



“CBL European Leaders Equity Fund”

Investment fund
Semiannual report 2022
(non-audited)

For the period
1 January till 30 June 2022

Riga, 2022



**CBL ASSET
MANAGEMENT**

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INFORMATION OF THE INVESTMENT FUND

Name of the Fund:	"CBL European Leaders Equity Fund"
Type of the Fund:	Investment fund
Registration date of the Fund:	07.03.2013.
Number of the Fund:	FL127
Investment management company name:	CBL Asset Management IPAS
Investment management company's registered office:	Republikas laukums 2a, Rīga, 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, Rīga, LV-1010, Latvia
Registration number of the Fund's Custodian:	40103303559
Investment management company's Council and Board members and their positions:	Council of the investment management company: Chairperson of the Council – Vaidas Žagūnis, appointed on 03.08.2021 Chairperson of the Council – Vladimirs Ivanovs, resigned on 03.08.2021 Member of the Council - Blohmé Nils Magnus Göran, appointed on 03.08.2021 Board of the investment management company: Chairperson of the Board – Kārlis Purgailis Board Member – Zīgurds Vaikulis Board Member – Andris Kotāns Board Member – Lolita Sičeva
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 Igoris Lahtadirs
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
Auditors:	Rainers Vilāns Certified Auditor Certificate No 200 KPMG Baltics AS Vesetas iela 7 Rīga, LV-1013, Latvia Licence No 55

IEGULDĪJUMU PĀRVALDES SABIEDRĪBAS ZIŅOJUMS

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, Rīga, 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 equities 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.

In the end of the reporting period of 2022, the Fund's net assets decreased by EUR 6,303,149 and totalled EUR 7,975,060. Gross asset value as at 30 June 2022 amounted to EUR 7,987,408. At the same time, the value of the unit of the Fund in the first half of the year 2022 decreased by EUR 24.01, reaching EUR 41.07. The Fund's overall return in 2022. was negative 36.89% in terms of the Fund's base currency (euro) according to the closing foreign exchange rates.

The year has started with a sharp decline in practically all segments of financial markets. Initially, the correction looked more technical, as it is quite logical that after the strong growth last year, some investors were willing to lock in at least part of the large profits. A bigger fear was caused by Inflation data, which indicated that consumer prices continue to rise rapidly and that there is no sign of a slowdown in inflation. Relentless inflation means that the world's central banks will have to raise interest rates faster, as well as end all monetary stimulus programs, which until now have been an important support factor for stock markets. Uncontrollable inflation, in turn, can lead to maximally tight monetary policy, which tends to stifle consumer demand and thus lead to economic recession. Although high inflation is not exactly new to the financial markets and the levels were already high throughout the previous year, the market has lived with the belief that it is a transitory phenomenon and that normalization will happen soon. Steadily rising inflation quickly began to erode investor confidence and they began to reduce their positions in equities. Hopes for normalization were completely extinguished by the military conflict between Russia and Ukraine. Both countries, but mainly Russia, are important suppliers of many commodities to the world - oil, gas, various metals, as well as agricultural goods. As Western countries introduced harsh sanctions against Russia, a shortage of several resources began to appear, which caused their prices to rise sharply. The increase in resource prices further increased inflationary pressure and financial markets began to prepare for more negative scenarios in the world economy. The European economy is under great stress due to its dependence on Russian natural gas, the interruption of its supplies can stop the operation of the industrial sector. The introduced sanctions against Russia have already contributed to the reduction of gas supplies, and the risk that all industries in Europe will not have enough energy resources has become quite real. The described above events increased the probability of an economic recession significantly. As a result, in the first half of the year, the main index of the US stock market, the S&P 500, lost 20%, crossing the psychological level, which is classically considered the beginning of a bear market. Rather surprisingly, the shares of European companies looked a little better, where the broad market index Stoxx Europe 600 has fallen by 14.4%. The relatively better dynamics of European equity indices is largely explained by the larger weight of commodity sector in them. Stocks of commodity related companies have been virtually the only positive performers this year, thanks to a strong rally in commodity markets.

On the back such a strong market correction as we witnessed in the first half of this year, the Fund's investments have also decreased in value. The Fund's investments in energy, utilities and health care sectors have lost relatively less, while industrials, technology, financials and communication services sectors have exhibited the largest decline. During the whole half-year, the fund managers actively adjusted the structure of the Fund's portfolio to bring the portfolio in line with the most topical technical and fundamental trends in the financial markets. At the end of the period, the weight of cash in the Fund was 2.45%.

During the reporting period, the total management costs amounted to EUR 92,889, which did not exceed the maximum amount of 4.00% outlined in the Fund's prospectus. The investment management company fee of EUR 79,501, custodian fee – EUR 10,222, and other management expenses - EUR 3,166, were covered from the Fund's assets.

As a result of the market correction in the first six months of this year, stock prices are currently pricing in a relatively large number of various risks. Market fundamentals have become much more attractive. Judging by the price-to-earnings ratio, the US stock market is already below the average level of the last ten years, and European stocks are also trading well below historical average values. The recent decline in valuations has been very large and rapid, and therefore, in the longer term, it is reasonable to state that the stock market's return potential has significantly improved compared to the beginning of this year. In the short term, however, we expect that the increased volatility in the global stock markets could remain for some time and with the high uncertainty currently prevailing in the financial markets and the global economy, we do not rule out a further decline in stock market. 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

Rīga, 28 July 2022,

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

STATEMENT OF ASSETS AND LIABILITIES

	Notes	30.06.2022.	31.12.2021.
Assets			
Due on demand from credit institutions	1	195,339	119,000
Financial assets at fair value through profit or loss:			
Equity instruments	2	7,792,069	14,179,028
Total assets		7,987,408	14,298,028
Liabilities			
Accrued expenses		(12,348)	(19,819)
Total liabilities		(12,348)	(19,819)
Net assets		7,975,060	14,278,209

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, 28 July 2022,

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STATEMENT OF INCOME AND EXPENSES

	01.01.2022.- 30.06.2022.	01.01.2021.- 30.06.2021.
Income for the reporting period		
Dividend income	112,175	65,141
Other income	-	2,273
Total income	112,175	67,414
Expenses for the reporting period		
Remuneration to investment management company	(79,501)	(67,438)
Custodian fee	(10,222)	(8,671)
Other Fund management expenses	(3,166)	(1,407)
Total expenses	(92,889)	(77,516)
Increase/(decrease) in investment value		
Realized (decrease) in investment value	(3,206,634)	(158,210)
Unrealized (decrease)/increase in investment value	(2,217,002)	1,492,893
Total (decrease)/increase in investments	(5,423,636)	1,334,683
(Decrease)/increase in net assets from investment	(5,404,350)	1,324,581

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, 28 July 2022,

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STATEMENT OF CHANGES IN NET ASSETS

	01.01.2022.- 30.06.2022.	01.01.2021.- 30.06.2021.
Net assets at the beginning of the reporting period	14,278,209	8,622,358
Decrease)/increase in net assets from investment	(5,404,350)	1,324,581
Transactions with share certificates:		
Inflow from sale of share certificates and units	2,238,910	2,778,489
Outflow on redemption of share certificates	(3,137,709)	(1,657,014)
(Decrease)/increase in net assets from transactions with share certificates	(898,799)	1,121,475
Net asset (decrease)/increase in the reporting period	(6,303,149)	2,446,056
Net assets at the end of the reporting period	7,975,060	11,068,414
Number of share certificates at the beginning of the reporting period	219,389	169,760
Number of share certificates at the end of the reporting period	194,164	189,354
Net assets per share certificate at the beginning of the reporting period	65.08	50.79
Net assets per share certificate at the end of the reporting period	41.07	58.45

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, 28 July 2022,

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NOTES TO THE FINANCIAL STATEMENTS

1. NOTE DUE ON DEMAND FROM CREDIT INSTITUTIONS

	% of the Fund's net assets		% of the Fund's net assets	
	30.06.2022.	30.06.2022.	31.12.2021.	31.12.2021.
Total due on demand from credit institutions, AS Citadele Banka:	195,339	2.45%	119,000	0.83%

2. NOTE EQUITY INSTRUMENTS

All equity instruments are classified as financial assets at fair value through profit or loss. As at 30 June 2022, 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 2022:

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 30.06.2022. (EUR)	% of the Fund's net assets 30.06.2022.
Financial instruments traded on regulated markets:				8,673,786	7,792,069	97.71%
Equity instruments of Swiss issuers:				2,783,331	2,500,104	31.35%
Roche Holding AG	CH0012032048	CHF	820	282,175	261,437	3.28%
Novartis AG	CH0012005267	CHF	2,900	242,463	235,581	2.95%
Sonova Holding AG	CH0012549785	CHF	765	181,498	232,342	2.91%
EMS-Chemie Holding AG	CH0016440353	CHF	310	256,471	220,050	2.76%
Belimo Holding AG	CH1101098163	CHF	633	305,632	212,589	2.67%
Partners Group Holding AG	CH0024608827	CHF	241	235,174	207,076	2.59%
Kuehne Nagel International AG	CH0025238863	CHF	887	224,620	200,020	2.51%
Sika AG	CH0418792922	CHF	895	199,790	197,601	2.48%
Geberit AG	CH0030170408	CHF	428	218,888	196,425	2.46%
STMicroelectronics NV	NL0000226223	EUR	6,132	249,691	182,427	2.29%
ABB Ltd	CH0012221716	CHF	7,036	212,554	178,302	2.24%
VAT Group AG	CH0311864901	CHF	783	174,375	176,254	2.21%
Equity instruments of British issuers:				1,332,327	1,051,610	13.18%
Rightmove PLC	GB00BGDT3G23	GBP	35,723	310,431	236,932	2.97%
Auto Trader Group PLC	GB00BVYVFW23	GBP	36,000	285,724	231,806	2.91%
Diageo PLC	GB0002374006	GBP	5,129	244,723	210,670	2.64%
Howden Joinery Group PLC	GB0005576813	GBP	27,360	275,713	191,730	2.40%
Ferguson PLC	JE00BJVNSS43	GBP	1,689	215,736	180,472	2.26%
Equity instruments of French issuers:				1,006,153	925,594	11.62%
LOreal SA	FR0000120321	EUR	699	256,414	228,119	2.86%
Hermes International	FR0000052292	EUR	208	205,042	219,960	2.76%
Dassault Systemes SE	FR0014003TT8	EUR	5,731	243,380	199,095	2.50%
Remy Cointreau SA	FR0000130395	EUR	1,102	172,977	183,042	2.30%
Alten SA	FR0000071946	EUR	926	128,340	95,378	1.20%
Equity instruments of German issuers:				917,820	775,206	9.72%
DEUTSCHE BOERSE						
STK N	DE0005810055	EUR	1,505	233,473	239,370	3.00%
Bechtle AG	DE0005158703	EUR	5,422	297,682	210,482	2.64%
Rheinmetall AG	DE0007030009	EUR	831	172,219	184,316	2.31%
Carl-Zeiss Meditec AG	DE0005313704	EUR	1,252	214,446	141,038	1.77%
Equity instruments of Italian issuers:				575,170	404,531	5.07%
Reply SpA	IT0005282865	EUR	1,755	280,237	204,107	2.56%
Moncler SpA	IT0004965148	EUR	4,961	294,933	200,424	2.51%
Equity instruments of Dutch issuers:				202,872	393,416	4.93%
ASML Holding NV	NL0010273215	EUR	440	111,223	198,836	2.49%
ASM International NV	NL0000334118	EUR	828	91,649	194,580	2.44%
Equity instruments of Swedish issuers:				461,303	374,252	4.69%
Alfa Laval AB	SE0000695876	SEK	8,622	260,179	197,350	2.47%
Atlas Copco AB	SE0017486889	SEK	19,924	201,124	176,902	2.22%

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 30.06.2022. (EUR)	% of the Fund's net assets 30.06.2022.
Equity instruments of Danish issuers:				176,061	243,103	3.05%
Novo Nordisk A/S	DK0060534915	DKK	2,300	176,061	243,103	3.05%
Equity instruments of Portuguese issuers:				216,482	236,788	2.97%
Jeronimo Martins SGPS SA	PTJMT0AE0001	EUR	11,395	216,482	236,788	2.97%
Equity instruments of Norwegian issuers:				207,518	210,468	2.64%
Salmar ASA	NO0010310956	NOK	3,152	207,518	210,468	2.64%
Equity instruments of Finnish issuers:				203,474	196,723	2.47%
Neste Oyj	FI0009013296	EUR	4,685	203,474	196,723	2.47%
Equity instruments of Austrian issuers::				172,335	167,419	2.10%
Verbund AG	AT0000746409	EUR	1,807	172,335	167,419	2.10%
Equity instruments of Spanish issuers:				171,696	162,739	2.04%
Industria de Diseno Textil SA	ES0148396007	EUR	7,594	171,696	162,739	2.04%
Equity instruments of Irish issuers:				247,244	150,116	1.88%
Kingspan Group PLC	IE0004927939	EUR	2,629	247,244	150,116	1.88%
Total equity instruments:				8,673,786	7,792,069	97.71%

All equity instruments are classified as financial assets at fair value through profit or loss. As at 31 December 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 31 December 2021:

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 31.12.2021. (EUR)	% of the Fund's net assets 31.12.2021.
Financial instruments traded on regulated markets:			253,047	10,800,093	14,179,028	99.31%
Equity instruments of British issuers:			105,218	2,234,752	2,798,742	19.60%
Ferguson PLC	JE00BJVNSS43	GBP	2,160	273,584	336,745	2.36%
Croda International PLC	GB00BJFFLV09	GBP	2,600	183,924	312,051	2.19%
Rightmove PLC	GB00BGDT3G23	GBP	32,600	289,303	308,433	2.16%
Halma PLC	GB0004052071	GBP	8,000	284,824	304,660	2.13%
Howden Joinery Group PLC	GB0005576813	GBP	26,000	266,512	278,850	1.95%
Spirax-Sarco Engineering PLC	GB00BWFGQN14	GBP	1,458	164,165	278,403	1.95%
Diploma PLC	GB0001826634	GBP	6,830	146,980	274,247	1.92%
Ashtead Group PLC	GB0000536739	GBP	3,570	256,455	252,451	1.77%
Electrocomponents PLC	GB0003096442	GBP	17,300	150,644	248,296	1.74%
Spectris PLC	GB0003308607	GBP	4,700	218,361	204,606	1.43%
Equity instruments of Swiss issuers:			3,906	1,457,179	2,246,850	15.72%
VAT Group AG	CH0311864901	CHF	900	163,554	398,889	2.79%
Sika AG	CH0418792922	CHF	1,050	231,464	388,798	2.72%
Straumann Holding AG	CH0012280076	CHF	185	270,814	345,849	2.42%
Geberit AG	CH0030170408	CHF	470	237,909	340,330	2.38%
Partners Group Holding AG	CH0024608827	CHF	204	187,896	299,918	2.10%
Belimo Holding AG	CH1101098163	CHF	450	229,248	248,291	1.74%
Sonova Holding AG	CH0012549785	CHF	647	136,294	224,775	1.57%
Equity instruments of Swedish issuers:			77,599	1,310,730	1,948,462	13.65%
EQT AB	SE0012853455	SEK	7,000	191,850	336,468	2.36%
Thule Group AB	SE0006422390	SEK	6,000	161,649	321,356	2.25%
Lifco AB	SE0015949201	SEK	11,000	189,989	289,962	2.03%
Hexagon AB	SE0015961909	SEK	19,250	218,517	269,304	1.89%
Indutrade AB	SE0001515552	SEK	9,768	187,176	263,681	1.85%
Hexpol AB	SE0007074281	SEK	21,000	240,136	248,715	1.74%
Atlas Copco AB	SE0011166610	SEK	3,581	121,413	218,976	1.53%

Financial instrument	ISIN code	Currency	Amount	Acquisition value (EUR)	Carrying amount 31.12.2021. (EUR)	% of the Fund's net assets 31.12.2021.
Equity instruments of French issuers:			9,016	1,430,865	1,876,065	13.14%
LOreal SA	FR0000120321	EUR	746	273,538	311,045	2.18%
LVMH Moët Hennessy Louis Vuitton SA	FR0000121014	EUR	420	210,804	305,256	2.14%
SOITEC	FR0013227113	EUR	1,360	172,721	291,312	2.04%
Dassault Systemes SE	FR0014003TT8	EUR	5,305	226,497	277,451	1.94%
Hermes International	FR0000052292	EUR	165	128,609	253,193	1.77%
Teleperformance	FR0000051807	EUR	600	195,347	235,200	1.65%
Sartorius Stedim Biotech	FR0013154002	EUR	420	223,349	202,608	1.42%
Equity instruments of German issuers:			16,690	1,341,331	1,414,668	9.91%
Bechtle AG	DE0005158703	EUR	4,300	269,783	270,814	1.90%
Nemetschek SE	DE0006452907	EUR	2,400	231,535	269,760	1.89%
Puma SE	DE0006969603	EUR	2,200	238,630	235,730	1.65%
Carl-Zeiss Meditec AG	DE0005313704	EUR	1,250	236,231	232,187	1.63%
HelloFresh SE	DE000A161408	EUR	3,240	176,856	220,255	1.54%
Deutsche Post AG	DE0005552004	EUR	3,300	188,296	185,922	1.30%
Equity instruments of Dutch issuers:			5,063	661,079	1,313,961	9.20%
ASM International NV	NL0000334118	EUR	1,004	110,899	390,154	2.73%
ASML Holding NV	NL0010273215	EUR	552	141,338	390,098	2.73%
Adyen NV	NL0012969182	EUR	121	279,649	279,691	1.96%
BE Semiconductor Industries NV	NL0012866412	EUR	3,386	129,193	254,018	1.78%
Equity instruments of Danish issuers:			12,855	982,814	1,180,969	8.28%
Novo Nordisk A/S	DK0060534915	DKK	2,740	200,799	272,069	1.91%
DSV A/S	DK0060079531	DKK	1,250	192,698	258,189	1.81%
Pandora	DK0060252690	DKK	2,215	251,186	244,066	1.71%
Netcompany Group A/S	DK0060952919	DKK	2,150	149,082	203,684	1.43%
Demant A/S	DK0060738599	DKK	4,500	189,049	202,961	1.42%
Equity instruments of Italian issuers:			9,450	716,281	738,677	5.18%
Interpump Group SpA	IT0001078911	EUR	4,200	240,023	270,690	1.90%
Moncler SpA	IT0004965148	EUR	4,100	274,951	262,482	1.84%
Reply SpA	IT0005282865	EUR	1,150	201,307	205,505	1.44%
Equity instruments of Norwegian issuers:			10,000	290,311	297,934	2.09%
Nordic Semiconductor ASA	NO0003055501	NOK	10,000	290,311	297,934	2.09%
Equity instruments of Irish issuers:			2,500	243,752	262,500	1.84%
Kingspan Group PLC	IE0004927939	EUR	2,500	243,752	262,500	1.84%
Equity instruments of Finnish issuers:			750	130,999	100,200	0.70%
QT Group Oyj	FI4000198031	EUR	750	130,999	100,200	0.70%
Total equity instruments:				10,800,093	14,179,028	99.31%

3. NOTE PERFORMANCE DYNAMICS OF THE INVESTMENT FUND

	30.06.2022.	31.12.2021.	31.12.2020.	31.12.2019.
Net assets (EUR)	7,975,060	14,278,209	8,622,358	2,883,486
Number of share certificates	194,164	219,389	169,760	65,397
Value of the unit of the investment fund	41.07	65.08	50.79	44.09
Return of the investment fund **	(36.89%)	28.14%	15.20%	13.96%

* 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.