

GENERAL INFORMATION

Start of operations	2022 07 01	Unit value of investment direction	105,91 EUR
Net asset value	13 057 899,90 EUR	Management fee	0,75 %

INVESTMENT STRATEGY

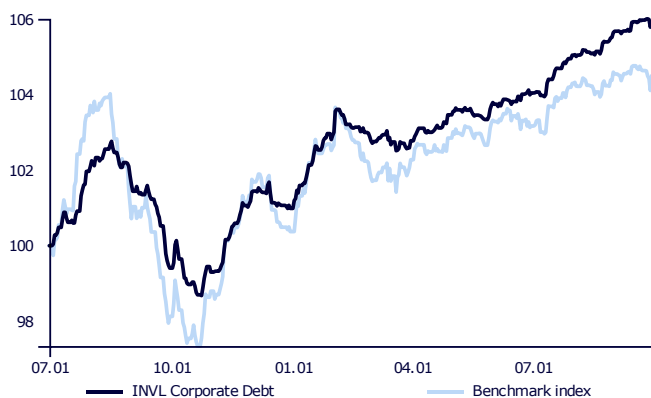
A strategy for investing in fixed-income instruments that aims to achieve returns on fixed-income investment products over the medium term. This is achieved through asset allocation through diversified investments, selecting a variety of investment objects such as collective investment undertakings, deposits, money market instruments, debt securities and derivatives. 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, and that interest rates will have to remain elevated for longer. Although net inflation continued to retreat in the last quarter, rising oil prices have started to push up headline inflation again, raising fears and expectations that central banks will not be in a hurry to cut interest rates. The labour market is also contributing to this, where the situation continues to be quite heated, with the unemployment rate in the US remaining fairly stable at 3.8% in September and 6.4% in the euro area. Other factors also contributed to the additional bond sell-off during the quarter, with Fitch downgrading the US government rating from AAA to AA+, starting a general sell-off in bond markets. The downgrade was based on the rising US public debt and chronic fiscal deficits. As a result, bond yields (especially long-dated) rose to levels not seen since 2007.

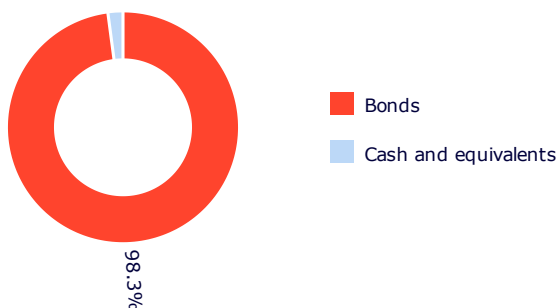
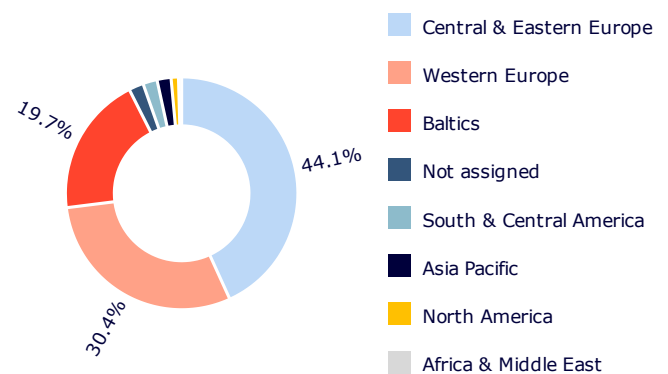
The expected yield of the bond portion of the investment basket currently exceeds the expected yield of the benchmark by more than 0.5%. The portfolio currently has a financial duration of 2.5 years compared to 3.2 years for the benchmark, which means that the portfolio is less sensitive to changes in yields. Also, the yield to maturity of the portfolio is 7.5% compared to 5.3% for the benchmark index. It is the active selection of bonds that allows such a favourable duration-yield relationship to be achieved.

The merger of the retail businesses of INVL and Šiaulių Bankas Group, which also includes life insurance, is expected to be completed by the end of this year. After the transaction, we will continue to work for you. The professional team that manages the investment lines and serves you will remain the same and will continue its functions in Šiaulių bankas Group, while Šiaulių bankas will offer an even better customer experience.

GRAPH SINCE THE ESTABLISHMENT OF THE INVESTMENT DIRECTION

RETURN ON INVESTMENT IN DIFFERENT PERIODS

	Investment direction	Benchmark index*
2023 Y. III QUARTER	1,79 %	1,29 %
Since start of the year	4,87 %	4,11 %
1 year	6,54 %	6,68 %
Since creation	5,91 %	4,50 %

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:

50,00% Bloomberg Barclays EuroAgg Corporate 3-5 Year TR Index Value (LEC3TREU Index)
40,00% Bloomberg Pan-European High Yield (Euro) (I02501EU Index)
10,00% 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.

You are responsible for your own investment decisions, so you should thoroughly familiarize yourself with the investment insurance rules, investment direction rules, key information document, price list and other important information before making them. These documents and information are available at www.invl.com.

This information cannot be interpreted as a recommendation, instruction or invitation to invest in specific investment directions and cannot be the basis or part of any subsequent transaction. Although this information has been prepared based on sources believed to be reliable, the Company is not responsible for possible inaccuracies or losses that may be incurred by investors following it.

Largest holdings

Data as of 2023-09-30:

- PARETO-NORDIC CORP BD-HEUR | LU1311575093 | 10,58%
- DNB FUND-HIGH YLD-INS A EUR | LU1303786096 | 10,21%
- MANDAT NORDIC HI YLD TR-AEUR | LU1112754756 | 10,20%
- CETIN 3 1/8 04/14/27 | XS2468979302 | 4,76%
- LHVGRP 0 7/8 09/09/25 | XS2379637767 | 4,64%
- BGOSK 4 09/08/27 | XS2530208490 | 4,60%
- LIEENE 2 05/21/30 | XS2177349912 | 4,54%
- CEZCP 3 06/05/28 | XS0940293763 | 4,37%
- PKNPW 1 1/8 05/27/28 | XS2346125573 | 4,31%
- PKOBP 5 5/8 02/01/26 | XS2582358789 | 4,05%