

INVL BALTIC FUND

**ANNUAL FINANCIAL STATEMENTS FOR 2024 TOGETHER WITH INDEPENDENT AUDITOR'S
REPORT**

Independent Auditor's Report

To the Participants of the Open-Ended Harmonized Investment Fund "INVL Baltic Fund"

Report on the Audit of the Financial Statements

■ Opinion

We have audited the financial statements of the open-ended harmonized investment fund "INVL Baltic Fund" ("the Fund") managed by "SB Asset Management" UAB ("the Company"). The Fund's financial statements comprise:

- the statement of net assets as at 31 December 2024,
- the statement of changes in net assets for the year then ended, and
- the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its changes in net assets for the year then ended in accordance with Lithuanian Financial Reporting Standards.

■ Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants and the requirements of the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

■ Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each audit matter and our respective response are described below.

Measurement of the transferable securities

The carrying amount of the Fund's transferable securities: EUR 9,702 thousand as at 31 December 2024 (31 December 2023: EUR 9,912 thousand).

See the section Investment valuation methods, investment revaluation intervals of Note 23.3.2 of the accounting policies, Note 4 of the explanatory notes to the financial statements for financial disclosures.

The key audit matter	How the matter was addressed in our audit
<p>The Fund's performance is assessed based on its net asset value (NAV). The NAV calculation methodology, approved by the Board of Directors of the Management Company, is determined by the legislation applicable to the Fund and its rules.</p> <p>Main element of NAV is the fair value of the underlying investments, which include securities (equities) quoted in active markets and debt instruments (corporate bonds). The fair value is estimated by reference to the prices of financial instruments quoted in an active market or, where such prices from active markets are not available, determined based on valuation models, which often require unobservable inputs and significant management judgment.</p> <p>Due to the magnitude of the amounts involved, and the significant degree of judgement required in arriving at the Fund's financial assets' valuations, we considered this area to be a key audit matter.</p>	<p>Our audit procedures in the area included, among others:</p> <ul style="list-style-type: none"> — challenging the appropriateness of the valuation methods and models applied in measuring the fair value of the Fund's investments against relevant regulatory and financial reporting requirements; — testing the relevance and reliability of key data used in the aforementioned valuation models; — testing the design, implementation and operating effectiveness of the selected key controls over the Fund's securities portfolio valuation; — independently obtaining a confirmation from the Fund's custodian in respect of the ownership of the investments held as at 31 December 2024; — tracing the recognised fair values of all quoted financial assets in the Fund's portfolio as at 31 December 2024 to publicly available market prices; — for investments in debt instruments (bonds), making reference to clean prices of similar debt instruments derived from publicly available sources (investor data services) and our own assessment of related accrued interest; — evaluating the adequacy, completeness and accuracy of the disclosures with respect to the financial assets.

■ Other Information

The other information comprises the information included in pages 6–7, 25 and 31, but does not include the financial statements and our auditor’s report thereon. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Based on the work carried out in the course of audit of financial statements, in our opinion, the other information for the financial year for which the financial statements are prepared is, in all material respects, consistent with the financial statements.

■ Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Lithuanian Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund’s financial reporting process.

■ Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

■ Report on Other Legal and Regulatory Requirements

Under decision of the Company's general shareholders' meeting we were appointed on 28 June 2019 for the first time to audit the Fund's financial statements. Our appointment to audit the Fund's financial statements was renewed in 2024 under decision of the general shareholders' meeting, and the total uninterrupted period of engagement is 6 years.

We confirm that our audit opinion expressed in the Opinion section of our report is consistent with the additional report which we have submitted to the Fund and the Company's Audit Committee.

We confirm that in light of our knowledge and belief, services provided to the Fund are consistent with the requirements of the law and regulations and do not comprise non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014 of the European Parliament and of the Council.

In the course of audit, in addition to the audit of the financial statements, we have provided translation services.

On behalf of KPMG Baltics, UAB

Domantas Dabulis
Partner pp
Certified Auditor

Vilnius, the Republic of Lithuania
28 April 2025

The electronic auditor's signature applies only to the Independent Auditor's Report on pages 2 to 5 of this document.

I. GENERAL INFORMATION

1. Information of INVL Baltic Fund:

Information is provided under section General information in the explanatory notes.

2. Reporting period covered by these financial statements:

Information is provided under section General information in the explanatory notes.

3. Details of the management company:

Information is provided under section General information in the explanatory notes.

4. Details of the depository:

Information is provided under section General information in the explanatory notes.

II. NET ASSET VALUE, NUMBER AND VALUE OF INVESTMENT UNITS

5. Net asset value (NAV), number and value of investment units:

Information is provided in Note 2.

6. Number of investment units distributed and redeemed over the reporting period and value:

Information is provided in Note 3.

III. EXPENSE AND TURNOVER RATIOS OF THE COLLECTIVE INVESTMENT UNDERTAKING

7. Deductions from assets of the collective investment undertaking:

Information is provided in Note 20.

8. Intermediary fee:

Information is provided in Note 9.

9. Information on all existing arrangements on distributions and hidden commission fees:

Over the reporting period, the management company did not enter into any formal or informal arrangements on distributions, nor any hidden commission fees were applied to the Fund.

10. Illustration of impact of deductions on investor's ultimate return on investments:

The table below presents calculations relating to deduction (in EUR) on contributions of the participant of the collective investment undertaking in case of a current level of deductions and the amount to be received after 1, 3, 5, 10 years if EUR 3,000 is invested and the annual return on investments is 5%.

	After 1 year	After 3 years	After 5 years	After 10 years
Deductions paid, EUR	75	241	433	1 042
Accrued amount if there were no deductions	3 150	3 473	3 829	4 887
Accrued amount in existence of current amount of deductions	3 075	3 232	3 396	3 845

IV. INFORMATION ON THE INVESTMENT PORTFOLIO OF THE COLLECTIVE INVESTMENT UNDERTAKING

11. Structure of investment portfolio at the end of the reporting period:

Information is provided in Note 4.

12. Breakdown of investments by the criteria that meet the investment strategy:

Information is provided in Note 5.

13. Transactions involving derivative financial instruments conducted over the reporting period, other than those referred to in section 11 herein:

Information is provided in Note 8.

14. Types of derivative financial instruments referred to in section 11 of the financial statements, the related risks and quantitative limits and methods used to assess the risks incurred by the collective investment undertaking in relation to transactions involving derivative financial instruments. Description of how derivative financial instrument may be used to hedge investment instrument transaction (position) against risk:

Information is provided in Note 8.

15. Total value of liabilities from transactions involving derivative financial instruments at the end of the reporting period:

Information is provided in Note 8.

16. Risk extent related to derivative financial instruments taken by the master collective investment undertaking: the sum of the direct potential risk extent of the feeder collective investment undertaking and the actual derivative financial instruments risk of the master collective investment undertaking that is proportional to the feeder collective investment undertaking's investments in the master undertaking, and the sum of the direct potential risk extent of the feeder collective investment undertaking and the extent of potential maximum risk that was taken by the master collective investment undertaking according to transactions in derivative financial instruments and that was determined in the founding documents of the master collective investment undertaking and that is proportional to the feeder collective investment undertaking's investments to the master undertaking.

The Fund is a non-master collective investment undertaking.

17. Analysis of the current investment portfolio's compliance (non-compliance) with the collective investment undertaking's investment strategy (investment trends, investment specialisation, geographical area, etc.):

Structure of investment portfolio is provided in Note 4.

18. Factors that had the major impact on the structure of investment portfolio and changes in its value over the reporting period:

Information is provided in Note 4.

V. RETURN ON INVESTMENTS AND RISK INDICATORS OF THE COLLECTIVE INVESTMENT UNDERTAKING

19. Benchmark index (if selected) and its brief description:

Information is provided in Note 19.1.

20. Change in value of unit (share) for the same period, change in annual return (gross and net) on investments, and change in value of benchmark index (if selected), and other indicators over the last 10 years of the fund's operation. If the collective investment undertaking operated for a period shorter than 10 years, return on investments for the period during which the portfolio was managed:

Information is provided in Note 19.2.

21. Average return on investments, average change in value of investment unit and average change in value of benchmark index (if selected) over the last three, five, ten years (average net return on investments, average change in value of unit and average change in value of benchmark index are calculated as a geometric mean of annual changes in net return on investments, annual changes in value of unit and annual changes in value of benchmark index, respectively):

Information is provided in Note 19.3.

22. Other indicators showing the risks pertaining to the investment portfolio:

Other indicators showing the risks pertaining to the investment portfolio over the reporting period were not estimated.

VI. FINANCIAL POSITION OF THE COLLECTIVE INVESTMENT UNDERTAKING

23. The financial statements of the collective investment undertaking have been prepared in accordance with the requirements of the Lithuanian laws and legal acts:

23.1. Statement of net assets;

23.2. Statement of changes in net assets;

23.3. Explanatory notes.

UAB SB Asset Management
 306241274, Gynėjų g. 14, Vilnius

INVL Baltic Fund
STATEMENT OF NET ASSETS as at 31 December 2024

No	Assets	Note	Financial year	Previous financial year
A.	ASSETS	4	9 979 425	10 518 056
1.	CASH	4,5	276 957	600 661
2.	TIME DEPOSITS		-	-
3.	MONEY MARKET INSTRUMENTS		-	-
3.1.	Treasury bills		-	-
3.2.	Other money market instruments		-	-
4	TRANSFERABLE SECURITIES	4,5,6	9 702 468	9 911 830
4.1.	Non-equity securities	4,5,6	316 349	-
4.1.1.	Non-equity securities issued or guaranteed by governments and central banks		-	-
4.1.2.	Other non-equity securities	4,5,6	316 349	-
4.2.	Equity securities	4,5,6	9 386 119	9 911 830
4.3.	Investment units and shares of other collective investment undertakings		-	-
5.	PREPAYMENTS		-	-
6	AMOUNTS RECEIVABLE	4	-	5 565
6.1.	Amounts receivable from sale of investments	4	-	2 836
6.2.	Other amounts receivable	4	-	2 729
7.	INVESTMENT AND OTHER ASSETS		-	-
7.1.	Investment assets		-	-
7.2.	Derivative financial instruments		-	-
7.3.	Other assets		-	-
B.	LIABILITIES	4	24 016	25 810
1.	Amounts payable	4	24 016	25 810
1.1.	Amounts payable for financial and investment assets		-	-
1.2.	Amounts payable to management company and depository	4	20 486	20 850
1.3.	Other amounts payable	4	3 530	4 960
2.	Accrued charges		-	-
3.	Borrowings from credit institutions		-	-
4.	Liabilities under contracts on derivative financial instruments		-	-
5.	Other liabilities		-	-
C.	NET ASSETS	2	9 955 409	10 492 246

The accompanying explanatory notes form an integral part of these financial statements.

Director	Vaidotas Rūkas	28 April 2025
Head of Investment Accounting Group	Solveiga Brazauskaitė-Medinienė	28 April 2025

UAB SB Asset Management
 306241274, Gynėjų g. 14, Vilnius

INVL Baltic Fund
STATEMENT OF CHANGES IN NET ASSETS as at 31 December 2024

No	Items	Note	Financial year	Previous financial year
1.	NET ASSET VALUE AT THE BEGINING OF THE PERIOD	2	10 492 246	9 923 566
2.	INCREASE IN NET ASSET VALUE			
2.1.	Contributions of participants	3	297 747	2 312 027
2.2.	Transfers from other funds		-	-
2.3.	Guarantee contributions		-	-
2.4.	Investment income		499 501	494 193
2.4.1.	Interest income		-	-
2.4.2.	Dividends		499 501	494 193
2.4.3.	Rental income		-	-
2.5.	Gain on change in value and sale of investments	6	1 138 942	3 981 823
2.6.	Foreign exchange gain		817	23 554
2.7.	Gain on transactions involving derivative financial instruments		-	-
2.8.	Other increases in net asset value		7	10
	TOTAL INCREASE IN NET ASSET VALUE:		1 937 014	6 811 607
3.	DECREASE IN NET ASSET VALUE			
3.1.	Payments to participants	3	1 254 235	2 549 418
3.2.	Transfers to other funds		-	-
3.3.	Loss on change in value and sale of investments	6	978 726	3 404 310
3.4.	Foreign exchange loss		2 326	23 607
3.5.	Loss on transactions involving derivative financial instruments		-	-
3.6.	Management costs:	20	238 564	265 592
3.6.1.	Fee to management company	20	202 108	222 371
3.6.2.	Fee to depository	20	10 611	11 997
3.6.3.	Fee to intermediaries	9,20	7 040	8 412
3.6.4.	Audit fee costs	20	9 175	9 680
3.6.5.	Interest costs		-	-
3.6.6.	Other costs	20	9 630	13 132
3.7.	Other decreases in net asset value		-	-
3.8.	Reimbursement of costs (-)		-	-
	TOTAL DECREASE IN NET ASSET VALUE:		2 473 851	6 242 927
4.	Change in net asset value		(536 837)	568 680
5.	Profit distribution		-	-
6.	NET ASSET VALUE AT THE END OF THE REPORTING PERIOD	2	9 955 409	10 492 246

The accompanying explanatory notes form an integral part of these financial statements.

Director	Vaidotas Rūkas	28 April 2025
Head of Investment Accounting Group	Solveiga Brazauskaitė-Medinienė	28 April 2025

UAB SB Asset Management
 306241274, Gynėjų g. 14, Vilnius

INVL Baltic Fund

Explanatory notes to the financial statements for 2024

23.3.1. General information:

Details of the collective investment undertaking

Name	INVL Baltic Fund
Legal form	Open-ended type harmonised investment fund with no rights of a legal entity
Date on which the Securities Commission (currently the Bank of Lithuania) approved the documents on formation	8 December 2005
Duration of operation	Indefinite period
Location	Vilnius

Details of the management company

Name	UAB SB Asset Management
Company code	306241274
Registered address	Gynėjų g. 14, LT-01109 Vilnius
Register at which all data about the undertaking is stored and compiled	State enterprise Centre of Registers, Vilnius branch
Telephone number	+370 610 44447
Email address	info@sb.lt
Website address	www.sb.lt
Licence No	22
Manager of the collective investment undertaking, other individuals making investment decisions	Audrius Matikiūnas – Member of the Investment Committee; Andrius Načajus - Member of the Investment Committee; Vygandas Jūras – Member of the Investment Committee; Vaidotas Rūkas – Member of the Investment Committee; Regimantas Valentonis – Director of the Investment Management Department; Dainius Bložė – Head of Shares and CIU team; Arvydas Jacikevičius – Fund Manager.

**Audrius Matikiūnas - Member of the Investment Committee until 18 November 2024, Andrius Načajus - Member of the Investment Committee from 18 November 2024.*

Details of the depository

Name	AB SEB bankas
Company code	112021238
Registered address	Konstitucijos pr. 24, LT-08105 Vilnius, Lithuania
Telephone number	+370 5 268 2800

Details of the audit firm which has audited the annual financial statements

Name	KPMG Baltics, UAB
Company code	111494971
Registered address	Lvivo g. 101, LT-08104 Vilnius
Telephone number	+370 5 210 2600

Listing

From September 2013 until the end of November 2023, the INVL Baltic Fund was quoted on the Nasdaq stock exchange.

Reporting period

From 1 January 2024 to 31 December 2024.

23.3.2. Accounting policies:

Regulatory legislation adopted in the preparation of the financial statements

SB Asset Management UAB manages the assets of the fund, keeps the fund's accounting records and prepares its financial statements in compliance with Lithuanian Financial Reporting Standards (BAS), Law on Financial Accounting of the Republic of Lithuania, Law on Collective Investment Undertakings of the Republic of Lithuania and other legal acts.

Generally accepted accounting principles

The financial year of the Fund coincides with the calendar year. Assets and liabilities reported in the Fund's financial statements as at the end of the reporting period are presented at the value as at 30 December 2024.

The Fund's financial statements are prepared within four months following the end of the financial year. All amounts in these financial statements are presented in the euros (EUR).

Investment policy and structure of investment portfolio

The objective of the Fund is to ensure the maximum growth of assets for the benefit of the Fund's participants by assuming average or higher level of risk.

From 50 to 100 per cent of the Fund's net assets might be invested into the securities of companies quoted on Lithuania, Latvian, and Estonian stock exchanges. The remaining portion of the Fund's net assets might be invested into the shares of companies developing a major part of their activities in the Baltic countries and quoted in other markets, as well as into other investment instruments defined in the Fund's rules.

Investment portfolio of the Fund must be diversified in accordance with the procedure established under the laws of the Republic of Lithuania and rules of the Fund.

The structure of investment portfolio is presented in Note 4.

Financial risk management

The Fund's exposure to financial risks is managed through the diversification of the investment portfolio based on diversification principles defined in the Fund's rules.

The Investment Committee decides on the composition of the Fund's investment portfolio in view of the current risk level of the portfolio and the effects of decisions made on the overall risk level of the portfolio.

The Fund's portfolio risk and liquidity are assessed periodically and reported to the Investment Committee.

The Fund's investment portfolio risk is assessed on the basis of constituent securities in view of:

- issuer's credit rating;
- price sensitivity to interest rate shifts;
- nominal currency risk;
- maturity;
- yield;
- weight of securities in total investment portfolio;
- liquidity.

23.3.2. Accounting policies (continued)

Policies for recognition of increase and decrease in assets and liabilities

Difference between the value of the Fund's net assets and the value of the Fund's liabilities reflects the value of net assets (NA).

Calculation of assets and liabilities is based on their fair value, which reflects the NA value, at which the sale of these assets are mostly probable.

Financial assets are recorded when the Fund receives or obtains a contractual right to receive cash or any other financial assets, i.e. following the selected trade date approach, when the receivable financial asset and the liability to pay for it are recorded in the buyer's books of account at the date of the transaction. In the seller's books of account, the financial asset sold is written off, and a receivable amount and the result of disposal (gain or loss) are recorded at the date of the transaction. Planned transactions, guarantees and sureties received are not recognised as the Fund's assets for as long as they do not meet the definition criteria of financial assets.

Financial liabilities are recorded when the Fund assumes a commitment to pay cash or any other financial assets (the selected trade date approach). Planned transactions, guarantees and sureties granted but not yet executable are not recognised as the Fund's liabilities for as long as they do not meet the definition criteria of financial liabilities.

Liabilities are recorded in line with the requirements of Business Accounting Standards. Liabilities (or part of them) should be written off only when they extinguish, i.e. when contractual liabilities are settled, annulled or have expired.

When calculating the NA value in foreign currency, the value of assets and liabilities is determined using a foreign exchange reference rate of EUR against other currencies published by the European Central Bank, and where such foreign exchange reference rate is not published by the European Central Bank, using the foreign exchange reference rate published on the date of estimation by the Bank of Lithuania. For the purpose of accounting, the most recent foreign exchange rate effective before the economic event or economic transaction should be applied.

Rules on deductions to the accumulation undertaking and the depository

The maximum rates of deductions from the Fund's assets charged for the management of the Fund and the services provided by the Depository are presented in the Fund's rules.

The specific rates of deductions for the management of the Fund are set by the decision of the Board of the Management Company and they are available to public on the Management Company's official website at address www.sb.lt.

Any other costs not specified in the Fund's rules (including expenses related to the services provided by the depository) or in excess of the defined limits are born by the Management Company at its own expense.

The Fund's deductions over the reporting period are presented in Note 20.

Investment valuation methods, investment revaluation intervals

The Fund's net assets are measured at fair value in accordance with the procedure prescribed by legal acts of the Republic of Lithuania and in line with the net assets calculation procedures approved by the Management Company.

Valuation of net assets (NA) is based on the following principles for determining the fair value of investments:

- The fair value of financial instruments traded on regulated markets is determined with reference to the quoted closing price of the instrument or, in case the closing price is not available, with reference to the average market price quoted on that regulated market and/or multilateral trading system, which has a higher liquidity, regularity and frequency of trade in these financial instruments, except for the cases defined in the Methodology for Calculation of Net Assets approved by the Bank of Lithuania;
- The fair value of financial instruments not traded on regulated markets is determined with reference to the Methodology for Calculation of Net Assets approved by the Bank of Lithuania;
- The fair value of non-equity securities is determined by calculating the price without the accumulated interest and adding the accumulated interest.

23.3.2. Accounting policies (continued)

- Valuation of investment units (shares) of collective investment undertakings is carried out with reference to the NAV determined by the collective investment undertaking or the last quoted redemption price;
- Valuation of time deposits is based on the amortised cost;
- Valuation of cash on hand and cash held at credit institutions, except for time deposits, is based on the nominal value;
- The value of forwards is calculated using the discounted cash flow method. The fair value of forwards or the current market value (CMV) is the difference between the payable and receivable amounts of the transaction discounted by the interbank offered rate (LIBOR) of the revaluation date and recalculated into euro at the official exchange rate of the revaluation date.

The value of all other derivative financial instruments is determined based on the most recent market value of an analogous previous transaction if there were no significant changes in economic circumstances during the period after the transaction date until the valuation date. In case of changes in economic circumstances, valuation is made based on the expected sale price determined according to the chosen valuation model which is generally applicable and accepted and in the financial market;

- Valuation of other assets is based on the most probable selling price determined by the selected valuation model, which is generally accepted in the financial market.

Valuation of liabilities

Valuation of liabilities is based on the requirements of Lithuanian Financial Reporting Standards:

- Liabilities initially are recognised at cost;
- Liabilities related to market prices are measured at fair value;
- Liabilities not related to market prices are carried at amortised cost, which approximates the fair value.

Rules on valuation of investment units

The initial value of the Fund's unit, which was available before the first calculation of net asset value, was equal to EUR 28,9620.

The value of the Fund's unit is calculated by dividing the Fund's net asset value by the number of all Fund's units in issue as at the date of calculation. The total value of all units of the Fund is always equal to the Fund's net asset value. The value of the Fund's unit is determined as four figures after the decimal point and rounded according to the mathematical rules of rounding.

The value of the Fund's unit is announced not later than by 14 p.m. of the following day after the calculation of net asset value, on the website at address www.sb.lt.

Cash and time deposits

Cash includes cash balances at accounts opened with credit institutions, overnight deposits and deposits with undefined maturity the repayment of which may be demanded in full or in part at any time without losing accumulated interest thereon (demand deposits).

Time deposits include a deposit amount with the specific deposit repayment date indicated in the deposit agreement, including the deposits with maturity of three months or less that cannot be taken from the account opened with the credit institutions without losing accumulated interest thereon. Time deposits are shown with accumulated interest thereon.

Amounts receivable and amounts payable

Amounts receivable represent amounts due to the fund on sale of assets, amounts due on guarantee contributions; amounts due on dividends; prepayments under assets due; amounts due from the Company that upon receipt are deducted from expenses for the reporting period, other than those defined in the Fund's rules or which exceed the established limits; other amounts receivable under contracts or registered under accounting documents.

Amounts payable represent amounts payable on sale of assets; amounts due to other funds to which the participant move; amounts due to the participants or their beneficiaries, accrued and unpaid deductions from the Fund's assets; amounts payable under the service agreement, and other amounts payable and receivable not specified elsewhere.

Subsequent events

All significant subsequent events that occurred after the end of the reporting period are disclosed in Note 15.

22.3.3. Notes:

Note 1. Significant amounts reported in the financial statements and reasons for their changes.

Significant amounts reported in the financial statements are presented in the explanatory notes.

Note 2. Net asset value, number and value of units

	At the beginning of the reporting period (2024-01-01)	At the end of the reporting period (2024-12-31)	1 year ago (2023-12-31)	2 years ago (2022-12-31)
Net asset value, EUR	10 492 246,00	9 955 409,00	10 492 246,00	9 923 566,00
Unit value, EUR	53,65	55,94	53,65	49,55
Number of units	195 583,61	177 957,25	195 583,61	200 257,08

Note 3. Number and value of units distributed and redeemed over the reporting period

	Reporting period		Previous reporting period	
	Number of units	Value, EUR	Number of units	Value, EUR
Distributed (by converting monetary funds into units)	5 457,057584	297 747	43 604,291773	2 312 027
Redeemed (by converting units into monetary funds)	23 083,422236	1 254 235	48 277,755968	2 549 418
Difference between the number and value of units (shares) distributed and redeemed	(17 626,364652)	(956 488)	(4 673,464195)	(237 391)

*The value of distributed units (by converting monetary funds to investment units) might not correspond to the amounts of contributions of participants reported in the statement of changes in net assets (2.1. and 2.2.), because in the table above it excludes the distribution fee (deductions are disclosed in Note 20).

**Note 4. Structure of investment portfolio
2024**

Issuer's name	Country of business	ISIN code	Currency	Quantity, items	Total acquisition value, in EUR	Total market value, in EUR	Coupon rate, %	Date/term of redemption/conversion	Share in net assets, %
Non-equity securities									
AIRBAL 14 1/2 08/14/29	LV	XS2800678224	EUR	275 000	293 188	316 349	14,5	2029-08-14	3,18
Total non-equity securities:					293 188	316 349			3,18
Issuer's name	Country of business	ISIN code	Currency	Quantity, items	Total acquisition value, in EUR	Total market value, in EUR	Share in net assets, %		
Equity securities									
AB Grigeo	LT	LT0000102030	EUR	450 000	214 910	472 500	4,75		
AS Merko Ehitus	EE	EE3100098328	EUR	21 500	413 681	469 125	4,71		
Akola Group	LT	LT0000128092	EUR	785 855	764 219	915 520	9,21		
LATVIJAS BALZAMS	LV	LV0000100808	EUR	28 079	465 376	381 959	3,84		
Apranga PVA	LT	LT0000102337	EUR	160 000	344 228	482 625	4,84		
Enefit Green AS	EE	EE3100137985	EUR	45 000	204 305	124 200	1,25		
AB IGNITIS GRUPĖ	LT	LT0000115768	EUR	36 000	869 649	917 891	9,22		
AB IGNITIS GRUPE - REG S GDR	LT	US66981G2075	EUR	9 833	45 059	47 500	0,48		
Inter Cars SA	PL	PLINTCS00010	PLN	3 500	264 366	426 550	4,28		
LHV Group AS	EE	EE3100102203	EUR	134 766	472 376	437 316	4,39		
Novaturas AB	LT	LT0000131872	EUR	127 711	460 130	183 265	1,84		
PANEVĖŽIO STATYBOS TRESTAS	LT	LT0000101446	EUR	702 565	520 239	337 605	3,39		
Powszechny Zakład Ubezpieczeń	PL	PLPZU0000011	PLN	40 000	300 929	428 912	4,31		
ROKIŠKIO SŪRIS	LT	LT0000100372	EUR	109 122	303 388	406 800	4,09		
ŠIAULIŲ BANKAS	LT	LT0000102253	EUR	1 030 000	660 385	848 720	8,53		
SKANDINAVISKA ENSKILDA BAN-A	SE	SE0000148884	SEK	23 000	244 187	303 984	3,05		
SWEDBANK AB - A SHARES	SE	SE0000242455	SEK	13 000	198 168	247 657	2,48		
Tallink Grupp AS	EE	EE3100004466	EUR	1 525 000	957 216	884 500	8,88		
Tallinna Sadam AS	EE	EE3100021635	EUR	150 000	245 319	158 400	1,59		
Telefonija*	RS	RSTLFNE22541	RSD	12 971	-	-	-		
VIENNA INSURANCE GROUP AG	AT	AT0000908504	EUR	15 000	337 219	455 250	4,57		
VILKYŠKIŲ PIENINĖ	LT	LT0000127508	EUR	54 509	170 955	455 840	4,58		
Total equity securities:					8 456 304	9 386 119	94,28		

*Telefonija (ISIN RSTLFNE22541) is measured at a zero value due to the initiated bankruptcy procedure and suspension of trade in shares from 2 October 2014

Note 4. Structure of investment portfolio (continued)

Bank	Currency	Total market value, in EUR	Interest rate (%)	Share in net assets, %
Cash				
AB SEB bankas	EUR	276 957	-	2,78
Total cash:		276 957		2,78

Name	Brief description	Total value	Share in net assets, %
Amounts payable	Amounts payable to management company and depository	(20 486)	(0,20)
Amounts payable	Other amounts payable	(3 530)	(0,04)
Total:		(24 016)	(0,24)

The Fund's investment portfolio is in line with the Fund's investment strategy.

The investment strategy to invest from 50 to 100 per cent of the Fund's net assets into the securities of companies quoted on Lithuania, Latvian, and Estonian stock exchanges has been maintained.

At the end of the year, 51% of net assets comprised shares of Lithuanian companies, 21% - of Estonian companies and 7% - securities of Latvian companies. Most of the Fund's investments were made in the sectors of everyday goods, finance, industrial and utility services.

Changes in the value of the investment portfolio of the Fund mainly stemmed from market prices of financial instruments.

Note 4. Structure of investment portfolio (continued)
2023

Issuer's name	Country of business	ISIN code	Currency	Quantity, items	Total acquisition value, in EUR	Total market value, in EUR	Share in net assets, %
Equity securities							
APRANGA PVA	LT	LT0000102337	EUR	190 000	384 904	505 400	4,82
VILKYŠKIŲ PIENINĖ	LT	LT0000127508	EUR	90 000	276 242	471 600	4,49
ŠIAULIŲ BANKAS	LT	LT0000102253	EUR	1 420 000	835 060	984 060	9,38
ROKIŠKIO SŪRIS	LT	LT0000100372	EUR	101 688	267 933	296 929	2,83
Akola Group	LT	LT0000128092	EUR	830 000	777 199	942 051	8,97
AB GRIGEO	LT	LT0000102030	EUR	467 410	178 684	511 814	4,88
TALLINNA KAUBAMAJA GRUPP AS	EE	EE0000001105	EUR	48 000	486 309	475 200	4,53
LATVIJAS BALZAMS	LV	LV0000100808	EUR	53 333	561 824	487 997	4,65
Telefonija*	RS	RSTLFNE22541	RSD	12 971	-	-	
TALLINK GRUPP AS	EE	EE3100004466	EUR	934 463	560 233	644 779	6,15
PANEVĖŽIO STATYBOS TRESTAS	LT	LT0000101446	EUR	529 655	444 281	252 116	2,40
NOVATURAS AB	LT	LT0000131872	EUR	94 985	350 414	324 849	3,10
TALLINNA SADAM AS	EE	EE3100021635	EUR	340 000	615 272	383 520	3,66
Powszechny Zakład Ubezpieczeń	PL	PLPZU0000011	PLN	45 000	312 216	490 635	4,68
INTER CARS SA	PL	PLINTCS00010	PLN	3 500	264 366	487 602	4,65
SKANDINAVISKA ENSKILDA BAN-A	SE	SE0000148884	SEK	30 000	309 816	377 235	4
AB IGNITIS GRUPĖ	LT	LT0000115768	EUR	49 000	893 241	923 161	8,79
SWEDBANK AB - A SHARES	SE	SE0000242455	SEK	20 000	294 644	368 357	3,51
ENEFIT GREEN AS	EE	EE3100137985	EUR	139 675	590 818	496 684	4,73
VIENNA INSURANCE GROUP AG	AT	AT0000908504	EUR	17 000	382 219	450 500	4,29
AB IGNITIS GRUPE - REG S GDR	LT	US66981G2075	EUR	2 013	39 954	37 341	0,36
Total equity securities:					8 825 629	9 911 830	94,47

*Telefonija (ISIN RSTLFNE22541) is measured at a zero value due to the initiated bankruptcy procedure and suspension of trade in shares from 2 October 2014

Note 4. Structure of investment portfolio (continued)

Bank	Currency	Total market value, in EUR	Interest rate (%)	Share in net assets, %
Cash				
AB SEB bankas	EUR	532 332	-	5,07
AB Šiaulių bankas	EUR	3	-	-
AB SEB bankas	PLN	68 326	-	0,65
Total cash:		600 661		5,72

Name	Brief description	Total value	Share in net assets, %
Amounts receivable	Amounts receivable from sale of investments	2 836	0,03
Amounts receivable	Other amounts receivable	2 729	0,03
Amounts payable	Amounts payable to management company and deposit	(20 850)	(0,20)
Amounts payable	Other amounts payable	(4 960)	(0,05)
Total:		(20 245)	(0,19)

The Fund's investment portfolio is in line with the Fund's investment strategy.

The investment strategy to invest from 50 to 100 per cent of the Fund's net assets into the securities of companies quoted on Lithuania, Latvian, and Estonian stock exchanges has been maintained.

At the end of the year, most of the Fund's investments were made in the sectors of everyday and durable goods, finance and utility services in Vilnius, Tallinn, and Riga stock exchanges.

Changes in the value of the investment portfolio of the Fund mainly stemmed from market prices of financial instruments.

Note 5. Breakdown of investments by the criteria that meet the investment strategy

By industry sector

Breakdown of investments	At the end of the reporting period		At the beginning of the reporting period	
	Market value, in EUR	Share in assets, %	Market value, in EUR	Share in assets, %
Optional goods and services	1 092 440	10,96	1 317 851	12,57
Everyday goods and services	2 160 119	21,72	2 673 777	25,47
Financial services	2 721 839	27,33	2 670 787	25,46
Industrial materials	2 165 979	21,75	1 280 415	12,21
Utility goods and services	1 089 591	10,95	1 457 186	13,88
Materials	472 500	4,75	511 814	4,88
Total:	9 702 468	97,46	9 911 830	94,47

By geographical area

Breakdown of investments and funds	At the end of the reporting period		At the beginning of the reporting period	
	Market value, in EUR	Share in assets, %	Market value, in EUR	Share in assets, %
Lithuania	5 345 223	53,71	5 849 982	55,74
Latvia	698 308	7,02	487 997	4,65
Estonia	2 073 541	20,82	2 000 183	19,07
Poland	855 462	8,59	978 237	9,33
Sweden	551 641	5,53	745 592	7,11
Austria	455 250	4,57	450 500	4,29
Total:	9 979 425	100,24	10 512 491	100,19

Note 6. Change in value of investments

2024

Items of the statement of net assets	Change, EUR					
	At the end of the previous reporting period	Acquired	Sold (redeemed)	Increase in value	Decrease in value	At the end of the reporting period
Time deposits	-	-	-	-	-	-
Money market instruments	-	-	-	-	-	-
Non-equity securities ²	-	297 966	19 938	38 321	-	316 349
Non-equity securities issued or guaranteed by governments and central banks	-	-	-	-	-	-
Other non-equity securities	-	297 966	19 938	38 321	-	316 349
Equity securities	9 911 830	2 180 320	2 827 926	1 100 621	978 726	9 386 119
Units and shares of collective investment undertakings	-	-	-	-	-	-
Derivative financial instruments ¹	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
Total	9 911 830	2 478 286	2 847 864	1 138 942	978 726	9 702 468

¹ Balance at the end of the previous reporting period reflects the fair value of derivative financial instruments.

Acquired over the period equals zero, because the valuation of derivative instruments is made on the following day after the acquisition.

Sold (redeemed) over the period reflects the realised result of finalised transactions.

² Balance at the end of the previous reporting period reflects the fair value of non-equity securities at the beginning of the year plus accrued interest.

Acquired over the period reflects the acquisition value plus accrued interest of the predecessor client as at the date of acquisition.

Sold (redeemed) over the period reflects the sale value comprising accrued interest, acquisition cost and realised gain or loss.

Increase/decrease in value reflects accrued interest and revaluation result.

Note 6. Change in value of investments (continued)

2023

Items of the statement of net assets	Change, EUR					
	At the end of the previous reporting period	Acquired	Sold (redeemed)	Increase in value	Decrease in value	At the end of the reporting period
Time deposits	-	-	-	-	-	-
Money market instruments	-	-	-	-	-	-
Non-equity securities ²	-	-	-	-	-	-
Non-equity securities issued or guaranteed by governments and central banks	-	-	-	-	-	-
Other non-equity securities	-	-	-	-	-	-
Equity securities	9 226 625	3 344 674	3 236 982	3 981 823	3 404 310	9 911 830
Units and shares of collective investment undertakings	-	-	-	-	-	-
Derivative financial instruments ¹	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
Total	9 226 625	3 344 674	3 236 982	3 981 823	3 404 310	9 911 830

¹ Balance at the end of the previous reporting period reflects the fair value of derivative financial instruments.

Acquired over the period equals zero, because the valuation of derivative instruments is made on the following day after the acquisition.

Sold (redeemed) over the period reflects the realised result of finalised transactions.

² Balance at the end of the previous reporting period reflects the fair value of non-equity securities at the beginning of the year plus accrued interest.

Acquired over the period reflects the acquisition value plus accrued interest of the predecessor client as at the date of acquisition.

Sold (redeemed) over the period reflects the sale value comprising accrued interest, acquisition cost and realised gain or loss.

Increase/decrease in value reflects accrued interest and revaluation result.

Note 7. Results of disposal of investments

In 2024 and 2023, the undertaking had no transactions involving derivative financial instruments that are not measured at fair value in the accounts.

Note 8. Derivative financial instruments

There were no such transactions concluded over the reporting period.

Note 9. Costs of intermediary fees

Name of the intermediary	Description of services rendered	Fee for the services during the reporting period, EUR	Fee for the services during the previous reporting period, EUR	Relationship of the intermediary to the management company
AB SEB bankas	Commission fee for intermediation services in transactions involving securities	6 682	6 793	AB SEB bankas is the depository of the Fund managed by the management Company
UAB FMĮ ORION SECURITIES	Commission fee for intermediation services in transactions involving securities	123	1 437	The management company and intermediary have signed an agreement on intermediation services.
InterCapital Securities Ltd	Commission fee for intermediation services in transactions involving securities	235	182	The management company and intermediary have signed an agreement on intermediation services.
Total:		7 040	8 412	

Note 10. Dividends and other benefits assessed and/or paid to the participants that do not result in changes in units

The Fund did not pay and did not account for any dividends payable to its clients over the reporting period.

Note 11. Borrowings and loans granted

The Fund had no borrowings for its own needs as at the end and over the reporting period.

Note 12. Third-party guarantee commitments in respect of the undertaking's yield

There were no third-party guarantee commitments in respect of the undertaking's yield as at the end and over the reporting period.

Note 13. Related-party transactions over the reporting period and previous reporting period

Parties are considered to be related when one party has a possibility to control the other or have a significant influence on the other party in making financial or operating decisions.

As at 31 December 2024, the parties related to the Fund included the management company UAB SB Asset Management, entities under its control, managers, shareholders as well as other AB Šiaulių bankas group entities related through the shareholder.

As at 31 December 2024, GD UAB SB draudimas held 12 100 units.

As at 31 December 2023, the related parties did not hold units in the Fund.

During the previous reporting period and the reporting period until 30 November 2023, management company UAB INVL Asset Management and from 30 November 2023 UAB SB Asset Management were a related parties to which management fee disclosed in Note 20 was calculated.

Note 14. Significant effect of changes in accounting estimates, or if these were not made, adjustments to comparative information due to changes in accounting policies or correction of errors

Fondas per ataskaitinį laikotarpį nuo 2024 m. sausio 1 d. iki 2024 m. gruodžio 31 d. vadovavosi ta pačia The accounting policy remained the same as in previous years, except for the items "Gain/loss on change in value and sale of investments".

In 2024, the result of "gain/loss on change in value and sale of investments" is accounted for separately for each investment over the entire reporting period. In previous years – the result was accounted for on an asset class basis, based on daily change. The comparative information for 2023 was not restated due to a change in the accounting system, and therefore is not comparable.

Note 15. Brief description of significant events after the end of the reporting period that, if not disclosed, might have material impact on the ability of users of these financial statements to make decisions

There were no significant subsequent events after the end of the reporting period.

Note 16. Significant changes in assets and liabilities that occurred after the date of calculation net asset value and that were not included in net asset value

There were no significant changes in assets and liabilities after the end of the reporting period.

Note 17. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking

There is no other material information about the fund's financial position.

Note 18. Financial risk and risk management methods
Description of risks that affect the Fund

The Fund's exposure to financial risks is managed through the diversification of the investment portfolio based on diversification principles defined in the Fund's rules and legal acts regulating the Fund's activities.

The Fund's portfolio risk and liquidity are assessed periodically and reported to the Investment Committee.

Risks relating to the Fund's investments and their management:

Inflation risk

The actual growth in the Fund's assets may be lower due to inflation. Moreover, inflation has a direct effect on changes in interest rates which, in turn, affect the value of the Fund's investment portfolio. Historically, investments into equity instruments provide sufficient protection from inflation.

Interest rate risk

As the majority of the Fund's investment portfolio consists of shares, the direct impact of this risk on the Fund's return on investments is minimal.

Credit risk

Credit risk is managed by diversifying the investment portfolio as prescribed by laws, which means that investments in the investment portfolio are distributed so that investments in the entity's transferable securities or money market instruments may exceed 5 per cent but no more than 10 per cent of net assets, provided that the total amount of the investments is not higher than 40 per cent of net assets.

Foreign exchange risk

Foreign exchange risk is a risk to incur losses due to adverse fluctuations in foreign currency exchange rate against the euro. In managing this risk, the Fund may use derivative financial instruments.

Liquidity risk

There were no significant financial liabilities in the structure of the Fund at the end of the reporting period.

This risk is managed on the basis of exposure limits: exposure limit per single counterparty or issuer may not exceed 20 per cent of net asset value.

Sensitivity analysis – share market risk

Beta ratio is the best measure of the Fund's sensitivity to market risk (calculated using the Fund's data and the Fund's benchmark index data).

At the end of 2024, the fund's Beta ratio was 0.55 (for 12 months). This implies that a 1% change in the fund's benchmark index resulted in on average 0.55% change in value.

The sensitivity analysis is based on the following assumptions:

- historical correlation that existed between the Fund's investments and their benchmark index will still be relevant in the future;
- there is a linear correlation between the Fund's value and the values of benchmark index over time.

Note 19. Return on investments and benchmarks for investments
19.1. Benchmark index (if selected) and its brief description:

With the effect from 15 December 2005 the Fund used the benchmark index OMX BALTIX.

With the effect from 1 January 2007, the Fund uses the benchmark index 1,0 * OMX Baltic Benchmark Capped Gross index (OMXBBCPG index) which reflects changes in shares of the companies in the Baltic countries.

Note 19. Return on investments and benchmarks for investments (continued)

19.2. Change in value of investment unit and change in value of benchmark index (%):

	During the reporting period	1 year ago	2 years ago	10 years ago
Change in value of unit ¹ , %	4,28	8,26	0,05	(5,81)
Change in value of benchmark index, %	0,71	6,39	(11,05)	(4,41)
Standard deviation of change in value of units ² , %	5,62	5,63	13,06	8,99
Standard deviation of change in value of benchmark index ³ , %	5,43	5,90	13,99	8,65
Correlation factor between value of unit and value of benchmark index ⁴	80,19	94,36	95,11	95,42
Index tracking error ⁵ , %	0,52	4,25	4,54	0,60
Alfa ratio ⁶ , %	3,86	2,39	11,46	(0,42)
Beta ratio ⁷ , %	0,55	0,90	0,93	120,54

¹ Change in value of unit (share) does not take into account deductions of contributions.

² Standard deviation of change in value of unit is a standard risk indicator, which shows how far the changes in value of unit are spread above and below the mean change.

³ Standard deviation of change in value of benchmark index is a statistical risk indicator, which shows how far the changes in value of benchmark index are spread above and below the mean change.

⁴ Correlation factor between value of unit and value of benchmark index is a ratio, which shows statistical dependence between the values of unit and the values of benchmark index.

⁵ Index tracking error is a ratio, which shows how closely the changes in value of unit match (or follow) the changes in value of benchmark index. The tracking error for 2024 is calculated in accordance with the Resolution No 03-64 of the Bank of Lithuania dated 15 April 2024.

⁶ Alfa ratio is a ratio, which shows the difference between the change in value of the accounting unit of pension fund and the change in value of benchmark index, given a comparable risk level.

⁷ Beta ratio is a ratio, which shows the scope of change in value of the accounting unit of pension fund as compared to the change in the value of benchmark index.

19.3. Average change in value of investment unit and average change in value of benchmark index (%):

	Over the last 3 years	Over the last 5 years	Over the last 10 years	Since the start of operations
Average change in value of unit ¹	4,14	8,36	8,82	3,51
Average change in value of benchmark index ²	(1,59)	7,70	9,59	4,97
Average standard deviation of change in value of unit ³	8,82	11,42	9,04	11,61
Average standard deviation of change in value of the Fund's benchmark index	9,31	12,56	9,99	13,74

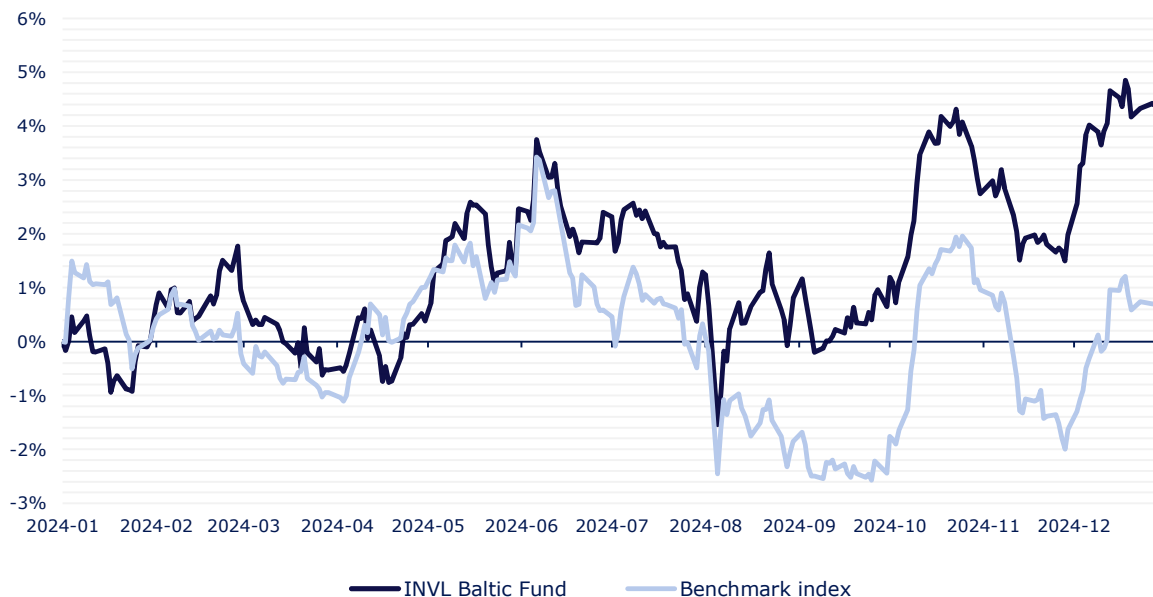
¹ Average change in value of unit is calculated as a geometric mean of annual changes in value of the investment unit.

² Average change in value of benchmark index is calculated as a geometric mean of annual changes in value of the investment unit.

³ Average standard deviation of change in value of unit is a standard annual deviation of change in value of the investment unit over the specified

Note 19. Return on investments and benchmarks for investments (continued)

The change in value of unit and value of benchmark index within the period from 01/01/2024 - 31/12/2024 (NOT AUDITED)



Other information

Disclosure of information related to sustainability

According to Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (“SFDR”) and Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (“Taxonomy”), the information on how and to what extent environmental or social characteristics are ensured (where the Fund discloses information according to Article 8 of SFDR) or information about the environmental targets to which it is contributed and a description of investments into sustainable economic activity (where the Funds discloses information according to Article 9 of SFDR) shall be provided by a financial product (Fund) in a periodic report.

In 2024, the Fund did not promote specific environmental and/or social characteristics and did not have a sustainable investment objective and therefore made disclosures under Article 6 of the SFDR. As a result, the Fund’s investments did not take into account the EU’s criteria for environmentally sustainable economic activity.

In making investment decisions, the Fund has not taken into account the principal adverse impacts of investment decisions on sustainability factors as defined in the SFDR. In making investment decisions during the reporting period, the aim was to assess all risks and factors that could affect the value and performance of investments. Accordingly, ESG (environmental, social, and governance) factors and risks relevant to the specific investment were also assessed, alongside an assessment of all other risks and factors that may have a real or potential negative impact on the value of the investments.

Note 20. Expense ratios and turnover rates:
2024

Deductions	Rates of deductions (%)		Amount of deductions charged for the reporting period, in EUR	Percentage of average net asset value for the reporting period
	Maximum rates as per founding documents	Rates applied during the reporting period		
Management fee				
Fixed rate	Up to 2% of the Fund's average annual net asset value	2% of the Fund's average annual net asset value	202 108	2,00
Success fee	Not applicable	Not applicable	-	-
Other operating costs (Subfund distribution fee)	No more than 3% of the invested amount	Not applicable	-	-
Depository fee	No more than 0.25% of the Fund's average annual net asset value	No more than 0.25% of the Fund's average annual net asset value	10 611	0,11
Transaction fee	No more than 0.75% of the average annual value of transactions executed	No more than 0.75% of the average annual value of transactions executed	7 040	0,07
Audit fee	No more than 0.5% of the Fund's average annual net asset value	No more than 0.5% of the Fund's average annual net asset value	9 175	0,09
Fee charged by the bank for keeping records of participants	No more than 0.5% of the Fund's average annual net asset value	No more than 0.5% of the Fund's average annual net asset value	3 690	0,04
Other operating costs (bank charges)			367	-
Other operating costs (fees charged by the market maker, quotation costs and one-off fees)			5 573	0,06
Other operating costs (third party fees charged on services of the Depository through use of services provided by other financial institutions)			-	-
Total expenses included in TER, in EUR				231 524
TER as % of NAV*				2,29
Total expenses, in EUR				238 564
PTR (%)**				37,37

*Total expense ratio (TER) is a percentage value, which shows what part of average net assets of an undertaking is used to cover its management costs. These costs are directly deducted from the investor's return on investments. It is important to note that TER does not take into account the transaction costs, taxes on contributions.

**Portfolio turnover rate (PTR) is a rate, which shows the level of trading activity in instruments that form the portfolio of the collective investment undertaking. The undertakings with high PTR rate incur higher transaction cost.

Note 20. Expense ratios and turnover rates (continued)
2023

Deductions	Rates of deductions (%)		Amount of deductions charged for the reporting period, in EUR	Percentage of average net asset value for the reporting period
	Maximum rates as per founding documents	Rates applied during the reporting period		
Management fee				
Fixed rate	Up to 2% of the Fund's average annual net asset value	2% of the Fund's average annual net asset value	221 936	1,98
Success fee	Not applicable	Not applicable	-	-
Other operating costs (Subfund distribution fee)	No more than 3% of the invested amount	No more than 2% of the invested amount until 30/11/2023 and not applicable from 01/12/2023	435	-
Depository fee	No more than 0.25% of the Fund's average annual net asset value	No more than 0.25% of the Fund's average annual net asset value	11 997	0,11
Transaction fee	No more than 0.75% of the average annual value of transactions executed	No more than 0.75% of the average annual value of transactions executed	8 412	0,08
Audit fee	No more than 0.5% of the Fund's average annual net asset value	No more than 0.5% of the Fund's average annual net asset value	9 680	0,09
Fee charged by the bank for keeping records of participants	No more than 0.5% of the Fund's average annual net asset value	No more than 0.5% of the Fund's average annual net asset value	4 041	0,04
Other operating costs (bank charges)			1 021	0,01
Other operating costs (fees charged by the market maker, quotation costs and one-off fees)			7 970	0,07
Other operating costs (third party fees charged on services of the Depository through use of services provided by other financial institutions)			100	-
Total expenses included in TER, in EUR				
TER as % of NAV*			2,29	
Total expenses, in EUR			265 592	
PTR (%)**			15,35	

*Total expense ratio (TER) is a percentage value, which shows what part of average net assets of an undertaking is used to cover its management costs. These costs are directly deducted from the investor's return on investments. It is important to note that TER does not take into account the transaction costs, taxes on contributions.

**Portfolio turnover rate (PTR) is a rate, which shows the level of trading activity in instruments that form the portfolio of the collective investment undertaking. The undertakings with high PTR rate incur higher transaction cost.

Note 20. Expense ratios and turnover rates (continued)

All services which were provided during the audit of the Fund's annual financial statements are presented below:

	Reporting period	Previous reporting period
Audit of the financial statements under the agreements	8 449	8 954
Expenses of assurance and other related services	-	-
Expenses of tax advisory	-	-
Expenses of other services*	726	726
Total:	9 175	9 680

* The audit firm provided translation services of the audit of financial statements

Note 21. Cash flows

	Items of cash flows	Financial year	Previous financial year
I.	Cash flows from operating activities	-	-
I.1.	Cash inflows over the reporting period	3 350 064	3 762 144
I.1.1.	Proceeds on disposal of financial assets and investment assets*	2 830 904	3 271 773
I.1.2.	Interest received	19 938	-
I.1.3.	Dividends received	499 222	490 371
I.1.4.	Cash inflows on sale of derivative financial instruments	-	-
I.1.5.	Cash inflows from other activities	-	-
I.2.	Cash outflows for the reporting period	2 716 785	3 613 669
I.2.1.	Payments on acquisition of financial assets and investment assets, and liabilities settled**	2 478 137	3 344 674
I.2.2.	Payments related to management	229 669	256 343
I.2.3.	Deposits placed	-	-
I.2.4.	Cash outflows on sale of derivative financial instruments	-	-
I.2.5.	Other cash outflows	8 979	12 652
	Net cash flows from (used in) operating activities (I.1-I.2)	633 279	148 475
II.	Cash flows from financing of activities	-	-
II.1.	Cash inflows over the reporting period. Sales of investment units	300 050	2 312 027
II.2.	Cash outflows over the reporting period. Redemption of investment units	1 258 297	2 546 439
II.3.	Dividends paid	-	-
II.4.	Proceeds from borrowings	-	-
II.5.	Repayment of borrowings	-	-
II.6.	Interest paid	-	-
II.7.	Cash flows relating to other finance sources (+/-)	-	-
II.8.	Other increase in cash flows from financing activities	2 735	558
II.9.	Other decrease in cash flows from financing activities	-	94
	Net cash flows from financing activities (II.1- II.2- II.3 + II.4-II.5 - II.6 + II.7 + II.8 - II.9)	(955 512)	(233 948)
III.	Foreign exchange effect on the balance of cash (+/-)	(1 471)	1 046
IV.	Net increase (decrease) in cash flows (+/-)	(323 704)	(84 427)
V.	Cash at the beginning of the period	600 661	685 088
VI.	Cash at the end of the period	276 957	600 661

* The difference as compared to the value of sold financial instruments indicated in Note 6 may arise due to:

- not yet settled transactions the value of which is included in assets in item 6.1 in the statement of net assets.

- foreign exchange rates: In Note 6, the assets are measured based on the exchange rate at the transaction date, while in the cash flow statement – based on the exchange rate at the settlement date.

** The difference as compared to the value of acquired financial instruments indicated in Note 6 may arise due to:

- not yet settled transactions the value of which is included in liabilities in item 1.1 in the statement of net assets.

- foreign exchange rates: In Note 6, the assets are measured based on the exchange rate at the transaction date, while in the cash flow statement – based on the exchange rate at the settlement date.

24. Entire text of the auditor's report:

Presented on pages 2 to 5 of the financial statements.

25. Information on investment income and expenses of the collective investment undertaking over the reporting period:

I.	Income from investing activities	
1.	Interest income	-
2.	Realised profit (loss) from investments in:	213 449
2.1.	equity securities	193 512
2.2.	non-equity securities	19 937
2.3.	money market instruments	-
2.4.	derivative financial instruments	-
2.5.	units of other collective investment undertakings	-
2.6.	real estate objects	-
2.7.	other investment instruments	-
3.	Non-realised profit (loss) from:	(53 233)
3.1.	equity securities	(71 617)
3.2.	non-equity securities	18 384
3.3.	money market instruments	-
3.4.	derivative financial instruments	-
3.5.	units of other collective investment undertakings	-
3.6.	real estate objects	-
3.7.	other investment instruments	-
4.	Other income:	500 325
4.1.	income from lease of real estate	-
4.2.	positive foreign exchange effect	817
4.3.	other	499 508
	Total income	660 541
II.	Expenses	
1.	Operating expenses:	238 564
1.1.	deductions for management	202 108
1.2.	deductions to depository	10 611
1.3.	intermediary fees	7 040
1.4.	audit expenses	9 175
1.5.	other payments and expenses	9 630
2.	Other expenses:	2 326
2.1.	interest expenses	-
2.2.	expenses related to the managed real estate objects	-
2.3.	negative foreign exchange effect	2 326
2.4.	other	-
	Total expenses	240 890
III.	Net income	419 651
IV.	Payments (dividends) to holders of investment units	-
V.	Re-invested earnings	419 651

26. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking:

There is no other material information about the fund's financial position.

VII. INFORMATION ON PAYMENT OF DIVIDENDS

27. Information on dividends declared and/or paid:

Information is provided in Note 10.

VIII. INFORMATION ON THE INVESTMENT PORTFOLIO OF THE COLLECTIVE INVESTMENT UNDERTAKING

28. Collective investment undertaking's borrowings for its own needs as at the end of the reporting period:

Information is provided in Note 11.

IX. OTHER INFORMATION

29. No longer valid.

30. Explanations, comments, graphic illustrations and other important information on the activities of collective investment undertaking enabling the investor to assess appropriately all changes in and results of operations of the undertaking:

Information is provided in Note 19.

X. ACCOUNTABLE PERSONS

31. First and last names (names of legal entities), addresses, titles and registration numbers of permits to engage in relevant activities of consultants whose services were used in the preparation of the financial statements (finance dealer firms, auditors etc.):

No services of consultants were used in the preparation of these financial statements.

32. First and last names, job titles and workplace of persons who prepared the financial statements (if other than employees of the company):

The financial statements were prepared by the employees of the management company.

33. Statement and signatures made by the management company's head of administration, chief financier, persons who prepared the financial statements and consultants to confirm that information contained in the financial statements is true and fair and that there are no omissions of facts that might substantially affect the values of reported items:

I, Vaidotas Rūkas, Director of SB Asset Management UAB, hereby confirm that information contained in these financial statements is true and fair and that there are no omissions of facts that might substantially affect the assessment of the fund's results.

(signature)

I, Solveiga Brazauskaitė-Mediniene, Head of Investment Accounting Group of SB Asset Management UAB, hereby confirm that information contained in these financial statements is true and fair and that there are no omissions of facts that might substantially affect the assessment of the fund's results.

(signature)

34. Persons responsible for information contained in these financial statements:

34.1. Members of the undertaking's managerial bodies, employees and head of administration responsible for the preparation of financial statements;

Full name	Vaidotas Rūkas	Solveiga Brazauskaitė-Mediniene
Position	Director	Head of Investment Accounting Group
Telephone number	+370 610 18648	+370 698 75062
Email address	vaidotas.rukas@sb.lt	solveiga.mediniene@sb.lt

34.2. When the financial statements have been prepared by or with assistance of consultants, please specify their full names, telephone and fax numbers, email addresses (if a consultant is a legal entity, please specify its name, telephone and fax numbers, email address and full name(s) of a consultant's representative(s)); please indicate, which specific sections have been prepared by or with assistance of consultants and the scope of their liability.

No services of consultants were used in the preparation of these financial statements.

XI. INFORMATION ON SUSTAINABILITY (NOT AUDITED)

35. Information related to sustainability is provided in Note 19.