as at 31.12.2022	1-3 banking days	4-5 banking days	More than 5 banking days
Equities, fund investments and debt securities	3,142,187	69,650	385,490
Cash and cash equivalents	193,997	0	0
Receivables and prepayments	19,224	0	0
Total	3,355,408	69,650	385,490

A list of Fund's assets for which the total realisation of the position in the Fund will take more than 5 banking days (assuming that the Fund can take up to 50% of daily traded volume):

In euros as at 31.12.2023

Name	Total market value	Sellable in 1 day in case of regular transactions
SILVANO FASHIO-A	62,150	9.2%
NOVATURAS AB	102,600	11.3%

In euros as at 31.12.2022

Name	Total market value	Sellable in 1 day in case of regular transactions
GLOBALWORTH REAL	31,955	4.7%
SPHERA FRANCHISE	151,466	6.0%
SILVANO FASHIO-A	61,600	9.8%
TELEKOM SLOVEN	156,374	10.1%
POZAVAROVALNICA	106,870	19.4%

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 31.12.2023	Less than 5 banking days	5 banking days to 1 month	1-3 months	TOTAL
Payables to Management Company	39,172	0	0	39,172
Payables to depository bank	0	1,632	0	1,632
Payables to unitholders	1,483	0	0	1,483
Other liabilities	0	2,765	0	2,765
Fund's net assets attributable to holders of redeemable units	0	277,463	5,271,808	5,549,271
Total	40,655	281,860	5,571,808	5,594,323

In euros as at 31.12.2022	Less than 5 banking days	5 banking days to 1 month	1-3 months	TOTAL
Payables to Management Company	87	0	0	87
Payables to depository bank	0	2,110	0	2,110
Other liabilities	0	54,130	0	54,130
Fund's net assets attributable to holders of redeemable units	0	187,712	3,566,509	3,754,221
Total	87	243,952	3,566,509	3,810,548

The Fund Manager monitors daily the Fund's liquidity and ensures that there are enough monetary assets to fulfil Fund's liabilities. As at 31.12.2023 and 31.12.2022, Fund's liquid 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 market.

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 31.12.2023

	Level 1	Level 2	Level 3	Total
Equity investments	4,443,602	0	0	4,443,602
Debt securities	579,239	473,297	0	1,052,536
Total	5,022,842	473,297	0	5,496,138

In euros as at 31.12.2022

	Level 1	Level 2	Level 3	Total
Equity investments	3,074,965	0	0	3,074,965
Debt securities	179,493	342,869	0	522,362
Total	3,254,458	342,869	0	3,597,327

The fair value of the assets recognised 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

	31.12.2023	31.12.2022
Equities and fund investments	4,443,602	3,074,965
Debt securities	1,052,536	522,362
Total	5,496,138	3,597,327

NOTE 7. Receivables and prepayments

In euros

	31.12.2023	31.12.2022
Dividends receivable	0	18,525
Balances due from subscription of units	1,087	699
Total	1,087	19,224

NOTE 8. Other financial liabilities

In euros

	31.12.2023	31.12.2022
Payables to Management Company	39,172	87
Payables to the depositary bank	1,632	2,110
Payables on withdrawn units	1,483	0
Other liabilities	2,765	54,131
Total	45,052	56,328

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

In euros

	<u>01.01-31.12.2023</u>	<u>01.01-31.12.2022</u>
Equities and fund investments		
Realised gain/loss	289,610	209,984
Unrealised gain	1,064,731	-645,077
Debt securities		
Realised gain/loss	396	-6,250
Unrealised gain/loss	29,844	-17,679
Total	1,384,581	-459,023

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	eQ unit	Class 3	C unit	D unit
31.12.2005	44,494,045	6.9696	10.9142	-	-	-
31.12.2006	71,018,558	8.6818	13.7129	7.1437	-	-
31.12.2007	48,732,938	8.9077	14.0283	7.4606	-	-
31.12.2008	6,698,515	3.0858	4.8597	2.6090	-	-
31.12.2009	9,565,935	4.5339	7.1406	3.8630	15.1348	-
31.12.2010	9,076,134	4.9734	7.8334	4.2701	16.1897	-
31.12.2011	1,682,060	3.3231	5.2357	2.8752	10.8160	-
31.12.2012	1,844,385	3.9637	6.2453	3.4559	12.9015	-
31.12.2013	1,678,240	4.2876	6.7556	3.7711	13.9560	-
31.12.2014	1,898,184	4.4026	6.9369	3.9018	14.3282	-
31.12.2015	1,577,876	5.0770	7.9998	4.5337	16.5231	-
31.12.2016	1,754,991	5.8637	9.2393	5.2769	19.0818	-
31.12.2017	2,936,753	6.7491	10.6344	6.1083	21.9627	-
31.12.2018	1,123,523	5.2630	8.2928	4.8264	17.1276	-
31.12.2019	318,315	5.2484	8.2712	-	17.0984	-
31.12.2020	1,623,624	-	7.9394	-	16.5043	10.4453
31.12.2021	3,990,312	-	10.3741	-	21.0412	12.3734
31.12.2022	3,754,220	-	9.5933	-	19.7523	10.7415
31.12.2023	5,549,271	-	13.4617	-	26.8020	13.5079

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's ultimate beneficiaries and members of the Management Board.

Trigon Dividend Fund paid to the Fund Management Company management fees during the period 01.01-31.12.2023 in a total amount of 1,227 (01.01-31.12.2022: 1,192) euros and performance fees in a total amount of 244,712 (01.01-31.12.2022: 20,583) euros. As at 31.12.2023, the amount owed to Fund Management Company was 39,172 (31.12.2022: 87) euros. No transactions with other funds managed by AS Trigon Asset Management were made in 2023 and 2022.

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 directly 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 and financial situation 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 9 (2022: 9). The total amount of fixed salary (incl. taxes) paid to employees was 474,593 (2022: 491,887) euros. In the reporting period, the remuneration (incl. taxes) for the members of the management board has been in the amount of 146,785 euros (2022: 146,785 euros). Members of the Supervisory Board have not been paid for their participation in the Supervisory Board .

NOTE 13. Contingent assets

Petition for determining the amount of fair compensation petition to the shareholders of AS Olympic Entertainment Group (hereinafter OEG). This is a class action in which the court involves all minority OEG shareholders whose shares were acquired as a result of a mandatory takeover offer (squeeze out) in October 2021. The Management Company AS Trigon Asset Management also represents its' funds in this legal proceeding.

The general meeting of AS Olympic Entertainment Group approved the takeover of OEG shares belonging to minority shareholders by AS Odyssey Europe for financial compensation of EUR 1.40 per share. The petition accepted by the court on 05.02.2021 has been submitted for the protection of minority shareholders' rights and to receive fair compensation for the OEG shares. Petitioners, including AS Trigon Asset Management, believe that a value of EUR 1.40 per share is unjustified and too low. No negative financial impact on the Fund is expected. However, if the application is ultimately satisfied and the court decides to determine higher compensation, OEG will presumably also be obligated to reimburse all the procedural expenses of the petitioners, and such court decision will have a positive effect on the Fund's results. Immediately before the squeeze out Trigon Dividend Fund held 86,044 shares of OEG.



Independent Auditor's Report

To the unitholders of Trigon Dividend Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Trigon Dividend Fund (the "Fund") managed by Aktsiaselts Trigon Asset Management (the "Management Company") as at 31 December 2023, 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 2023;
- 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 flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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.

Other information

The Management Company's Management Board is responsible for the other information. The other information comprises the Short Description and Contact Details of Trigon Dividend Fund, the Management Report, Signatures of the Fund Management Company's Management Board to the Annual Report 2023, 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).

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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.



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.

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.

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.

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.

Translation note:

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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

Lauri Past
Auditor's certificate no. 567

Liina Nöörlaid
Auditor's certificate no. 686

18 April 2024
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.

01.01-31.12.2023

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average fee
<i>Securities traded on regulated markets</i>				
Pekao Investment Banking S.A.	24	1,330,498	2 392	0.17%
Erste Group Bank AG	8	882,494	1 025	0.11%
AS Swedbank	12	726,198	549	0.11%
AS LHV PANK	9	623,824	759	0.12%
Swiss Capital S.A.	5	518,984	1 040	0.20%
Concorde Értékpapír Zrt.	7	400,642	601	0.15%
Wood & Company Financial Services A.S.	5	256,567	215	0.09%
InterKapital Vrijednosni Papiri	4	195,335	391	0,20%
Raiffeisen Centrobank	2	74,000	74	0.10%
Ak Yatirim Menkul Degerler A.S.	2	51,908	78	0.15%
Santander Bank	1	36,165	72	0.20%
Total	79	5,096,615	7,196	0.14%

Additionally, transaction costs in the amount of 1,644 euros were paid to Swedbank AS, which was 0.03% of the total transactions volume.

01.01-31.12.2022

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average fee
<i>Securities traded on regulated markets</i>				
AS LHV PANK	11	551,244	319	0.13%
Raiffeisen Centrobank	12	508,071	563	0.11%
Erste Group Bank AG	7	480,301	662	0.12%
Pekao Investment Banking S.A.	8	434,116	694	0.16%
Concorde Értékpapír Zrt.	8	386,240	549	0.14%
Swiss Capital S.A.	6	376,515	753	0.20%
AS Swedbank	10	307,112	439	0.13%
InterKapital Vrijednosni Papiri	8	304,539	625	0,21%
Ak Yatirim Menkul Degerler A.S.	4	209,283	314	0,15%
AS SEB Pank	5	153,791	206	0,12%
Total	79	3,711,211	5,124	0.15%

Additionally, transaction costs in the amount of 1,864 euros were paid to Swedbank AS, which was 0.05% of the total transactions volume.

STATEMENT OF INVESTMENTS

In euros as at 31.12.2023

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
EQUITIES											
LISTED ON REGULATED MARKETS:											
ALLAMI NYOMDA NYRT		HU	HU0000093257	98.00	HUF	20,000	4.49	89,898	6.46	129,156	2.33%
ATAL SA		PL	PLATAL000046	0.00	PLN	7,000	11.91	83,343	12.86	90,005	1.62%
BANK HANDLOWY WARSZAWIE SA		PL	PLBH00000012	4.00	PLN	2,700	12.14	32,783	23.28	62,861	1.13%
BANK POLSKA KASA OPIEKE		PL	PLPEKAO00016	1.00	PLN	5,500	22.30	122,638	34.91	192,013	3.46%
FORTUM OYJ		FI	FI0009007132	3.40	EUR	10,000	11.10	111,018	13.09	130,850	2.36%
GLOBALWORTH REAL ESTATE INVEST		GG	GG00B979FD04	0.00	EUR	7,700	5.44	41,882	2.59	19,943	0.36%
GRUPA KETY SA		PL	PLKETY000011	1.00	PLN	600	104.38	62,628	171.06	102,634	1.85%
HALYK SAVINGS BANK OF KAZAKHST		KZ	US46627J3023	0.00	USD	17,466	10.50	183,307	13.73	239,885	4.32%
JASTRZEBSKA SPOLKA WEGLOWA SA		PL	PLJSW0000015	5.00	PLN	7,500	10.67	79,991	9.65	72,377	1.30%
JSC KASPI.KZ		KZ	US48581R2058	0.00	USD	3,150	55.07	173,478	83.35	262,548	4.73%
KOMERCNI BANKA		CZ	CZ0008019106	100.00	CZK	2,530	24.28	61,439	29.30	74,120	1.34%
LHV GROUP AS		EE	EE3100102203	0.10	EUR	29,700	3.60	106,917	3.50	103,802	1.87%
MAGYAR TELECOM LTD		HU	HU0000073507	100.00	HUF	33,000	1.07	35,362	1.77	58,369	1.05%
MAVI GIYIM SANAYI VE TICARET		TR	TREMAVI00037	1.00	TRY	32,000	2.49	79,742	3.58	114,560	2.06%
MOL HUNGARIAN OIL AND GAS PLC		HU	HU0000153937	125.00	HUF	12,000	7.04	84,531	7.33	87,951	1.58%
MURAPOL SA		PL	PLMURPL00190	0.00	PLN	4,750	7.63	36,243	8.47	40,244	0.73%
NORILSK NICKEL		RU	RU0007288411	0.00	USD	214	276.83	59,241	0.00	0	0.00%
NOVA LJUBLJANSKA BANKA DD		SI	US66980N2036	0.00	EUR	18,000	12.13	218,264	16.95	305,100	5.50%
NOVATURAS PVA		LT	LT0000131872	0.00	EUR	30,000	3.30	99,149	3.42	102,600	1.85%
OMV AG		AT	AT0000743059	0.00	EUR	2,907	43.40	126,163	39.77	115,611	2.08%
OMV PETROM SA		RO	ROSNPPACNOR9	0.10	RON	1,065,155	0.09	93,202	0.12	122,957	2.22%
OTP ES KERESKEDELMI BANK NYRT		HU	HU0000061726	100.00	HUF	3,000	23.43	70,299	40.98	122,932	2.22%
POWSZECHNY ZAKLAD UBEZPIECZEN		PL	PLPZU0000011	0.10	PLN	10,000	4.96	49,611	10.85	108,534	1.96%
POZAVAROVALNICA SAVA DD		SI	SI0021110513	0.00	EUR	4,771	19.98	95,317	28.00	133,588	2.41%
PURCARI WINERIES PLC		CY	CY0107600716	0.00	RON	40,000	2.07	82,645	2.88	115,255	2.08%
RAIFFEISEN BANK INTERNATIONAL		AT	AT0000606306	0.00	EUR	12,000	13.42	161,037	18.67	224,040	4.04%
S.P.E.E.H. HIDROELECTRICA S.A.		RO	RO4Q0Z5RO1B6	10.00	RON	5,000	21.01	105,061	25.72	128,597	2.32%
SILVANO FASHION GROUP AS		EE	EE3100001751	0.20	EUR	55,000	1.88	103,317	1.13	62,150	1.12%
SPHERA FRANCHISE GROUP SA		RO	ROSGPACNOR4	0.00	RON	33,958	3.11	105,709	5.16	175,358	3.16%
STALEXPORT SA		PL	PLSTLEX00019	2.00	PLN	52,974	0.69	36,351	0.73	38,679	0.70%
STRABAG SE		AT	AT0000A36HH9	0.00	EUR	2,365	40.84	96,588	41.40	97,911	1.76%
TALLINK GRUPP AS		EE	EE3100004466	0.54	EUR	280,000	0.61	170,088	0.69	193,200	3.48%
TELEKOM SLOVENIJE DD		SI	SI0031104290	0.00	EUR	1,500	61.31	91,969	60.50	90,750	1.64%
TOYA SA		PL	PLTOYA000011	0.10	PLN	81,000	1.33	107,636	1.92	155,294	2.80%
VOLKSWAGEN AG		DE	DE0007664039	0.00	EUR	1,600	128.90	206,244	111.80	178,880	3.22%
ZAVAROVALNICA TRIGLAV DD		SI	SI0021111651	0.00	EUR	5,500	30.60	168,319	34.70	190,850	3.44%
TOTAL EQUITIES								3,631,412		4,443,602	80.08%

Name/Due date	Rating (S&P)	Country	ISIN-code	Nominal value	Coupon rate	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
DEBT SECURITIES												
ARCO VARA AS		EE	EE3300003003	10,000.00	10.00%	EUR	40,000.00	100.00	40,000	100.00	40,178	0.72%
BIGBANK AS		EE	EE3300003284	10,000.00	12.00%	EUR	30,000.00	100.00	30,000	100.00	30,140	0.54%
BIGBANK AS		EE	EE3300003052	1,000.00	7.33%	EUR	39,000.00	100.00	39,000	104.45	41,108	0.74%
COOP PANK		EE	EE3300003649	100,000.00	12.00%	EUR	100,000.00	100.00	100,000	100.00	100,367	1.81%
CROSSCHEM SIA		LV	LV0000860047	1,000.00	11.13%	EUR	84,000.00	100.00	84,000	96.50	81,926	1.48%
INBANK AS		EE	EE3300003714	1,000.00	7.39%	EUR	14,000.00	100.00	14,000	111.25	15,631	0.28%
LHV GROUP AS		EE	EE3300001668	100,000.00	9.50%	EUR	300,000.00	100.00	300,000	100.00	302,613	5.45%
LHV GROUP AS		EE	XS2693753704	1,000.00	8.17%	EUR	100,000.00	100.35	100,351	101.75	103,830	1.87%
SIAULIU BANKAS AB		LT	LT0000407751	1,000.00	8.89%	EUR	200,000.00	100.00	200,000	111.50	234,161	4.22%
GOVERNMENT OF US OF AMERICA		US	US912810TV08	100.00	4.02%	USD	100,000.00	103.43	103,427	102.59	102,582	1.85%
TOTAL DEBT SECURITIES									1,010,779		1,052,536	18.97%
TOTAL SECURITIES									4,642,191		5,496,138	99.04%
CASH												
BANK ACCOUNT											97,098	1.75%
INVESTMENTS TOTAL									4,642,191		5,593,236	100.79%
OTHER ASSETS												
SUBSCRIPTION OF UNITS											1,087	0.02%
TOTAL OTHER ASSETS											1,087	0.02%
TOTAL FUND ASSETS									4,642,191		5,594,323	100.81%
NET ASSET VALUE											5,549,271	100.00%

In euros as at 31.12.2022

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
EQUITIES											
LISTED ON REGULATED MARKETS:											
ALLAMI NYOMDA NYRT COM STOCK		HU	HU0000093257	98.00	HUF	9,278	4.37	40,570	3.75	34,833	0.93%
BANCA TRANSILVANIA SA (RON)		RO	ROTLVAACNOR1	1.00	RON	26,236	4.66	122,164	4.03	105,687	2.82%
BANK HANDLOWY W WARSZAWIE		PL	PLBH00000012	4.00	PLN	8,162	12.36	100,867	16.12	131,544	3.50%
CAPITEA SA		PL	PLGTBCK00297	0.00	PLN	70,000	1.76	122,901	0.00	0	0.00%
GLOBALWORTH REAL ESTATE INVEST		GG	GG00B979FD04	0.00	EUR	7,700	5.44	41,882	4.15	31,955	0.85%
GRUPA KETY SA		PL	PLKETY000011	1.00	PLN	1,400	112.85	157,991	97.42	136,395	3.63%
HALYK - ADR		KZ	US46627J3023	0.00	USD	18,525	10.48	194,233	10.37	192,068	5.12%
JSC KASPI.KZ GDR-REG S		KZ	US48581R2058	0.00	USD	3,845	61.18	235,245	66.79	256,788	6.84%
KOMERCNI BANKA		CZ	CZ0008019106	100.00	CZK	2,530	24.28	61,439	27.10	68,568	1.83%
KRKA		SI	SI0031102120	0.00	EUR	420	88.98	37,371	92.00	38,640	1.03%
MAGYAR TELEKOM RT		HU	HU0000073507	100.00	HUF	104,987	1.10	115,679	0.85	89,079	2.37%
MOL HUNGARIAN OIL AND GAS PLC		HU	HU0000153937	125.00	HUF	14,300	6.09	87,088	6.51	93,129	2.48%
NORILSK NICKEL MMC		RU	RU0007288411	0.00	USD	214	276.83	59,241	0.00	0	0.00%
NOVA LJUBLJANSKA BANKA GDR		SI	US66980N2036	0.00	EUR	13,700	11.38	155,877	12.65	173,305	4.62%
OMV AG		AT	AT0000743059	0.00	EUR	2,500	44.02	110,051	48.10	120,250	3.20%
OMV PETROM SA (RON)		RO	ROSNPACNOR9	0.10	RON	1,065,155	0.09	93,202	0.08	90,468	2.41%
OTP BANK SHARE		HU	HU0000061726	100.00	HUF	7,000	25.98	181,891	25.30	177,129	4.72%
PHILIP MORRIS CR		CZ	CS0008418869	1,000.00	CZK	186	566.88	105,439	691.82	128,679	3.43%
PKO BANK POLSKI		PL	PLPKO0000016	1.00	PLN	11,150	6.91	76,997	6.46	71,999	1.92%
POWSZECHNY ZAKLAD UBEZP SHARE		PL	PLPZU0000011	0.10	PLN	16,600	5.21	86,551	7.55	125,346	3.34%
POZAVAROVALNICA SAVA DD		SI	SI0021110513	0.00	EUR	4,771	19.98	95,317	22.40	106,870	2.85%
PURCARI WINERIES PLC		CY	CY0107600716	0.00	RON	40,000	2.07	82,645	1.72	68,675	1.83%
SILVANO FASHION GROUP A-AKTSIA		EE	EE3100001751	0.20	EUR	55,000	1.88	103,317	1.12	61,600	1.64%
SPHERA FRANCHISE GROUP SA		RO	ROSFGPACNOR4	0.00	RON	53,500	3.26	174,488	2.83	151,466	4.03%
STALEXPORT SA		PL	PLSTLEX00019	2.00	PLN	52,974	0.69	36,351	0.57	30,322	0.81%
STRABAG SE		AT	AT0000000STR1	0.00	EUR	2,549	36.69	93,534	39.10	99,666	2.65%
TELEKOM SLOVENIJE DD		SI	SI0031104290	0.00	EUR	3,313	56.67	187,742	47.20	156,374	4.17%
TOYA SA		PL	PLTOYA000011	0.10	PLN	81,000	1.33	107,636	1.11	89,793	2.39%
VOLKSWAGEN AG-PREFERRED		DE	DE0007664039	0.00	EUR	954	147.47	140,689	116.42	111,065	2.96%
ZAVAROVALNICA TRIGLAV DD		SI	SI0021111651	0.00	EUR	3,863	30.83	119,111	34.50	133,274	3.55%
TOTAL EQUITIES								3,327,506		3,074,965	81.91%

Name/Due date	Rating (S&P)	Country	ISIN-code	Nominal value	Coupon rate	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
DEBT SECURITIES												
ARCO VARA/13.12.2022		EE	EE330001957	10,000.00	10.000%	EUR	40,000.00	100.00	40,000	100.00	40,178	1.07%
CROSSCHEM/04.11.2024		LV	LV0000860047	1,000.00	6.750%	EUR	184,000.00	100.00	184,000	96.50	179,492	4.78%
LHV GROUP 9.5% ADD TIER/-		EE	EE3300001668	100,000.00	9.500%	EUR	300,000.00	100.00	300,000	100.00	302,692	8.06%
TOTAL DEBT SECURITIES									524,000		522,361	13.91%
TOTAL SECURITIES									3,851,506		3,597,327	95.82%
CASH												
BANK ACCOUNT											193,997	5.17%
INVESTMENTS TOTAL									4,045,504		3,791,324	100.99%
OTHER ASSETS												
DIVIDENDS RECEIVABLE											18,525	0.49%
SUBSCRIPTION OF UNITS											699	0.02%
TOTAL OTHER ASSETS											19,224	0.51%
TOTAL FUND ASSETS									4,045,504		3,810,548	101.50%
NET ASSETS VALUE											3,754,220	100.00%