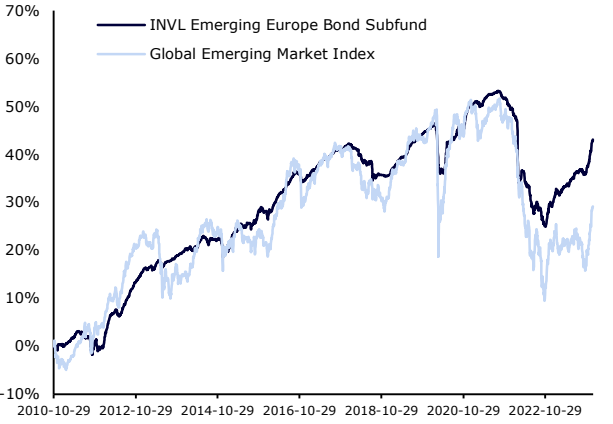
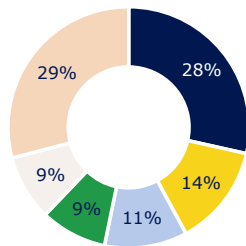
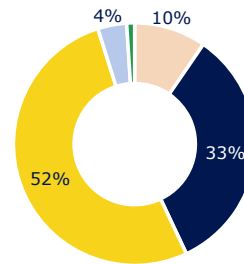
	<b>INVL EMERGING EUROPE BOND FUND I</b> December 2023																															
STRATEGY	FACTS																															
<p>The objective of INVL Emerging Europe Bond Fund is maximising the total return, consistent with capital preservation and drawdown minimization. Focused on hard-currency short-term sovereign and corporate debt securities in Emerging Europe, the fund at any time targets average investment grade rating and average duration of up to 3 years.</p> <p>The fund is restricted to buying EUR and USD denominated securities only, while hedging the USD risk, providing its investors the return in EUR. Recommended investment term – minimum 1 - 2 years.</p>	Management company ISIN code Inception date** Minimum investment AUM, EUR M* Strategy AUM, EUR M Management fee TER (prior FY) Currency Countries of distribution	SB Asset Management LU2228214792 2010-10-29 EUR 100 000 40.0 238 0.55% 1.02% EUR Germany, Luxembourg, Lithuania																														
<p>To find more information and Sub-fund documents (e. g. Key Information Document, Prospectus, Rules (Management Regulations), reports, results, portfolio structure) please click on the link:  <a href="https://www.hal-privatbank.com/en/asset-servicing/fund-portal/detail/invl-emerging-europe-bond-fund-i-lu2228214792">https://www.hal-privatbank.com/en/asset-servicing/fund-portal/detail/invl-emerging-europe-bond-fund-i-lu2228214792</a></p>																																
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<p>INVL Emerging Europe Bond Fund finished the year strong, with the unit's value appreciating by 2.5% in December, underperforming compared with the benchmark index which rose by 3.1%. Main factor for the underperformance was the lower duration of the fund compared to the index. For the full year the fund price rose by 10.5% (net of fees) and outperformed the benchmark (10.3%).</p>																																
<p>The momentum in fixed income markets from November continued, led by the U.S. Federal Reserve's unexpected rhetoric of a less restrictive monetary policy stance. This was influenced by a sustained downtrend in inflation (year-on-year US CPI printed 3.1%, which is now relatively close to the 2% target) and strong economic activity – retail sales and industrial production growth, coupled with still resilient labour market (unemployment is close to a 4 year low of 3.7%). Even though the three key central banks in the West (US Federal Reserve, European Central Bank and Bank of England) left their policy rates unchanged (5.25%-5.50%, 4% and 5.25% respectively), ECB's Lagarde and BoE's Bailey struck somewhat of a more hawkish tone than their counterparts in the US. From noteworthy events in emerging markets, Moody's downgraded China's credit outlook to negative (sovereign rating was kept at A1), citing risks to China's fiscal stability, extra costs to support local governments, possible spillover from the continued property crisis and slower than previously anticipated medium term growth.</p>																																
<p>December was a quieter month in terms of trading, as it usually is because of the holiday season, as the fund did not participate in any primary market issue. The Fund did, however, add to several current positions including Banca Transilvania, EPH Financing, mBank, Romania and exited one position – MAS Securities, during a tender offer at an attractive ~8.5% yield. Apart from the longer duration issues (Synthos 2028, Romania 2033 and Teva Pharmaceuticals 2029), Central Eastern Europe real estate operator Globe Trade Centre was the biggest contributor to the Fund's performance. Management Board of the company decided to terminate plans of acquiring luxury skiing resort assets in Switzerland. In addition to the high valuation for the planned acquisition of luxury skiing resort assets, the investment would have been outside GTC's current operating region and asset subclass, which primarily includes offices and retail shopping centers. From the Fund's perspective, despite the great performance in 2023, fund's weighted average yield to maturity is still high at nearly 6%, with a 2.6 year duration. We are continuing with the Fund's strategy of investing in the most fundamentally sound ideas which are mainly corporate bonds.</p>																																
<p>*Total AUM consists of retail and institutional share classes  **Master fund was officially registered in Luxembourg on 2020-10-30 with investment activities starting on 2021-06-30. Until then track record of Feeder subfund is used  ***Standard deviation is used to measure risk. Standard deviation is an indicator that measures how strongly fund's monthly 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 at monthly granularity  *****Reference index:  100% Bloomberg EM USD Aggregate Total Return Index Value Hedged EUR Index (H00014EU Index)</p>																																

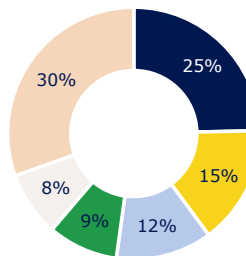
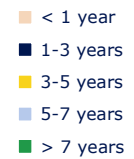
## BREAKDOWN OF INVESTMENTS



## BY SECTOR



## BY DURATION



## BY COUNTRY



## TOP 10 PORTFOLIO HOLDINGS

PEPGRP 2028s	Consumer Discretionary	5.4%
AKRPLS 2 7/8 06/02/26	Real Estate	5.3%
EPEN 6.651 11/13/28	Utilities	4.1%
SNSPW 2 1/2 06/07/28	Materials	4.1%
TVLRO 8 7/8 04/27/27	Financials	3.8%
MACEDO 1 5/8 03/10/28	Government	3.8%
LITHUN 28	Government	3.7%
LHVGRP 8 3/4 10/03/27	Financials	3.3%
MAXGPE 6 1/4 07/12/27	Consumer Staples	3.3%
ARAGVI 8.45 04/29/26	Consumer Staples	3.1%

Current asset allocation can change over time and is no guarantee for future asset allocation.

## ACKNOWLEDGEMENTS

## Morningstar



## Lipper Leaders



## 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 51%, Eurozone 93% (as of the end of Q3 2022).
- Active share of over 80% (creating value through off-benchmark picks, participation in primary issues, inefficiencies in the market).
- Longer term historical Sharpe ratio exceeds 0.5 and places the fund among the best EM bond funds in the world by historical risk-adjusted returns. However, past results do not guarantee future performance and when investing, one should be aware of various factors that may influence investment results (interest rate, currency, inflation risks, etc.)

## COMPANY

SB Asset Management is the investment management company of Šiaulių bankas group. The team of experienced investment managers is one of the largest and most capable in the Baltic States and has been managing clients' assets since 2003. Investment managers make investment decisions on behalf of more than EUR 1.2 billion of clients assets.

Investment managers are guided by the principles of long-term investing and fundamental investment analysis while specializing in Central and Eastern European equity and bond markets. The team flexibly take advantage of investment opportunities that arise in the markets. The managers' expertise is proven by consistently high ratings in international fund rankings.

## CONTACT

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## DISCLAIMER

INVL Emerging Europe Bond Fund operates as undertaking for collective investment in transferable securities (UCITS), established in the Grand Duchy of Luxembourg. The Investment Manager and the Distribution Agent of the Sub-fund is UAB SB Asset Management, a limited liability company under Lithuanian Law with registered office at Gynėju St. 14, 01109 Vilnius, Lithuania. The Management Company of the Fund is Hauck & Aufhäuser Fund Services S.A., R.C.S. Luxembourg No. B28878, 1c rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg.

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Full details concerning the Fund can be found in the Key Investor Information Document and the Offering Prospectus, together with the latest audited Annual Report and, where data exist which are more recent than those contained in the latest Annual Report, the latest half-yearly report. These documents constitute the sole binding basis for any acquisition and should be read before making an investment decision. In so far as any tax or legal interests are affected, these should be discussed together with the tax adviser or lawyer. Before making an investment decision, one should personally or with the help of investment advisors assess the investment strategy, applicable fees, all investment-related risks and documents of the Fund. The Fund uses the benchmark index, which is chosen to reflect as precisely as possible the investment strategy (asset types and proportions) specified in the Offering Prospectus of the Fund, as well as the strategic distribution of the investment of the Fund.

The above-mentioned documents of the Fund (in German and English) could be obtained free of charge, in electronic or printed form, from the business premises of Hauck Aufhäuser Lampe Privatbank AG at Kaiserstraße 24, 60311 Frankfurt am Main or 1c rue Gabriel Lippmann, L-5365 Munsbach, or from Hauck & Aufhäuser Fund Services S.A. at 1c rue Gabriel Lippmann, L-5365 Munsbach, or from [www.hal-privatbank.com](http://www.hal-privatbank.com) as a source for the official documents of the fund. Units of the Fund may only be offered in countries where such an offer or sale is permissible and/or is the subject of an authorisation issued by the local supervisory authority. In particular, units of this Fund may not be offered or sold within the USA or to, or for the account of, US citizens or persons resident in the USA. This document, and the information which it contains, is not addressed to US citizens or to persons having their permanent residence in the USA; nor may it be distributed in the USA. Moreover, the distribution and publication of this document may also be restricted in other legal systems.