

OBJECTIVE

This document provides key information about this investment product. This is not marketing material. This information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it to other products.

PRODUCT

Open-ended matched investment fund INVL Composite Fund – INVL Emerging Europe Bond Subfund (hereinafter – “the Subfund”)

This investment fund is managed by UAB SB Asset Management
LTIF00000468
www.sb.lt

This investment fund’s Subfund is established in Lithuania and supervised by the Financial Services and Markets Supervision Department of the Bank of Lithuania. UAB SB Asset Management is licensed in Lithuania and supervised by the Financial Services and Markets Supervision Department of the Bank of Lithuania.

26/06/2024

WHAT KIND OF PRODUCT IS IT?

Type	A matched open-ended investment fund that invests in other collective investment undertakings.
Term	The Fund was set up for an unlimited period. However, it can be terminated at any time if effective management of the Fund is no longer possible or if changes in economic and/or political conditions require its liquidation.
Objectives	<p>The objective of the Subfund is to achieve balanced asset growth by investing at least 85% of its net assets in Class I units of the INVL Emerging Europe Bond Fund, a Subfund of the INVL Fund, a composite investment fund, located in Luxembourg, for institutional investors. The Subfund will thus act as a financing entity. The Subfund in turn invests up to 100% of its assets in debt securities of governments and companies in emerging Europe. No less than 51% of the Subfund’s bond tranche is invested in debt securities of governments and companies in emerging Europe (Czech Republic, Estonia, Croatia, Latvia, Poland, Lithuania, Slovakia, Slovenia, Hungary, Belarus, the Russian Federation, Ukraine, Armenia, Azerbaijan, Georgia, Turkey, Malta, Albania, Bulgaria, Bosnia and Herzegovina, Greece, Montenegro, Cyprus, Macedonia, Moldova, Romania, Serbia, and Kosovo). The remainder of the Subfund’s assets shall be held in cash or invested in liquid assets or derivatives consistent with the Subfund’s strategy, provided that they are used to manage risk. The Subfund’s investment returns are expected to be very similar to those of the Subfund, but not necessarily identical, depending on the Subfund’s fee structure and the Subfund’s level of investment in the Subfund.</p> <p>Subfund benchmark – 0,5 * Bloomberg Pan Euro EM: Europe Total Return Index Unhedged EUR + 0,4 * Bloomberg Pan-European High Yield (Euro) TR Index (I02501EU Index) + 0,1 * European Central Bank ESTR OIS Index. The management company can choose specific investments at its own discretion. The use of a benchmark is indirect, meaning that the aim is to outperform rather than replicate the performance of the benchmark.</p> <p>The Fund does not aim to make sustainable investments as defined in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, nor is it intended to promote the environmental or social performance or any combination of these characteristics. The investments related to this financial product do not take into account the EU criteria for environmentally sustainable economic activity under Regulation (EU) 2020/852 of the European Parliament and of the Council.</p> <p>The depository of the Fund is AB SEB bankas.</p> <p>More information about the Subfund (prospectus, rules, annual and semi-annual reports, other information in Lithuanian and English) is available free of charge at Šiauliai Bank’s customer service departments, the current list of which is available at https://www.sb.lt/registracija-vizitui, by phone: +370 37 301 337, by email: info@sb.lt, on the website: www.sb.lt, and at all the distributors of the Fund.</p> <p>The prospectus, key investor information document, periodic and other reports in English of INVL Emerging Europe Bond Fund can be obtained free of charge at Gynėjų g. 14, Vilnius, by email: info@sb.lt, or on the website: www.hauck-aufhaeuser.com.</p> <p>Details of the latest remuneration policy, including, but not limited to, a description of how remuneration and other benefits are calculated and the identity of those responsible for granting remuneration and other benefits, including the composition of the remuneration committee, where one is established, shall be available on the website: www.sb.lt, and a hard copy shall be made available on the request of the investor.</p>
A non-professional investor is expected	The Fund is aimed at retail investors with limited investment experience who are able to take on below-average investment risk. This Subfund may not be suitable for investors who plan to withdraw their money before 3 years.

The Key Investor Information Document describes the Subfund. The prospectus and periodic reports are prepared for the INVL Composite Fund as a whole. The assets and liabilities of each subfund are segregated so that an investor in a subfund cannot be affected in any way by the other subfunds of that fund. An investor may exchange their units of a subfund for units of another subfund of the INVL Composite Fund. More information on the possibility to switch units of the subfund can be found in the fund’s prospectus. The Subfund is subject to the tax laws of the Republic of Lithuania, which may have an impact on an investor’s personal tax situation. The fact that the financing and the financed subfunds are established in different countries may affect the investor’s personal tax situation. The Management Company shall only be liable for the information contained in this document if such information is misleading, inaccurate, or inconsistent with the information contained in the relevant parts of the subfund’s prospectus. The Subfund is established in Lithuania and supervised by the Bank of Lithuania. UAB SB Asset Management is licensed in Lithuania and supervised by the Bank of Lithuania.

WHAT ARE THE RISKS AND WHAT RETURN CAN I GET?



Lower risk

Higher risk



The risk indicator assumes that the product will be kept for 3 years.

The summary risk indicator shows the risk level of this product compared to other products. It shows how likely it is that the product will result in a loss, either because of changes in markets or because we cannot pay you.

We have assigned this product to risk class 3 out of 7, with 3 being low risk. This means that losses related to future performance may be relatively small.

The following are the types of risks that the Fund can encounter and are underestimated in the calculation of the indicator:

Credit risk. The risk of loss due to the inability of the issuer of the securities to meet its financial obligations.

Counterparty risk. The risk that the counterparty will default on its obligations.

Market liquidity risk. Risk of losses due to low market liquidity, which prevents financial instruments from being sold at the right time at the right price.

Operational risk. Risk of loss due to system failure, human error or external events, including geopolitical, political and legal risks.

The purpose of derivatives is to hedge against adverse market movements for a limited period of time and to reduce the impact of unwanted risk factors.

PERFORMANCE SCENARIOS

The figures show the total cost of the product itself. These figures do not take into account your personal tax situation, which may also affect how much you get back.

Receivables may vary depending on market performance. Future market developments are uncertain and cannot be accurately predicted.

The unfavourable, moderate, and favourable scenarios shown are examples using the worst, average, and best performance of the product over the last 10 years. Markets may develop very differently in the future.

The worst-case scenario shows what you could recover under extreme market conditions.

Recommended holding period: 3 years Example of investment: €10,000		If you withdraw after 1 year	If you leave after 3 years
Scenarios			
Minimum	There are no guaranteed returns, and you may lose some or all of your investment.		
Most unfavourable	What you can get after costs Average annual return	€ 6,900.92 -30.99 %	€ 8,040.89 -7.01 %
Unfavourable	What you can get after costs Average annual return	€ 8,226.66 -17.73 %	€ 8,620.41 -4.83 %
Moderate	What you can get after costs Average annual return	€ 10,259.79 2.60 %	€ 10,589.32 1.93 %
Favourable	What you can get after costs Average annual return	€ 11,097.95 10.98 %	€ 11,861.07 5.85 %

WHAT HAPPENS IF THE MANAGEMENT COMPANY IS UNABLE TO PAY?

The assets of the Fund are held separately from the assets of the Management Company. Therefore, investors in the Fund will not suffer any losses in the event of default or insolvency of the Management Company.

WHAT ARE THE COSTS?

The person selling you this product or advising you about it may charge you other costs. In this case, the person will provide you with information on these costs and show you the impact that they will have on your investment over time.

Costs over a certain period

The tables below show the amounts deducted from your investment to cover various expenses. These amounts depend on how much you invest, how long you hold the product, and the profitability of the product. The amounts shown here are examples based on the amount of the sample investment and the different possible investment periods.

We make the following assumptions:

- in the first year, you will get back the amount you invested (0% annual return). In the cases of other holding periods, we have assumed that the profitability of the product is the same as under the moderate scenario,
- the investment amounts to €10,000.

	If you withdraw after 1 year	If you leave after 3 years
Total costs	€ 79.39	€ 238.17
Annualised cost impact (*)	0.79 %	0.79 % each year

(*) This shows how costs reduce your return each year over the holding period. For example, it shows that if you withdraw during the recommended holding period, your average annual return is expected to be 3.39 % before tax and 2.60 % after tax.

COMPOSITION OF COSTS

One-off investment or exit costs		Annual cost impact if you leave after 1 year
Investment costs	We do not charge an investment fee	€ 0
Exit costs	We do not charge an exit fee for this product	€ 0
Running costs		
Management fees and other administrative or operational costs	0.79 % of the value of your investment per year. This is an estimate based on the actual expenditure of the previous year.	€ 79.39
Transaction costs	0 % of the value of your investment per year.	€ 0
Additional costs are incurred under certain conditions		
Performance-based fees	Performance-based taxes do not apply to this product.	€ 0

RECOMMENDED MINIMUM HOLDING PERIOD: 3 YEARS.

Due to the nature of the risks and returns, the recommended holding period for the minimum fund is 3 years. An investor has the right to withdraw all or part of the funds at any time by submitting a request in the prescribed form to the Management Company during business days and hours. The conversion of fund units into cash and vice versa is carried out every working day.

HOW CAN I SUBMIT A COMPLAINT?

If you have any complaints about the quality of our services, please contact us first by phone: +370 37 301 337. If this does not resolve your problem, please submit a written complaint by post or email.

Office address: Gynėjų g. 14, LT-01109 Vilnius

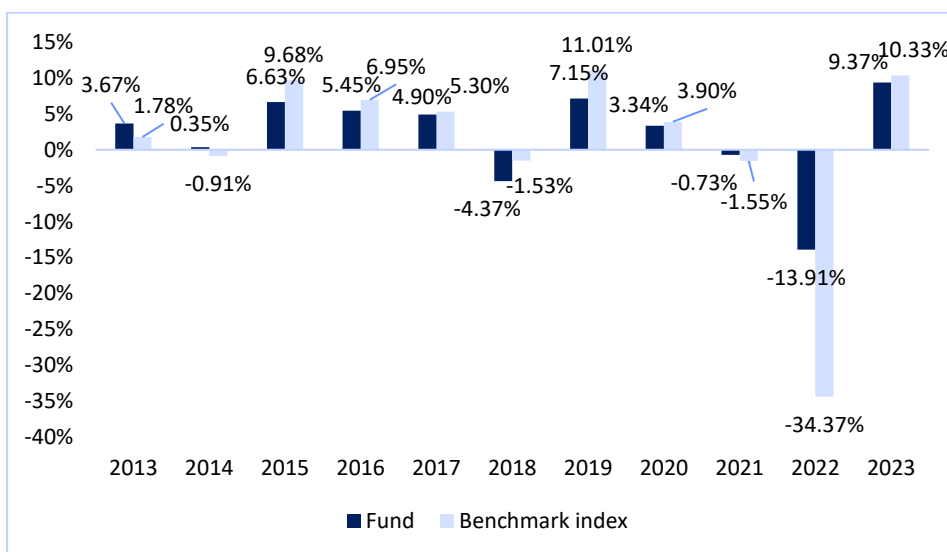
Email: info@isb.lt

For more information on complaints management, visit www.sb.lt. The Bank of Lithuania deals with complaints between consumers and financial market participants about the provision of financial services. For more information, visit: www.lb.lt/gincai.

OTHER IMPORTANT INFORMATION
Past performance

Past performance is not a reliable indicator of future results. Markets may develop very differently in the future. Performance can help you assess how a fund has been managed in the past and compare it to its benchmark index.

This chart shows the fund's performance as a percentage of its annual losses or gains over the last 10 years compared to its benchmark index.



The start date of the Subfund is 29 October 2010.

The benchmark index applies from 29 October 2010.

Historical results are calculated in euros.

All fees except the one-off distribution fee have been included in the calculation of the Subfund's past performance.

The circumstances under which performance was achieved before the Subfund became a feeder entity no longer exist.

For more information on the Subfund's performance, please visit: <https://www.sb.lt/lt/privatiems/investavimas/investiciniai-fondai/invl-besivystancios-europos-obligaciju-subfondas>.