



Investment Fund
CBL European Leaders Equity Fund

Semiannual report 2021
(non-audited)

(for the six – month period ended 30 June 2021)

Riga, 2021

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INFORMATION ON THE INVESTMENT FUND

Name of the Fund :	CBL European Leaders Equity Fund
Type of the Fund:	Investment fund
Registration date of the Fund:	7 March 2013
Date of commencing operations of the Fund:	20 November 2013
Number of the Fund:	FL127
Investment management company name:	CBL Asset Management IPAS
Investment management company's registered office:	Republikas laukums 2a, Riga, LV-1010, Latvia
Investment management company's registration number:	40003577500
Number of the license for investment management company operations:	06.03.07.098/367
Name of the Fund's Custodian	AS Citadele Banka
Registered office of the Fund's Custodian	Republikas laukums 2a, Riga, LV-1010, Latvia
Registration number of the Fund's Custodian:	40103303559
Investment management company's Council and Board Members and their positions:	<i>Council of the investment management company :</i> Chairperson of the Council – Vladimirs Ivanovs, appointed on 10.08.2020 Deputy Chairperson of the Council – Vaidas Žagūnis, appointed on 10.08.2020 Member of the Council - Peter Meier, appointed on 30.09.2015 <i>Board of the investment management company:</i> Chairperson of the Board – Kārlis Purgailis, appointed on 08.09.2017 Board Member - Zigurds Vaikulis, appointed on 19.04.2007 Board Member - Andris Kotāns, appointed on 11.05.2015 Board Member - Lolita Sičeva, appointed on 11.05.2015
Rights and responsibilities related to investment fund management:	The Council and the Board members shall perform all duties prescribed in laws and regulations of the Republic and in the Articles of Association of the investment management company
Fund managers:	Andrejs Pijka, appointed on 29.08.2019 Igors Lahtadirs, appointed on 21.11.2013
Rights and responsibilities related to the Fund's management :	The Fund Manager performs all duties prescribed in laws and regulations of the Republic of Latvia, in the Articles of Association of the investment management company and in the prospectus of the Fund
Auditor:	KPMG Baltics AS Vesetas iela 7 Riga, LV-1013 Latvia License No 55

INVESTMENT MANAGEMENT COMPANY REPORT

The manager of the investment fund CBL European Leaders Equity Fund (hereinafter the Fund) is the investment management company CBL Asset Management, registered office Republikas laukums 2a, Riga, LV-1010, registration number 40003577500. The Company's operating license number is 06.03.07.098/367, which was last re-registered on 19 January 2015.

The investment objective of the Fund is to achieve long-term capital appreciation by investing primarily in the shares of those issuers that are registered in or whose principal activities are carried out in Europe. The Fund's return is generated through a combination of share price appreciation and dividend income. The currency of the Fund is the euro.

The first half of 2021 has been very positive for global stock markets. The European broad stock index Stoxx Europe 600 reached a new high, rising 15.78% in the first six months of the year. Investors' optimism was boosted by new fiscal stimulus from global governments, the launch of a mass vaccination program, and a rapid recovery in the global economy, which has led analysts to continuously improve their GDP growth forecasts. Along with the stock markets, commodities also experienced a strong rally, with the prices of many raw materials reaching multiple year highs. The economic restrictions imposed by global governments as a response to the spread of the coronavirus continue to have a negative impact on global supply chains. Rising commodity prices, as well as the possible shortage of goods that could occur as people start spending their savings, led economists to raise their inflation expectations significantly. Fears of a sharp rise in consumer prices quickly began to affect financial markets as well. Investors began to worry that global central banks, and the FRS in particular, would be forced to raise interest rates much earlier than previously expected in response to inflationary pressures.

Low interest rates have been an important argument in favor of investing in equities last year, as investors were lacking the opportunity to have a desired return in low-risk bonds and therefore were eager to invest more in risk assets. This background caused some volatility on the stock markets, but failed to radically change the mood. At its meetings, the FRS has stated on several occasions that it will stick to the previous plan, will not make injudicious rate hikes and that its decisions will be based on the average inflation rate over the longer term rather than short-term jumps in consumer prices. Encouraging FRS comments and strong companies' first quarter earnings quickly returned to optimism. The companies' financial reports provided evidence of a rapid recovery momentum, and as a result analysts raised their profit estimates for both this year and the coming years. Significant improvements in forecasts increased the attractiveness of the stock market. Although the valuations of the European stock market generally are at historically high levels, the expected earnings growth is outpacing the performance of stock indices this year, making the markets relatively "cheaper".

During the reporting period, the largest positive contribution to the Fund's results came from its investments in the technology, industry and consumer discretionary sectors. On the other hand, the communications services, energy and consumer staples sectors had a moderately negative impact on the Fund's performance. Throughout the half-year, the managers actively adjusted the structure of the Fund's portfolio to bring the fundamental and technical characteristics of the Fund's investments in line with the topical trends in the financial markets. At the end of the period, the share of cash in the Fund was 2.17%.

In 2021 half years, the Fund's net assets increased by EUR 2,446,056 and totaled EUR 11,068,414. Gross asset value as at 30 June 2021 amounted to EUR 11,084,572. At the same time, the value of the unit of the Fund in 2021 increased by EUR 7.66, reaching EUR 58.45. The Fund's overall return in 2021 was 15.08% in terms of the Fund's base currency (euro) according to the closing foreign exchange rates.

During the reporting period, the total management costs amounted to EUR 77,516, which did not exceed the maximum amount of 4.00% outlined in the Fund's prospectus. The investment management company fee of EUR 67,438, custodian fee – EUR 8,671, other management expenses - EUR 1,407 were covered from the Fund's assets.

Looking forward, current environment is favorable to global stock markets. The rapid economic recovery, significant improvements in corporate earnings, and the still accommodating fiscal and monetary conditions will continue to support global and US equities. However, the question of how sustainable growth will be and whether it will continue in all segments of the economy. At present, the risk of spreading the Delta variant of the coronavirus has increased, which may again disrupt companies and lead to new economic restrictions. Therefore, the management team of IPAS CBL Asset Management closely monitors and responds to developments in the financial markets by actively adjusting the Fund's portfolio structure.

For the Board of the Investment Management Company:

Kārlis Purgailis
Chairperson of the Board

Andrejs Piļka
Fund Manager

Igors Lahtadirs
Fund Manager

Riga, 30 July 2021

*This document is signed electronically with a secure electronic signature and is time-stamped.

STATEMENT OF ASSETS AND LIABILITIES

	Notes	<u>30.06.2021</u>	<u>31.12.2020</u>
Assets			
Due on demand from credit institutions	1	240,360	225,745
Financial assets at fair value through profit or loss			
Equity instruments	2	<u>10,844,212</u>	<u>8,409,015</u>
Total assets		<u>11,084,572</u>	<u>8,634,760</u>
Liabilities			
Accrued expenses		<u>(16,158)</u>	<u>(12,402)</u>
Total liabilities		<u>(16,158)</u>	<u>(12,402)</u>
Net assets		<u>11,068,414</u>	<u>8,622,358</u>

The accompanying notes on pages 8 through 10 form an integral part of these financial statements.

For the Board of the Investment Management Company:

Kārlis Purgailis
Chairperson of the Board

Riga, 30 July 2021

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STATEMENT OF INCOME AND EXPENSES

	01.01.2021- 30.06.2021	01.01.2020- 30.06.2020
Income for the reporting period		
Dividend income	65,141	26,733
Other income	2,273	-
Total income	67,414	26,733
Expenses for the reporting period		
Remuneration to investment management company	(67,438)	(27,900)
Custodian Fee	(8,671)	(3,587)
Other Fund management expenses	(1,407)	(4,894)
Total expenses	(77,516)	(36,381)
Increase/ decrease in investment value		
Realized (decrease)/increase in investment value	(158,210)	(188,077)
Unrealized increase in investment value	1,492,893	464,033
Total increase in investments	1,334,683	275,956
Increase in net assets from investment	1,324,581	266,308

The accompanying notes on pages 8 through 10 form an integral part of these financial statements.

For the Board of the Investment Management Company:

Kārlis Purgailis
Chairperson of the Board

Riga, 30 July 2021

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STATEMENT OF CHANGES IN NET ASSETS

	01.01.2021- 30.06.2021	01.01.2020- 30.06.2020
Net assets at the beginning of the reporting period	8,622,358	2,883,486
Increase in net assets from investment	1,324,581	266,308
Transactions with share certificates and units		
Inflow from sale of share certificates and units	2,778,489	3,207,295
Outflow on redemption of share certificates and units	(1,657,014)	(388,529)
Increased/(decrease) in net assets from transactions with share certificates	1,121,475	2,818,766
Net asset increased/(decrease) in the reporting period	2,446,056	3,085,074
Net assets at the end of the reporting period	11,068,414	5,968,560
Number of share certificates issued as at the beginning of the reporting year	169,760	65,397
Number of share certificates issued at the end of the reporting year	189,354	133,582
Net assets per share certificate as at the beginning of the reporting year	50.79	44.09
Net assets per share certificate as at the end of the reporting year	58.45	44.68

The accompanying notes on pages 8 through 10 form an integral part of these financial statements.

For the Board of the Investment Management Company:

Kārlis Purgailis
Chairperson of the Board

Riga, 30 July 2021

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NOTES TO THE FINANCIAL STATEMENTS
NOTE 1 DUE ON DEMAND FROM CREDIT INSTITUTIONS

	% of the Fund's net assets		% of the Fund's net assets	
	30.06.2021	30.06.2021	31.12.2020	31.12.2020.
Due on demand from credit institutions, AS Citadele Banka	240,360	2.17%	225,745	2.62%
Total demand deposits with credit institutions	240,360	2.17%	225,745	2.62%

NOTE 2 EQUITY INSTRUMENTS

All equity instruments are classified as financial assets at fair value through profit or loss. As at 30 June 2021, all equity instruments owned by the Fund were traded on regulated markets.
The following table presents the equity instruments broken down by the issuer's country of origin as at 30 June 2021:

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 30.06.2021	% of the Fund's net assets 30.06.2021
Financial instruments traded on regulated markets				8,690,290	10,844,212	97.97%
Equity instruments of Swedish issuers:				1,968,343	2,312,122	20.89%
Hexagon AB	SE0015961909	SEK	19,250	218,517	241,505	2.18%
Thule Group AB	SE0006422390	SEK	6,000	161,649	224,903	2.03%
Evolution Gaming Group AB	SE0012673267	SEK	1,630	69,933	220,020	1.99%
Lifco AB	SE0015949201	SEK	11,000	189,989	217,694	1.97%
EQT AB	SE0012853455	SEK	7,000	191,850	216,695	1.96%
Epiroc AB	SE0015658109	SEK	11,158	211,199	216,075	1.95%
Skanska AB	SE0000113250	SEK	9,500	223,873	213,189	1.93%
Indutrade AB	SE0001515552	SEK	9,768	187,176	211,957	1.91%
Atlas Copco AB	SE0011166610	SEK	3,581	121,414	185,797	1.68%
Volvo AB	SE0000115446	SEK	9,000	197,948	183,810	1.66%
Husqvarna AB	SE0001662230	SEK	16,000	194,795	180,477	1.63%
Equity instruments of Swiss issuers:				1,178,152	1,765,258	15.94%
Geberit AG	CH0030170408	CHF	470	237,909	298,523	2.70%
Sika AG	CH0418792922	CHF	1,050	231,464	290,424	2.62%
Logitech International SA	CH0025751329	CHF	2,511	131,134	256,017	2.31%
Kuehne Nagel International AG	CH0025238863	CHF	880	150,861	254,463	2.30%
VAT Group AG	CH0311864901	CHF	900	163,554	251,639	2.27%
Partners Group Holding AG	CH0024608827	CHF	164	126,937	209,780	1.89%
Sonova Holding AG	CH0012549785	CHF	647	136,293	204,412	1.85%
Equity instruments of French issuers:				1,354,927	1,692,574	15.29%
LVMH Moet Hennessy Louis Vuitton SA	FR0000121014	EUR	420	210,804	279,678	2.53%
Hermes International	FR0000052292	EUR	225	174,079	275,963	2.49%
SOITEC	FR0013227113	EUR	1,360	172,721	252,824	2.28%
La Francaise des Jeux SAEM	FR0013451333	EUR	4,930	223,429	244,084	2.21%
LOreal SA	FR0000120321	EUR	579	203,109	218,109	1.97%
Dassault Systemes SE	FR0000130650	EUR	1,061	175,438	216,656	1.96%
Teleperformance	FR0000051807	EUR	600	195,347	205,260	1.85%
Equity instruments of British issuers:				1,518,097	1,662,881	15.03%
Diploma PLC	GB0001826634	GBP	6,830	146,980	232,111	2.10%
Spirax-Sarco Engineering PLC	GB00BWFQGN14	GBP	1,458	164,166	231,006	2.09%
Croda International PLC	GB00BJFFLV09	GBP	2,600	183,925	224,351	2.03%
Electrocomponents PLC	GB0003096442	GBP	17,300	150,644	207,870	1.88%
Persimmon PLC	GB0006825383	GBP	5,695	204,502	196,791	1.78%
Antofagasta PLC	GB0000456144	GBP	11,500	257,132	193,867	1.75%
BHP Group PLC	GB00BH0P3Z91	GBP	7,626	201,167	190,505	1.72%

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 30.06.2021	% of the Fund's net assets 30.06.2021
Anglo American PLC	GB00B1XZS820	GBP	5,500	208,747	185,117	1.67%
Thungela Resources Ltd	ZAE000296554	GBP	550	834	1,263	0.01%
Equity instruments of Netherland issuers:				804,259	1,277,937	11.55%
ASML Holding NV	NL0010273215	EUR	552	141,338	321,043	2.90%
ASM International NV	NL0000334118	EUR	1,004	110,900	277,506	2.51%
BE Semiconductor Industries NV	NL0012866412	EUR	3,386	129,192	242,099	2.19%
Randstad NV	NL0000379121	EUR	3,500	216,825	225,680	2.04%
Akzo Nobel NV	NL0013267909	EUR	2,024	206,004	211,609	1.91%
Equity instruments of Danish issuers:				1,105,349	1,262,619	11.40%
DSV A/S	DK0060079531	DKK	1,250	192,698	246,598	2.23%
Demant A/S	DK0060738599	DKK	4,500	189,049	213,920	1.93%
Royal Unibrew A/S	DK0060634707	DKK	1,900	205,110	204,610	1.85%
Netcompany Group A/S	DK0060952919	DKK	2,150	149,082	204,990	1.85%
GN Store Nord A/S	DK0010272632	DKK	2,700	179,742	199,553	1.80%
Pandora	DK0060252690	DKK	1,700	189,668	192,948	1.74%
Equity instruments of German issuers:				365,151	454,951	4.11%
HelloFresh SE	DE000A161408	EUR	3,240	176,855	264,838	2.39%
Deutsche Post AG	DE0005552004	EUR	3,300	188,296	190,113	1.72%
Equity instruments of Spanish issuers:				226,533	209,878	1.90%
Industria de Diseno Textil SA	ES0148396007	EUR	7,050	226,533	209,878	1.90%
Equity instruments of Italian issuers:				169,479	205,992	1.86%
Moncler SpA	IT0004965148	EUR	3,600	169,479	205,992	1.86%
Total equity instruments:				8,690,290	10,844,212	97.97%

The following table presents the equity instruments broken down by the issuer's country of origin as at 31 December 2020:

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 31.12.2020	% of the Fund's net assets 31.12.2020
Financial instruments traded on regulated markets				7,128,498	8,409,015	97.53%
Equity instruments of Swiss issuers:				1,481,712	1,647,453	19.11%
Logitech International SA	CH0025751329	CHF	2,511	131,133	200,536	2.33%
VAT Group AG	CH0311864901	CHF	900	163,554	185,428	2.15%
Sika AG	CH0418792922	CHF	820	172,656	184,935	2.14%
Kuehne Nagel International AG	CH0025238863	CHF	880	150,862	164,234	1.90%
Partners Group Holding AG	CH0024608827	CHF	164	126,937	158,718	1.84%
STMicroelectronics NV	NL0000226223	CHF	4,800	164,301	145,344	1.69%
Geberit AG	CH0030170408	CHF	283	133,500	145,114	1.68%
EMS-Chemie Holding AG	CH0016440353	CHF	177	120,011	140,637	1.63%
Sonova Holding AG	CH0012549785	CHF	647	136,295	138,862	1.62%
Tecan Group AG	CH0012100191	CHF	285	109,020	112,541	1.31%
Schindler Holding AG	CH0024638196	CHF	320	73,443	71,104	0.82%
Equity instruments of British issuers:				1,101,873	1,177,774	13.65%
Spirax-Sarco Engineering PLC	GB00BWFQGN14	GBP	1,458	164,165	183,176	2.12%
Diploma PLC	GB0001826634	GBP	6,830	146,980	166,224	1.93%
Halma PLC	GB0004052071	GBP	5,931	141,377	161,563	1.87%
Croda International PLC	GB00BJFFLV09	GBP	1,900	128,722	139,019	1.61%
Electrocomponents PLC	GB0003096442	GBP	13,100	100,684	126,843	1.47%
Rightmove PLC	GB00BGDT3G23	GBP	17,526	125,143	126,791	1.47%
Intertek Group PLC	GB0031638363	GBP	1,700	120,322	106,800	1.24%
London Stock Exchange Group PLC	GB00B0SWJX34	GBP	950	71,506	95,187	1.10%
AVEVA Group PLC	GB00BBG9VN75	GBP	2,027	102,974	72,171	0.84%

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 31.12.2020	% of the Fund's net assets 31.12.2020
Equity instruments of French issuers:				1,021,848	1,106,098	12.84%
SOITEC	FR0013227113	EUR	1,360	172,721	216,648	2.51%
Hermes International	FR0000052292	EUR	225	174,079	197,910	2.30%
LVMH Moet Hennessy Louis Vuitton SA	FR0000121014	EUR		162,589	168,597	1.96%
Schneider Electric SE	FR0000121972	EUR	1,200	145,034	141,960	1.65%
L'Oreal SA	FR0000120321	EUR	437	116,611	135,820	1.58%
Dassault Systemes SE	FR0000130650	EUR	781	124,360	129,763	1.50%
BioMerieux	FR0013280286	EUR	1,000	126,454	115,400	1.34%
Equity instruments of Swedish issuers:				674,771	945,111	10.96%
Evolution Gaming Group AB	SE0012673267	SEK	2,830	112,500	236,231	2.74%
Sinch AB	SE0007439112	SEK	1,540	165,108	206,268	2.39%
Thule Group AB	SE0006422390	SEK	6,000	161,649	184,288	2.14%
Epiroc Aktiebolag A	SE0011166933	SEK	11,158	114,101	167,187	1.94%
Atlas Copco AB	SE0011166610	SEK	3,581	121,413	151,137	1.75%
Equity instruments of Netherland issuers:				618,238	913,126	10.60%
ASML Holding NV	NL0010273215	EUR	552	141,338	219,448	2.55%
Adyen NV	NL0012969182	EUR	100	74,780	190,500	2.21%
ASM International NV	NL0000334118	EUR	1,004	110,900	180,670	2.10%
BE Semiconductor Industries NV	NL0012866412	EUR	3,386	129,193	167,878	1.95%
Prosus NV	NL0013654783	EUR	1,750	162,027	154,630	1.79%
Equity instruments of Danish issuers:				802,615	909,725	10.55%
Netcompany Group A/S	DK0060952919	DKK	2,150	149,082	179,434	2.08%
Genmab A/S	DK0010272202	DKK	539	170,606	178,268	2.07%
SimCorp A/S	DK0060495240	DKK	1,204	117,809	146,598	1.70%
Novo Nordisk A/S	DK0060534915	DKK	2,400	108,679	138,241	1.60%
Royal Unibrew A/S	DK0060634707	DKK	1,432	129,893	136,178	1.58%
GN Store Nord A/S	DK0010272632	DKK	2,000	126,546	131,006	1.52%
Equity instruments of German issuers:				666,527	873,130	10.12%
HelloFresh SE	DE000A161408	EUR	3,240	176,856	197,639	2.29%
Sartorius Stedim Biotech	FR0013154002	EUR	620	97,383	180,544	2.09%
Bechtle AG	DE0005158703	EUR	912	118,835	164,160	1.90%
Sartorius AG	DE0007165631	EUR	425	91,337	140,250	1.63%
Nemetschek SE	DE0006452907	EUR	1,807	82,768	110,227	1.28%
SAP AG	DE0007164600	EUR	750	99,348	80,310	0.93%
Equity instruments of Polish issuers:				321,934	320,560	3.72%
Dino Polska SA	PLDINPL00011	PLN	2,540	150,728	161,211	1.87%
CD Projekt SA	PLOPTTC00011	PLN	2,645	171,206	159,349	1.85%
Equity instruments of Finnish issuers:				185,452	274,289	3.18%
Neste Oyj	FI0009013296	EUR	3,513	126,483	207,829	2.41%
Kone OYJ	FI0009013403	EUR	1,000	58,969	66,460	0.77%
Equity instruments of Italian issuers:				116,467	141,299	1.64%
Ferrari NV	NL0011585146	EUR	749	116,467	141,299	1.64%
Equity instruments of Irish issuers:				137,061	100,450	1.16%
Kingspan Group PLC	IE0004927939	EUR	1,750	137,061	100,450	1.16%
Total equity instruments:				7,128,498	8,409,015	97.53%

NOTE 3 PERFORMANCE DYNAMICS OF THE INVESTMENT FUND

	30.06.2021	31.12.2020	31.12.2019	31.12.2018
Net assets (EUR)*	11,068,414	8,622,358	2,883,486	3,091,545
Number of share certificates	189,354	169,760	65,397	79,910
Value of the unit of the Fund	58.45	50.79	44.09	38.69
Fund return**	15.08%	15.20%	13.96%	(16.36%)

* Net asset value in EUR is established using exchange rates fixed by the financial markets at the end of the day.

** Return is calculated, assuming there are 365 days in a year.