

STRATEGY

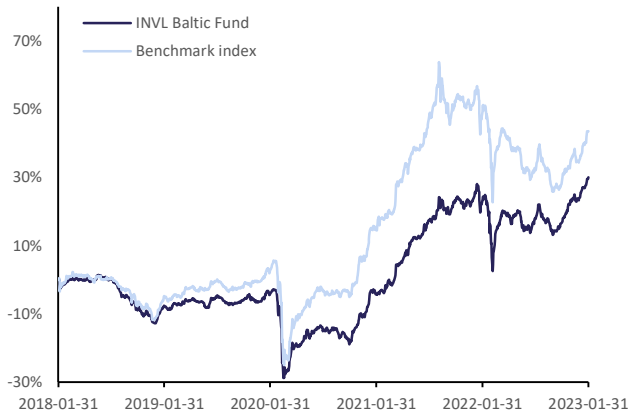
INVL Baltic Fund is investing into shares of companies listed on Baltic Stock Exchange or enterprises actively operating in the Baltic States. The fund is striving for maximum return by assuming high risk level. The fund focuses on long-term investments by identifying attractive economic sectors and picking undervalued companies.

Recommended investment period – more than 5 years.

FACTS

Management company	INVL Asset Management
ISIN code	LTIF00000096
Inception date	2005-12-15
Minimum investment	EUR 0
AUM, EUR M	10,5
Management fee	2%
Subscription fee	2%
Currency	EUR
Countries of distribution	Lithuania, Latvia, Sweden, 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-baltic-fund/fund-information/>

RESULTS


	Fund	Benchmark ***
Return YTD	5,0%	6,4%
Return 1Y	5,5%	-3,8%
Return 3Y	35,8%	39,7%
3 year annualized return	10,7%	11,8%
5 year annualized return	5,4%	7,5%
Volatility (St. deviation)*	11,4%	12,7%
Sharpe ratio**	0,5	0,6

FUND MANAGER COMMENT

Markets had a very strong start of the year. Developed Markets equities gained 7.56% and outperformed Emerging equities, which climbed 6.6%. In Europe mild winter put down oil and natural gas prices what caused lower inflation, while deep recession fears fell off. Meanwhile, euro area PMIs improved the third straight month and surpassed 50 points level signaling a significant improvement in sentiment. All in all, Western Europe equities printed 8.1% gain and Emerging Europe Equities jumped 6.8%.

Nasdaq OMX Baltic Capped index was in line with Emerging Europe and the Fund's units went up 5.0%. Our largest position Linas Agro Group jumped 12.3% and was followed by Vienna Insurance Group (+11.6%) and Swedbank (+10.9%). However, both Estonian banks performed even better and caused the major share of Fund's underperformance against the Benchmark index (Coop Bank +18.0%, LHV Group +17.3%).

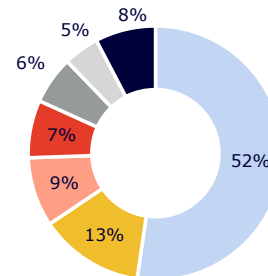
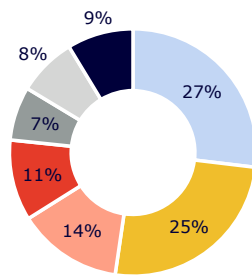
So far 7 Baltic companies reported Q4 2022 results: Merko Ehitus surprised positively, Telia Lietuva – negatively and all remaining have met our expectations. Companies have to report preliminary results till the end of the February, so big flow is expected in the upcoming few weeks. Bearing in mind the fact, that Baltic market is pretty much driven by the retail investors, the dividends factor is becoming very important. We expect significantly higher dividend yields of the financial sector companies which are in the Fund's portfolio compared to Estonian names we underweight; thus some relative outperformance is plausible. We fixed partial profits in names which increased very rapidly, namely, PZU and Siauliui bank and used cash received to increase the weight of high dividends paying names: Ignitis Group, Tallinna Kaubamaja and Enefit Green. At the end of December the weighted P/E of profitable companies stocks in the fund's portfolio was 8.1 and dividend yield 4.7%.

**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 since the inception date.*

****Benchmark index:*

100% OMX Baltic Benchmark Capped Gross Index.

BREAKDOWN OF INVESTMENTS

TOP 10 PORTFOLIO HOLDINGS

LINAS AGRO GROUP AB	9,8%	Consumer Staples
ŠIAULIŲ BANKAS	9,1%	Financials
AB IGNITIS GRUPĖ	8,7%	Utilities
LATVIJAS BALZAMS	6,1%	Consumer Staples
AB GRIGEO	4,5%	Materials
VIENNA INSURANCE GROUP AG	4,5%	Financials
TALLINNA SADAM AS	4,5%	Industrials
ENEFIT GREEN AS	4,5%	Utilities
Powszechny Zakład Ubezpieczeni	4,4%	Financials
INTER CARS SA	4,4%	Consumer Discretionary

REASONS TO INVEST

- GDP growth in the last 5 years has been significantly higher in the Baltic States - on average 3% per annum, in comparison to eurozone experiencing around 1% growth per annum (as of the end of Q4 2021).
- Active fund management allows choosing only the most attractive companies based on their valuations, management and growth opportunities.
- Fund management team takes active participation approach in cases of misconduct regarding minority shareholders in order to improve their corporate governance.

COMPANY

INVL investment management and life insurance group is a boutique asset management and life insurance 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 1.7 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.

CONTACT
INVL investment management and life insurance group

Gyneju 14, 01109 Vilnius, Lithuania
 +370 610 18648
 vaidotas.rukas@invl.com
<http://www.invl.com>

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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