

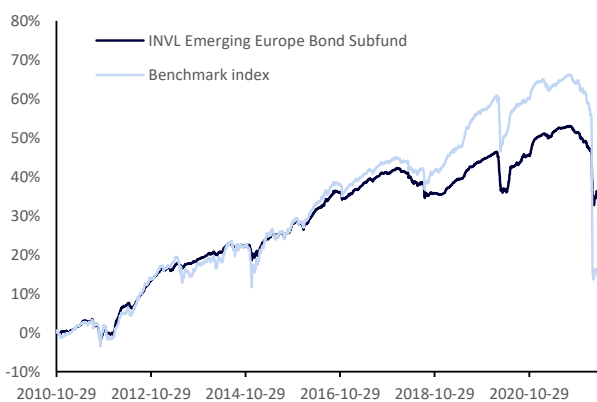
STRATEGY

The objective of the subfund is to ensure balanced growth of the assets of the subfund by investing at least 85 percent of its net assets in the investment units of Class I of the subfund INVL Emerging Europe Bond Fund (hereinafter – the Master Subfund) of the umbrella investment fund INVL Fund intended for institutional investors established in the Grand Duchy of Luxembourg. This way, the subfund will operate as a feeder subfund. In its turn, the Master Subfund invests up to 100 percent of its assets in government and corporate debt securities in Emerging Europe. Recommended investment term – minimum 1 - 2 years.

FACTS

Management company	INVL Asset Management
ISIN code	LTIF00000468
Inception date	2010-10-29
Minimum investment	EUR 0
AUM, EUR M	8,0
Strategy AUM, EUR M	198
Management fee	0,45%
Currency	EUR
Countries of distribution	Lithuania, Latvia, Denmark, Finland, Norway, Germany

For more information on the fund (prospectus, benchmark, results) please click on the link below:
<https://www.invl.com/en/investment/mutual-funds/invl-emerging-europe-bond-subfund/fund-information/>

RESULTS


	Fund	Benchmark ***
Return YTD	-9,9%	-30,9%
Return 1Y	-11,2%	-31,6%
Return 3Y	-3,7%	-24,3%
3 year annualized return	-1,2%	-8,9%
5 year annualized return	-0,6%	-4,5%
Volatility (St. deviation)*	2,3%	5,7%
Duration	2,5	
YTM	4,6%	
Sharpe ratio**	1,1	0,2

FUND MANAGER COMMENT

April was another difficult month for bond and equity markets - INVL Emerging Europe bond subfund's value decreased further by 1% but managed to significantly outperform the benchmark once again which printed an even larger loss of 3.5%. Continued conflict in Ukraine and its implications on various commodity markets, tough lockdowns in China and supply chain concerns, raging global inflation and extended prospects of aggressive central banks' tightening cycles both in emerging and developed markets have all weighed on sentiment and kept investors on their toes. In terms of developed bond market price movements, investors' perception that central banks are late to the tightening party and will have to be less accommodating, resulted in both US and euro yield curves seeing parallel shifts up. Emerging central banks have been ahead for a while now and continued to raise interest rates – countries like Hungary (+100 bps), Poland (+100 bps) and Romania (+50 bps) have all hiked interest rates in hope to tame inflation expectations. Bond yields are now catching up with long-term inflation expectations, so might justifiably be a buying opportunity.

Continued fund's outperformance was a result of higher cash position and focus on shorter duration and high-quality corporate bonds which performed better than long sovereign issues. Such positioning offered better downside protection which has materialized. Among fund's positions, Kernel (company has announced that so far, no material fixed asset destruction was recorded, and that the company is proceeding with the seeding cycle), Georgia Capital and Bank of Georgia (both very short duration bonds) were the top performers. On the other hand, Bulgaria Energy (russia halted gas supply to Poland and Bulgaria which refused to pay for it in rubles. Nevertheless, the company's business lines are quite diversified and gas division has already become much less dependent on russian gas in recent months) and Romanian sovereign bonds were the worst performers. No material trades were done over the month, just minor repositioning when Turkish sovereign bonds were partially sold. The fund continues to keep lower duration at around 2.5 years while maintaining YTM after hedge at 4.6% and positioning itself by being exposed towards high quality corporates.

*Standard deviation is used to measure risk. Standard deviation is an indicator that measures how strongly fund's daily return deviates from its mean. The lower the standard deviation the lower the fund's risk. The standard deviation value corresponds to the period shown in the historical returns graph.

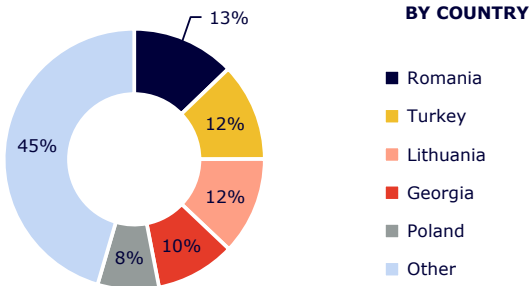
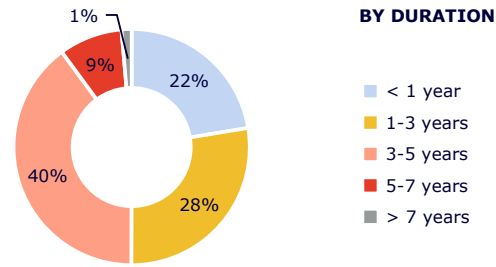
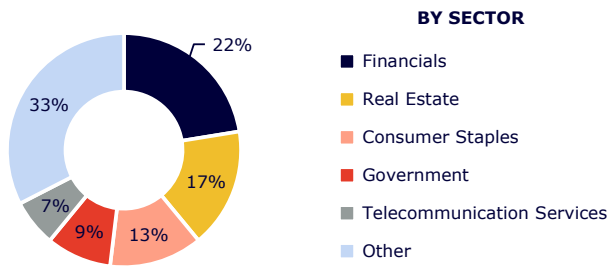
**Sharpe ratio measures the performance of an investment compared to a risk-free asset, after adjusting for its risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance. Sharpe ratio value corresponds to the period shown in the historical returns graph.

***Benchmark index:

50% JP Morgan Euro Emerging Markets Bond Index (EMBI) Global Diversified Europe (JPEFEUR Index)

40% Bloomberg Pan-European High Yield (Euro) TR Index (I02501EU Index)

10% European Central Bank ESTR OIS Index (OISESTR Index)

BREAKDOWN OF INVESTMENTS

TOP 10 PORTFOLIO HOLDINGS

AKRPLS 2 7/8 06/02/26	Real Estate	8,6%
MSPSJ 4 1/4 05/19/26	Real Estate	6,2%
SNSPW 2 1/2 06/07/28	Materials	4,4%
ACKAF 3 05/27/26	Consumer Discretionary	4,1%
TURKTI 6 7/8 02/28/25	Telecommunication Services	4,0%
ULKER 6.95 10/30/25	Consumer Staples	4,0%
TBCBGE 5 3/4 06/19/24	Financials	3,8%
Citadele banka EO-FLR Preferred Nts 21(25/26)	Financials	3,7%
MAXGPE 3.25 09/13/23	Consumer Staples	3,5%
ROMANI 2 3/4 02/26/26	Government	3,4%

The Fund does not invest and does not have exposure to Russian and Belarusian bonds

REASONS TO INVEST

- Combination of only hard currency (EUR or USD) sovereign and corporate debt ensures attractive yield, while limited credit and duration risk provides for low volatility.
- Fund maintains average investment grade credit rating. Lower government debt levels – Central and Eastern Europe 53%, Eurozone 98% (as of the end of Q3 2021).
- Active share of over 80% (creating value through off-benchmark picks, participation in primary issues, inefficiencies in the market).
- Historical Sharpe ratio exceeding 1.5 places the fund among the best Emerging Markets bond funds in the world by risk-adjusted returns.

COMPANY	CONTACT
<p>INVL Asset Management is a boutique asset management company that offers a range of CEE-focused investment products since 2004. Team of ten portfolio managers, based in Vilnius, Lithuania (headquarters) and Riga, Latvia, use primarily fundamental value, bottom up approach and manage over 1 billion EUR in assets. Being nimble and highly competitive, INVL funds consistently rank high in international rankings. We adhere to the UN Principles for Responsible Investment (PRI) and are supervised by the Central bank of Lithuania.</p>	<p>INVL Asset Management Gyneju 14, 01109 Vilnius, Lithuania +370 686 15273 tomas.dacys@invl.com http://www.invl.com</p>

Performance presented in the factsheet represents only fund's past performance results, which is no guarantee for future results. Investment return and principal value will fluctuate, so your investments may have a gain or loss. Current today's performance may be higher or lower than that quoted in the factsheet. The Management Company does not guarantee fund's performance results or ensure profit against loss. Please visit www.invl.com for most recent month-end performance. Before investing, please consider the funds' investment objectives, risks, and fees applied. To obtain more information about the fund, please visit www.invl.com, where you can find fund's key facts, NAV's, Rules, Prospectus and KIID which contain this and other important information. All funds presented in the factsheet has benchmark. Benchmark indexes and their composition is selected to more accurately reflect the fund's investment strategy, defined in fund Rules and Prospectus.

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Breakdown of top holdings and investment characteristics is based on a look-through approach using feeder fund's investment into master fund.