

GENERAL INFORMATION

Start of operations	2022 07 01	Unit value of investment direction	102,84 EUR
Net asset value	11 141 175,66 EUR	Management fee	0,80 %

INVESTMENT STRATEGY

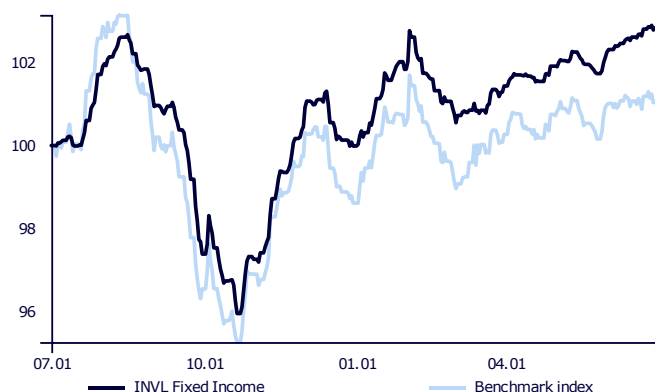
A strategy for investing in fixed-income instruments that aims to achieve returns on fixed-income investment products over the medium term. This is achieved through the active portfolio management using a variety of investment objects such as collective investment undertakings, deposits, money market instruments, debt securities, derivatives or alternative investments. Proportion of alternative investment assets may represent up to 30% of the assets. Derivatives can be used to hedge against currency exchange rate change risk.

COMMENT

Central banks in both Europe and the US have continued to signal that their fight against inflation may not yet be over, so interest rates will have to stay high for longer. Moreover, the head of the US Federal Reserve announced that even if it decided not to raise interest rates temporarily, this would not mean a peak in rate hikes, and that the central bank would retain the option of continuing to raise rates after the pause, should such a move become necessary. For its part, the European Central Bank (ECB) has continued to send the message that interest rates will be raised as inflation remains well above its 2% target. In bond markets, fears of uncertainty in the financial system in mid-spring, when several regional US banks and the Swiss giant Credit Suisse went bust, led to capital flowing into the lowest-risk bonds, pushing their prices up. Moreover, as the big banks still offered low interest rates on deposits compared to short-term bonds, savers started to withdraw their capital from bank accounts and invest it in money market funds. This further exacerbated the appreciation of the safest bonds. However, in the second half of the spring, market expectations normalized somewhat, and bond yields started to converge towards the rhetoric signaled by the central banks, so that the further rise in most indices stalled. We see the current situation in the bond market as an attractive acquisition opportunity, as low-risk bonds show attractive expected returns - for example, Lithuanian government bonds of various maturities offer yields of around 4%.

During the half-year, the investment basket also participated in the bond placements of Banca Transilvania and Banca Comercială Română, the leading banks in the Romanian market, both of which are dominant in their respective markets, with strong operational performance and attractive yields on offer at the time of the placement (close to 9 and above 7.5% respectively). Also, in the local Baltic market, the Fund additionally invested in newly issued Luminor Group bank bonds, which offered a yield of 7.75% at the time of placement. Moody's took into account the bank's attractive capitalization and the increased yield and rated the bonds with a Baa1 investment grade.

GRAPH SINCE THE ESTABLISHMENT OF THE INVESTMENT DIRECTION

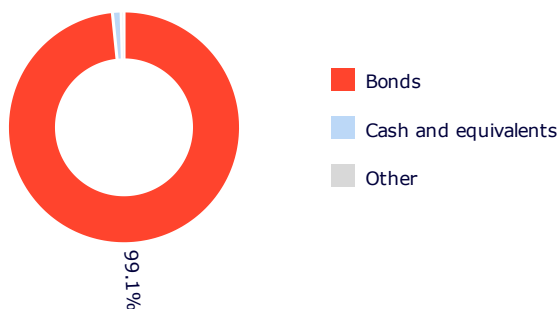


RETURN ON INVESTMENT IN DIFFERENT PERIODS

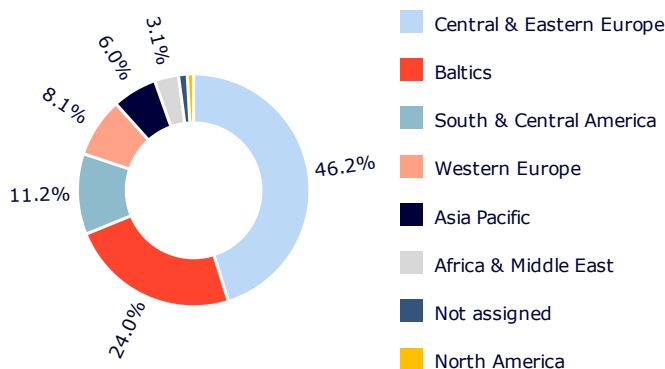
	Investment direction	Benchmark index*
2023 Y. II QUARTER	1,38 %	0,79 %
Since start of the year	2,86 %	2,49 %
Since creation	2,84 %	1,07 %

Please note that past results of the Investment Direction do not guarantee the same results and profitability in the future. Past performance is not a reliable indicator of future performance.

DISTRIBUTION BY WEALTH TYPE



GEOGRAPHICAL DISTRIBUTION**



* From July 1, 2022, the composite comparative index is applied:

24,25% Bloomberg Barclays Series-E Euro Govt 3-5 Year Bond Index (BERPG2 Index)
 24,25% Bloomberg Barclays EuroAgg Corporate 3-5 Year TR Index Value (LEC3TREU Index)
 19,40% J.P. Morgan Euro Emerging Markets Bond Index (EMBI) Global Diversified Europe (JPEFEUR Index)
 19,40% Bloomberg Pan-European High Yield (Euro) (I02501EU Index)
 9,70% J.P. Morgan Emerging Markets Bond Index (EMBI) Global Hedged Euro Index (JPEIGHEU Index)
 3,00% European Central Bank ESTR OIS Index (OISESTR Index)

** The geographical distribution is indicated considering the countries of the economic logic of the investments, as well as the investment components of collective investment funds (CIF) and exchange-traded funds (ETF), guided by their reports. If these reports do not specify the investment components of the CIF or ETF, the country of registration of the CIF or ETF is used.

The document contains information about the past results of the investment direction of INVL Life, UADB (hereinafter - the Company), offered under the investment life insurance contract. Investing is associated with risk, the value of investments can both decrease and increase. Past results do not guarantee the same results in the future.

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Largest holdings

Data as of 2023-06-30:

- INVL Fixed Income II level basket | UL2206300016 | 99,26 %

Composition of INVL Fixed Income II level basket:

- LITHGB 2.3 07/13/27 | LT0000650087 | 14,48 %
- ROMANI 3.624 05/26/30 | XS2178857954 | 6,72 %
- Xtrackers II EUR High Yield Co | XHYA GY | 6,49 %
- BLACKROCK GIF I EMMK GV-I2HE | LU1373035663 | 6,24 %
- iShares J.P. Morgan USD EM Bon | IS3C GY | 4,06 %
- MACEDO 1 5/8 03/10/28 | XS2310118893 | 4,05 %
- INDON 1 07/28/29 | XS2366690332 | 3,90 %
- MEX 2 3/8 02/11/30 | XS2444273168 | 3,22 %
- BGARIA 3 03/21/28 | XS1382696398 | 2,93 %
- POLAND 1 1/2 09/09/25 | XS1288467605 | 2,89 %