

STRATEGY

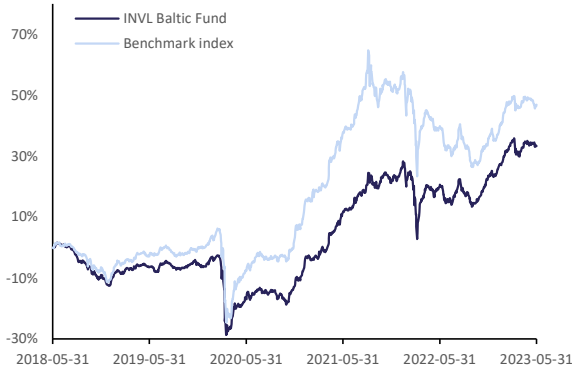
INVL Baltic Fund is investing into shares of companies listed on Baltic Stock Exchange or enterprises actively operating in the Baltic States. The fund is striving for maximum return by assuming high risk level. The fund focuses on long-term investments by identifying attractive economic sectors and 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	11,8
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	7,5%	8,3%
Return 1Y	11,2%	5,1%
Return 3Y	60,5%	58,7%
3 year annualized return	17,1%	16,6%
5 year annualized return	5,9%	8,0%
Volatility (St. deviation)*	11,5%	12,7%
Sharpe ratio**	0,5	0,6

FUND MANAGER COMMENT

World. May was marked by US debt ceiling drama with an expected happy ending, sticky inflation numbers and weak manufacturing PMIs in both, US and Euro area economies. Strong Nvidia Q1 results and even stronger upcoming quarters plans caused FOMO in AI stocks. All in all, equities finished the month somewhat lower but weak euro (-3.7% against USD) helped to print positive returns if measured in euros: MSCI World Index +2,7% and MSCI EM Index +1.9%. European equities underperformed as STOXX 600 fell 3.2%.

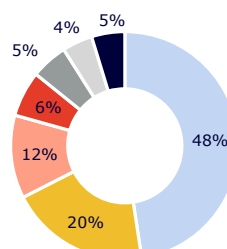
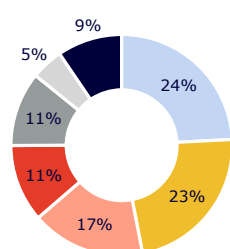
Baltic market. Equities finished the month in red, but the Fund (-1.1%) outperformed the Benchmark index (-1.6%) and reduced the underperformance since the beginning of the year (respectively +7.5% and +8.3%). Companies continued to report Q1 results which were rather mixed with no dominance between positive and negative surprises. Novaturas (+8.3%) reported best quarter since Q4 2019 and was the best performer. It was followed by Harju Elekter (+4.0%), Grigeo (+3.4%) and Enefit Green (+3.2%). Our recent acquisition Tallink Group climbed 1.1% while investors wait for the confirmation of a new strategy (to rent out ~1/3 a fleet) success, which may arrive with Q2 results. Our top picks changed a little: Linas Agro Group was flat and Ignitis Group climbed +0.7%. Financials were the laggards of the month, as investors preferred to take profit while weighing risks of economic slowdown and worse quality of banks' loans portfolios. As a result, Swedbank dropped 9.2%, Coop Pank – 8.2%, Siauliu Bank – 6.6% and SEB 5.3%. Only LHV Group (-1.1%) was in line with general trend as it reported the obtaining of banking license in UK. On trading side, we did some rebalancing and reinvested a part of dividends received. The weightings of Siauliu Bank, Inter Cars, Linas Agro Group were increased slightly, while holdings of Telia Lietuva and Scandinaviska Enskilda Bank decreased. At the end of the month the portfolio of the Fund had weighted average P/E 7.9 (8.2 a month ago) and dividend yield 4.3% (4.2%).

*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

AB IGNITIS GRUPĖ	9,7%	Utilities
LINAS AGRO GROUP AB	9,2%	Consumer Staples
ŠIAULIŲ BANKAS	7,6%	Financials
ENEFIT GREEN AS	6,9%	Utilities
LATVIJAS BALZAMS	5,2%	Consumer Staples
TALLINK GRUPP AS	4,7%	Industrials
INTER CARS SA	4,4%	Consumer Discretionary
AB GRIGEO	4,4%	Materials
Powszechny Zakład Ubezpieczeni	4,3%	Financials
VIENNA INSURANCE GROUP AG	4,3%	Financials

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. All information and review of funds' past performance results cannot be considered as personal recommendation to invest in investment funds, managed by INVL Asset Management. Any information presented herein cannot be part or included in any transaction or agreement whatsoever. While this review was prepared and concluded based on the content of reliable sources, INVL Asset Management is not responsible for any inaccuracies or changes in such information, including losses that may occur when investments are made based on information presented herein.