

FUND'S STRATEGY

The assets of the Fund are invested in stocks and units of investment funds, the main investment direction of which is stocks. The fund is recommended for people who assume a higher-than-average risk as an additional investment instrument, which provides the possibility to take advantage of the tax benefit and thus effectively manage personal finance. Composition: up to 100% – shares.

COMMENT

Financial markets continued their upward trend in the second quarter of the year, with the end of June marking the fifth consecutive month of growth for the S&P 500, the most popular index tracking US markets. Despite investor optimism about the economic recovery and the surge in consumption following the end of constraints, markets continued to be worried by expectations of rising inflation. The Consumer Price Index rose by as much as 5% in May, which is the highest level since 2008. Along with the easing of quarantine restrictions and the recovery in consumption, economies started to heat up again, and central banks therefore needed to be alert - FED has announced that interest rate hikes should not be expected in 2024, but in 2023 already. Although FED's tougher tone was expected to lead to a slowdown in market growth, optimistic investors do not believe that a rate hike would fundamentally change the stock landscape in the longer term. Thus, despite a successful start of the quarter for value stocks, growth stocks were again at the forefront in June.

In the second quarter of the year, in the funds managed by us, we continued to allocate a higher proportion of investments to value and minimum volatility stocks as we believe that these stocks tend to perform better in an inflationary environment. In this quarter, we also decided to complement the basket of alternative investments with commitments in a private debt fund and two private equity funds as these investments ensure broader diversification and increase the likelihood of a positive return in various market conditions.

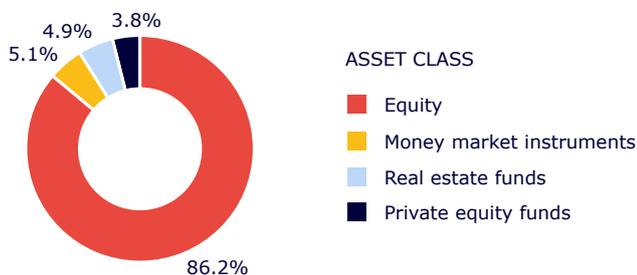
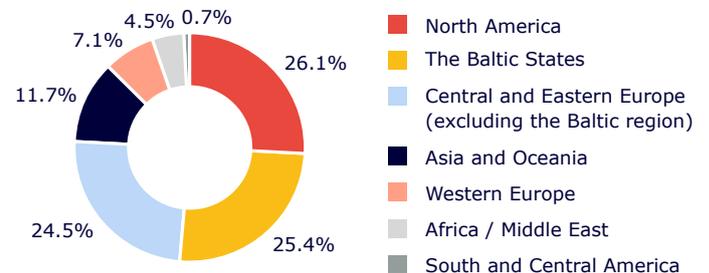
Pension Fund INVL Drašus invests half of its assets in Central and Eastern European stocks which have outperformed the world's major markets in terms of growth rate, and therefore the fund's second-quarter return was higher than that of traditional pension funds investing in stocks. Polish stocks were the biggest risers, followed closely by the Baltic and Slovenian stock markets.

PERFORMANCE SINCE FUND INCEPTION

FUND'S RETURN IN DIFFERENT PERIODS

	Fund's return	Benchmark return
II quarter of 2020	7.72 %	10.92 %
1 year	16.71 %	24.38 %
3 years	31.02 %	37.84 %
5 years	64.60 %	70.82 %
Since Fund Inception	48.33 %	

Please note that the fund's past performance does not guarantee the same results and profitability in the future. Past performance is not a reliable indicator of future results.

DISTRIBUTION BY ASSET TYPES

GEOGRAPHICAL DISTRIBUTION**

FUND' INFORMATION

Net Asset Value	5 849 611 EUR
Fund's unit value	0.430 EUR
Number of Participants	2 748
Management fee	1.50 %
Partial withdrawal fee***	10 %

CONTACTS

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*The pension fund benchmark was applied since 14/04/2008. The composite benchmark has been applied since 01/03/2021: 50% MSCI EM Eastern Europe Small Cap USD Index (converted into EUR) + 45% MSCI World EUR Index + 5% European Central Bank ESTR OIS Index (OISESTR Index).

**Geographical distribution is indicated with regard to the countries of the economic logic of the investment, as well as to the investment components of collective investment undertakings (CIUs) and exchange traded funds (ETFs), according to their reports. If those reports do not provide the investment components of CIUs or ETFs, the country of registration of the CIU or ETF shall be taken into account.

***Deduction for the withdrawal of part of the funds accumulated in the Fund (from the amount to be withdrawn) applies when the funds are withdrawn within two calendar years from the last withdrawal. This deduction does not apply to pension fund participants who have acquired the right to a pension benefit in accordance with the procedure established in the Pension Fund Rules.

While participating in a 3rd pillar pension fund, you will be required to pay the fees specified in the rules of the respective fund. The money accumulated in a pension fund is invested according to the investment strategy specified in the rules of the relevant pension fund. When saving in pension funds, you assume the investment and investment-related risk. The value of a pension fund can go both up and down, and you can get back less than you invested. Past performance of a pension fund does not guarantee the same results and profitability in the future. Past performance is not a reliable indicator of future results. When seven or fewer years remain before retirement, consider investing in a conservative investment pension fund (INVL STABILO III 58+/INVL Stable).

Before you make an investment decision, assess all the risks associated with the investment yourself or with a help of investment consultants. Carefully read the rules of the pension fund, which are an integral part of the pension accumulation agreement.

A fund participant may choose from the following forms of pension payment: a lump sum, periodic payments in instalments (conversion of a portion of fund units in the pension account into money to be paid out at regular intervals) or purchase of an annuity from a life insurance company.

All the information presented is of a promotional nature and cannot be construed as a recommendation, offer or invitation to accumulate assets in pension funds managed by INVL Asset Management. The information provided here cannot serve as a basis for any subsequently concluded agreement. Although this information of a promotional nature is based on sources which are considered to be reliable, INVL Asset Management is not responsible for any inaccuracies or changes in the information, or for any losses that may incur when investments are based on this information.