

CBL Asset Management Equity Funds

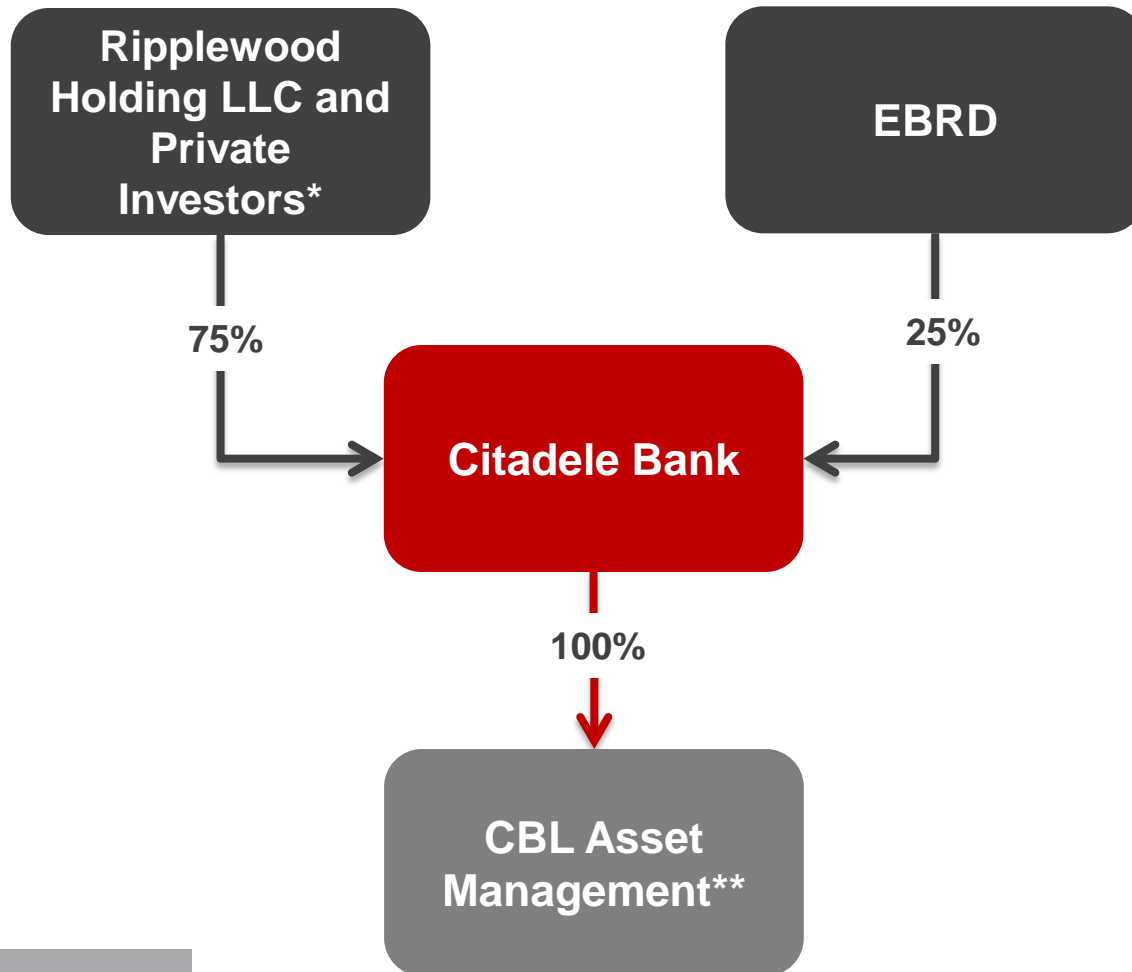
CBL Asset Management

- Established track record **since 2002**
- **MiFID** and **UCITS** compliant
- **Three** integrated **business lines**
 - Fund management
 - Portfolio management
 - Pension Fund Management
- Assets under management **EUR 678M***
- Experienced investment team of **14 specialists**
- Dedicated equity and bond picking strategy in **Eastern Europe and the CIS**
- Award winning **internationally recognized** mutual funds
- First in Latvia to receive a license to manage **Alternative Investment** funds



CBL Asset Management

Shareholder Structure



* In 2014, the government of Latvia decided to sell its shares in Citadele Bank to a group of international investors, represented by the founder of the US investment holding company Ripplewood Holding LLC, Tim Collins. The transaction will be completed upon regulator's approval, which is expected during Q1 2015.

The 12 co-investors include:

Paul Volcker: served as Undersecretary of the Treasury for Monetary Affairs from 1968-1972, and two terms as Chairman of the Board of Governors of the Federal Reserve System from 1979 to 1987. Mr. Volcker will act as Senior Advisor for Citadele.

James D. Wolfensohn: the Chairman of Wolfensohn Fund Management. From 1995 to 2005, Mr. Wolfensohn was President of the World Bank. Mr. Wolfensohn will act as Senior Advisor for Citadele.

James E. Staley: the Managing Partner of BlueMountain Capital. Prior to that, Mr. Staley spent over 30 years at J.P. Morgan where he was the CEO of J.P.M's Investment Bank and CEO of J.P.M Asset Management.

James Balsillie: the Chairman of the Board of Sustainable Development Technology Canada. Co-founder of Research In Motion (BlackBerry) Mr. Balsillie will join the Supervisory Board of Citadele.

Graham T. Allison: the Director of the Belfer Center for Science and International Affairs and Douglas Dillon Professor of Government at Harvard's John F. Kennedy School of Government. Dr. Allison has served as Special Advisor to the Secretary of Defense under President Reagan and as Assistant Secretary of Defense for Policy and Plans under President Clinton. Mr. Allison will act as Senior Advisor for Citadele.

** On December 22, 2014 Citadele Asset Management changed its name in CBL Asset Management

Equity Fund Management

We focus on what we know best

- Combining Western business practices with **local insight**
- Specialists in the evolving **Eastern European and CIS equities**
- **Independent, benchmark unaware** investment process
- Disciplined **team-based** approach
- **Bottom-up** stock picking based on in-depth **in-house research**
- Two UCITS IV compliant equity funds:
 - CBL Russian Equity Fund
 - CBL Baltic Sea Equity Fund
- International **recognition**
- **Experienced** management team with established track record



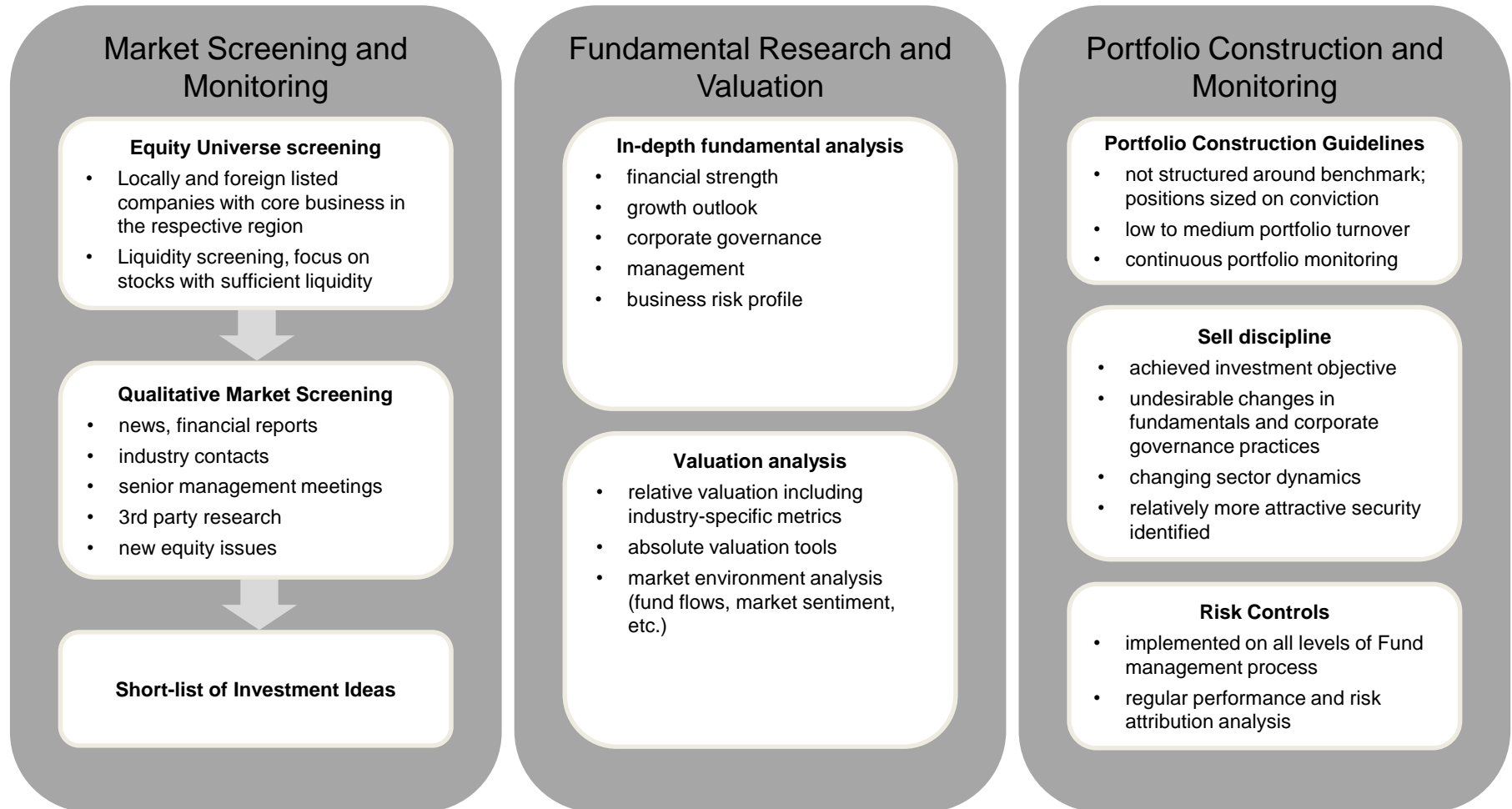
Equity Fund Management

Investment Philosophy

Eastern European markets are rapidly evolving, but market inefficiencies are still present. Therefore, we can add value based on our local expertise and internal research. The most appropriate investment process to achieve superior returns over medium term is built on bottom-up, benchmark-unaware, and disciplined team-based decision making.

Equity Fund Management

Investment Process



Equity Fund Management

Risk Management: an integral part of fund management process

Portfolio management

- Liquidity risk, market risk
- Industry and company specific risks, e.g. corporate governance

Fund administration

- Daily compliance control
- Independent compliance reporting

Custodian

- Deals with credit and settlement risks
- Double layer: Citadele Bank and CBL Asset Management

Operations department

- Operational risk controls
- Operational risk data processing and reporting

Risk department

- Monthly aggregated market, credit and liquidity reporting
- Including individual VaR contributors and VaR cross tables

Equity Fund Management

Our Team



Elchin Jafarov

Senior Portfolio Manager

12 years in industry, 8 years with the company

MA in Economics and Business from the Stockholm University

Assistant professor and lecturer in Latvian top business schools

Lecturer at Swiss Business School and Stockholm School of Economics in Riga



Igor Lahtadir, CFA

Portfolio Manager

10 years in industry, 6 years with the company

BSc in Economics and Business from the Stockholm School of Economics in Riga

Earned his Chartered Financial Analyst designation in 2011

CBL Russian Equity Fund

Pure Russian equity exposure

- Targets long term growth from **capital appreciation** and **dividend income**
- **Bottom-up** stock picking based on **in-house research**
- **Regular meetings** with company representatives
- **Diversified** portfolio of ca. 30 holdings
- **Actively managed** not constrained by benchmark
- **No restrictions** on industry and tracking error
- More than 10 years of proven **track record**



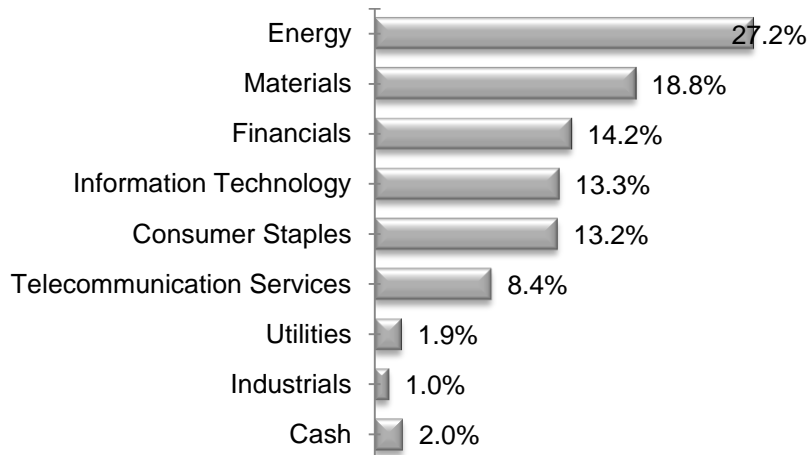
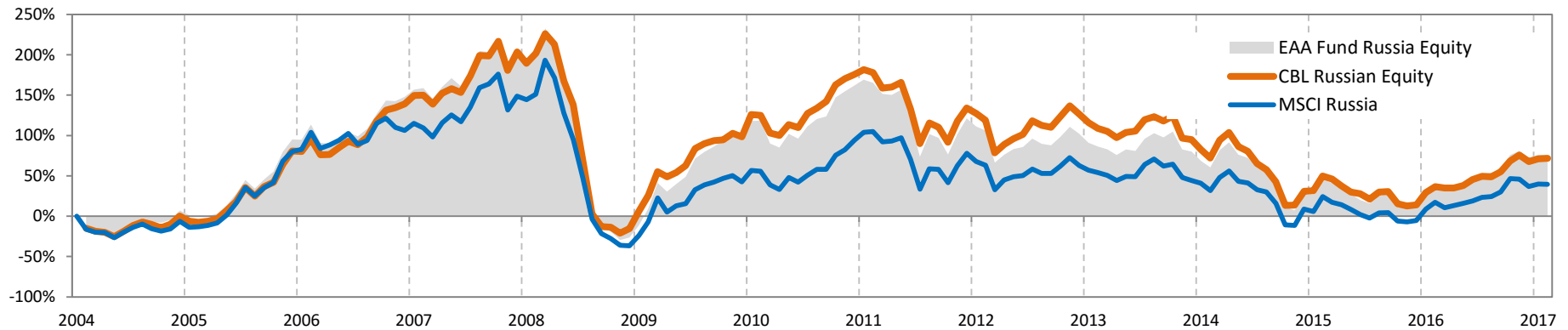
CBL Russian Equity Fund

Fund Performance and Structure (April 30, 2017)

ISIN LV0000400190



Cumulative gross return since inception (%)



Sberbank	Financials	8.9%
X5 Retail Group	Retail	8.6%
Lukoil	Energy	7.8%
Novatek	Energy	6.9%
Yandex	IT	5.1%
Rosneft	Energy	5.0%
Alrosa	Materials	4.7%
Gazprom	Energy	4.4%
Moscow Exchange	Financials	4.4%
Megafon	Telecoms	4.0%

Source: CBL Asset Management

CBL Baltic Sea Equity Fund

Fund Overview

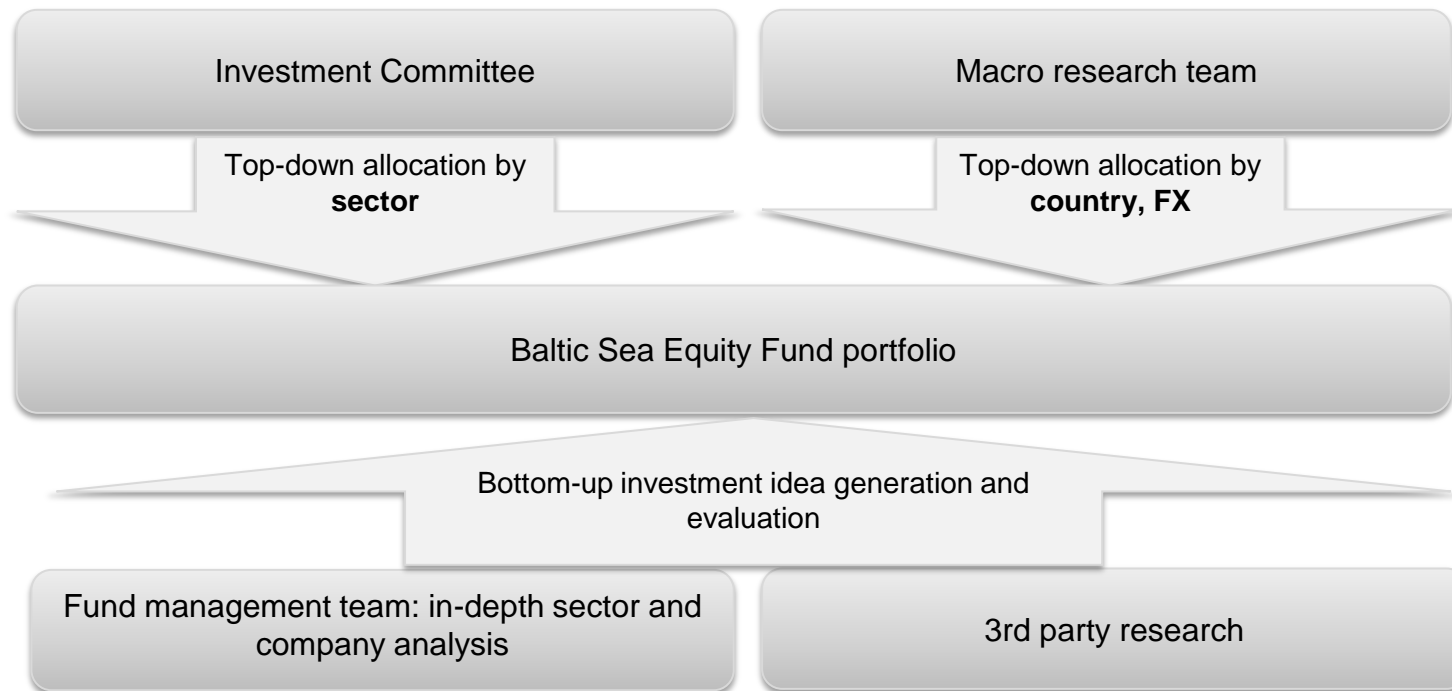
- Targets **long-term capital growth** from equity investments in the **Baltic Sea region**
- **Diversified portfolio** of 40-50 holdings
- **Active management**, no benchmark
- Reflects our **in-house top-down views** on markets and sectors
- Seeks qualitative companies with long-term **growth potential and attractive valuation** within our preferred segments
- Focused on investments in **German and Scandinavian blue-chips**
- **Pure bottom-up stock picking** in the Baltics
- **Regional currency exposure**, no FX hedging



CBL Baltic Sea Equity Fund

Investment Process

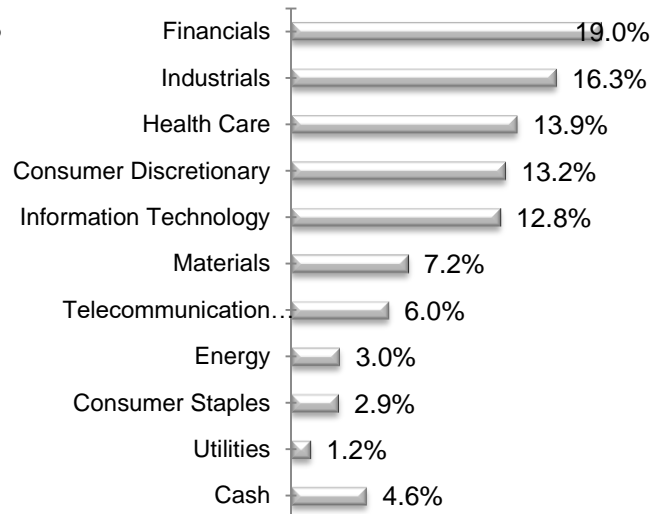
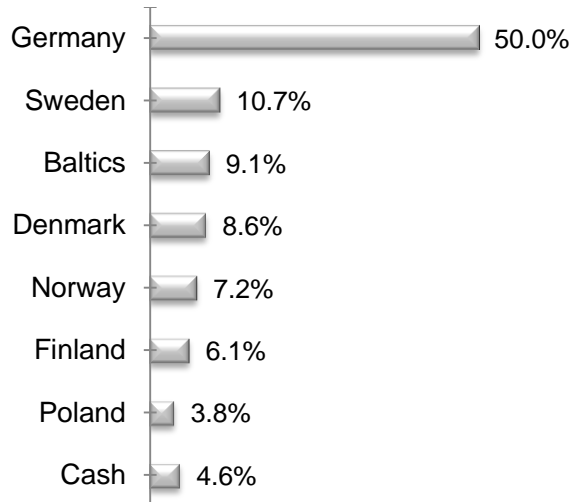
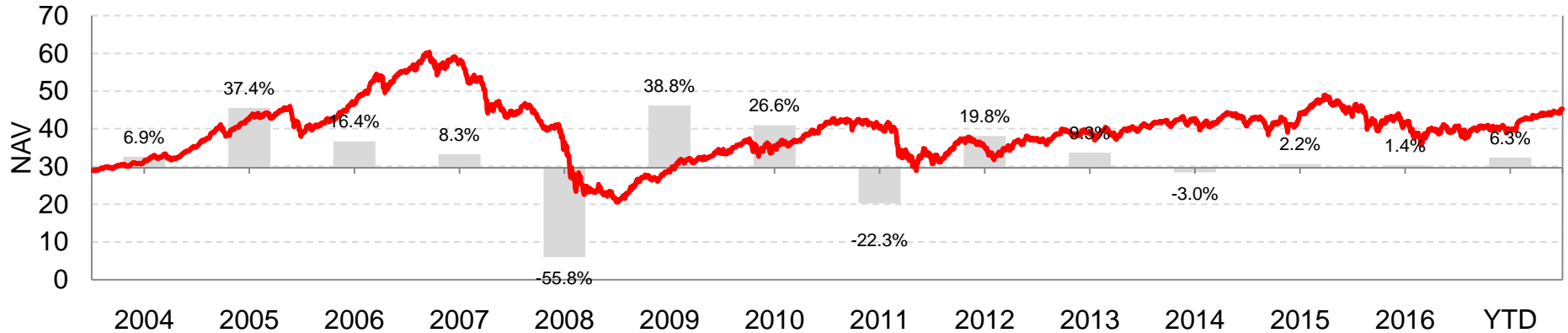
- Focus on **top-down** asset allocation



CBL Baltic Sea Equity Fund

Fund Performance and Structure (April 30, 2017)

ISIN LV0000400794



Siemens	GE	6.1%
Bayer	GE	5.7%
Allianz	GE	4.9%
SAP	GE	4.5%
Deutsche Telekom	GE	3.6%
Infineon Technologies	GE	3.5%
Investor AB	SE	3.5%
Daimler	GE	3.2%
Tallink Group	EE	3.2%
Assa Abloy	SE	3.0%

Source: CBL Asset Management

CBL Asset Management IPAS

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Past performance is not a guide to future performance.

The opinions expressed are based on CBL Asset Management's internal forecasts and should not be relied upon as indicating any guarantee of return from an investment in our funds.

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