

INVESTMENT FUND
CBL Global Emerging Markets Bond Fund

SEMIANNUAL REPORT 2020 (NON-AUDITED)
(for the six – month period ended 30 June 2020)

PREPARED IN ACCORDANCE WITH FCMC “NORMATIVE REGULATIONS ON PREPARATION OF ANNUAL REPORTS AND CONSOLIDATED ANNUAL REPORTS OF INVESTMENT FUND AND OPEN ALTERNATIVE INVESTMENT FUND” AND INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Translation from Latvian original*

Riga, 2020

*This version of financial statements is a translation from the original, which was prepared in Latvian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of financial statements takes precedence over this translation.

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INVESTMENT FUND INFORMATION

Name of the Fund:	CBL Global Emerging Markets Bond Fund
Type of the Fund:	Investment fund
Classes:	- R Acc USD (<i>since 1 January 2018</i>) ISIN: LV0000400968
	- R Acc EUR (hedged) ISIN: LV0000400828
Registration date of the Fund:	23 May 2013 (re-registered on 30 March 2015)
Number of the Fund:	FL130
Investment management company name:	CBL Asset Management IPAS
Investment management company's registered office:	Republikas laukums 2a, Riga, LV-1010, Latvia
Investment management company's registration number:	40003577500
Number of the license for investment management company operations:	06.03.07.098/367
Name of the Fund's Custodian:	Citadele banka AS
Registered office of the Fund's Custodian:	Republikas laukums 2a, Riga, LV-1010, Latvia
Registration number of the Fund's Custodian:	40103303559
Investment management company's Council and Board members and their positions:	<p><i>Council of the investment management company:</i> Chairperson of the Council – Juris Jākobsons – appointed on 11.10.2010 Deputy Chairperson of the Council - Vladimirs Ivanovs - appointed on 06.11.2012 Member of the Council - Peter Meier - appointed on 30.09.2015</p> <p><i>Board of the investment management company:</i> Chairperson of the Board – Kārlis Purgailis - appointed on 08.09.2017 Board Member - Zigurds Vaikulis - appointed on 19.04.2007 Board Member - Andris Kotāns - appointed on 11.05.2015 Board Member - Lolita Sičeva - appointed on 11.05.2015</p>
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:	Andris Kotāns – appointed on 15.03.2013 Edgars Lao – appointed on 15.03.2013
Rights and responsibilities related to the Fund's management:	The Fund Manager shall perform all duties prescribed in laws and regulations of the Republic of Latvia, in the Articles of Association of the investment management company and in the prospectus of the Fund
Auditor:	KPMG Baltics AS Vesetas iela 7 Riga, LV-1013 License No 55 Latvia



INVESTMENT MANAGEMENT COMPANY'S REPORT

The Investment fund "CBL Global Emerging Markets Bond Fund" (hereinafter - the Fund) is a debt security investment fund and has two share classes: R Acc USD and R Acc EUR (hedged). The assets of the Fund are managed by the asset management company „CBL Asset Management" IPAS with registered office at Republikas laukums 2a, Riga, LV-1010 and registration No. 40003577500. The Investment Company's operating license is 06.03.07.098/367.

The Fund aims to achieve long-term capital appreciation by investing in debt securities issued or guaranteed by central governments, municipalities, central banks, credit institutions and commercial companies of the developing countries. The investment portfolio of the Fund is diversified to include investments in different currencies, industries and countries, thereby achieving a higher protection against volatility of the Fund's asset value versus investments in a single currency, industry or country securities. There were no changes to the Fund's policy during the reporting period.

As at the end of the reporting period, the amount of Fund's net assets amounted to EUR 19,542,665. As at 30.06.2020, gross assets amounted to EUR 19,688,074. Return and value are being calculated for each investment class separately. The share value of the "CBL Global Emerging Markets Bond Fund" R Acc USD share class during the reporting period decreased by EUR 0.18 and at the end of the period it amounted to EUR 9.33; the share value of the "CBL Global Emerging Markets Bond Fund" R Acc EUR (hedged) share class during the reporting period decreased by EUR 0.39 and at the end of the period amounted to EUR 11.10. "CBL Global Emerging Markets Bond Fund" R Acc USD share class's total return in the first half of 2020 was negative- minus 1.89% % in terms of euro, according to the ECB's rates, and minus 2.15% in terms of its base currency (USD) and market exchange rates. "CBL Global Emerging Markets Bond Fund" R Acc EUR (hedged) share class's total return in the first half of 2020 was also negative 3.39% % in terms of euro.

2020 has so far been very unusual in many areas, including financial markets. At the beginning of the year, markets continued the positive dynamics of 2019, thanks to improved US-China relations. However, already in the second half of February financial markets fell sharply due to the COVID-19 outbreak, as the epicenter initially moved from China to Europe and later to the US, and the government countermeasures made their impact on the real economy. Owing to unprecedented global monetary and fiscal support, financial markets have been able to reduce losses at a record pace since the end of March. An almost identical scenario was observed also in the EM bond markets, where the market low was 15% below the level at the beginning of the year, but the market recovery was very rapid and almost entire losses were recovered by the end of the reporting period. Latin American debt market was the largest positive contributor to the Fund's performance, where we performed very successful tactical trades. In fact, Latin American debt market demonstrated the weakest performance among EM regions during the reporting period, largely due to the rapid spread of the pandemic in the region's powerhouses. During the reporting period, we made first-time investments in Eurobonds of the Government of Trinidad and Tobago, while fully exited from positions in Colombia, Peru, Panama and Ukraine, where valuations had lost relative attractiveness, in our view. Russia's exposure also saw a relatively significant decrease in the Fund, while South Africa, Kazakhstan and Mexico exposures were increased. At the end of the reporting period, debt securities in the Fund were diversified among 21 countries. At the end of the reporting period, the Fund's average yield was 7.2% in USD, average duration 4.3 and average credit rating was Ba2 / BB.

In the reporting period, the total management costs amounted to EUR 207,518. In the reporting period, the investment management company fee amounted to EUR 180,962, custodian fee - EUR 21,715, other management expenses - EUR 4,841.

During the period between the last day of the reporting year and the date of the approval of the half-year report there have been no significant events that have material effect on the Fund's financial position.

Members of „CBL Asset Management" IPAS management team closely monitor the developments both on domestic and global scale of such factors as sustainability of economic growth, monetary and fiscal policies of leading economies as well as potential inflationary and political risks in light of their material impact on the economic and capital market dynamics of the region. A critical selection of instruments will continue to play a decisive role in the process of the Fund's investments, irrespective of the industry or country.

For the Board of IPAS:

Kārlis Purgailis
Chairperson of the Board

Andris Kotāns
Fund Manager

Edgars Lao
Fund Manager

Riga, 31 July 2020



STATEMENT OF ASSETS AND LIABILITIES

	Notes	<u>30.06.2020.</u>	<u>31.12.2019.</u>
Assets			
Due on demand from credit institutions	1	1,389,872	2,668,368
Financial assets at fair value through profit or loss:			
Debt instruments	2	18,203,319	26,184,809
Derivative financial instruments	3	94,883	148,296
Total assets		<u>19,688,074</u>	<u>29,001,473</u>
Liabilities			
Financial liabilities at fair value through profit or loss:			
Derivative financial instruments	3	(115,229)	(55,060)
Accrued expenses		<u>(30,180)</u>	<u>(46,434)</u>
Total liabilities		<u>(145,409)</u>	<u>(101,494)</u>
Net assets		<u><u>19,542,665</u></u>	<u><u>28,899,979</u></u>

The accompanying notes on pages 8 to 9 form an integral part of these financial statements.
For the Board of IPAS:

Kārlis Purgailis
Chairperson of the Board

Riga, 31 July 2020



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STATEMENT OF INCOME AND EXPENSE

	<u>01.01.2020.- 30.06.2020.</u>	<u>01.01.2019.- 30.06.2019.</u>
Income for the reporting period		
Interest income	558,765	713,391
Other income	2,000	-
Total income	560,765	713,391
Expenses for the reporting period		
Remuneration to investment management company	(180,962)	(205,673)
Custodian Fee	(21,715)	(24,681)
Other Fund management expenses	(4,841)	(6,371)
Total expenses	(207,518)	(236,725)
(Decrease)/increase in investment value		
Realized (decrease)/increase in investment value	(284,265)	145,656
Unrealized (decrease)/increase in investment value	(1,392,892)	757,665
Total (decrease)/increase in investments	(1,677,157)	903,321
(Decrease)/increase in net assets from investments	(1,323,910)	1,379,987

The accompanying notes on pages 8 to 9 form an integral part of these financial statements.
For the Board of IPAS:

Kārlis Purgailis
Chairperson of the Board

Riga, 31 July 2020

STATEMENT OF CHANGES IN NET ASSETS

	01.01.2020.- 30.06.2020.	01.01.2019.- 30.06.2019.
<i>"CBL Global Emerging Markets Bond Fund"</i>		
Net assets at the beginning of the reporting period	28,899,979	26,033,503
(Decrease)/increase in net assets from investment	(1,323,910)	1,379,987
Transactions with share certificates		
<i>Inflow from subscription of share certificates</i>	1,192,901	2,023,584
<i>(Outflow) from redemption of share certificates</i>	(9,226,305)	(914,964)
(Decrease)/increase in net assets from transactions with share certificates	(8,033,404)	1,108,620
(Decrease)/increase in net assets in the reporting period	(9,357,314)	2,488,607
Net assets as at the end of the reporting period	19,542,665	28,522,110

	01.01.2020.- 30.06.2020.	01.01.2019.- 30.06.2019.
<i>"CBL Global Emerging Markets Bond Fund" Class R Acc USD</i>		
<i>ISIN : LV0000400968</i>		
Number of share certificates issued as at the beginning of the reporting period	403,288	366,599
Number of share certificates issued as at the end of the reporting period	377,094	421,123
Net assets per share certificate as at the beginning of the reporting period	9.51	8.59
Net assets pershare certificate as at the end of the reporting period	9.33	9.19

	01.01.2020.- 30.06.2020.	01.01.2019.- 30.06.2019.
<i>"CBL Global Emerging Markets Bond Fund" Class R Acc EUR (hedged)</i>		
<i>ISIN : LV0000400828</i>		
Number of share certificates issued as at the beginning of the reporting period	2,181,735	2,103,071
Number of share certificates issued as at the end of the reporting period	1,444,185	2,158,678
Net assets per share certificate as at the beginning of the reporting period	11.49	10.91
Net assets pershare certificate as at the end of the reporting period	11.10	11.42

The accompanying notes on pages 8 to 9 form an integral part of these financial statements.
For the Board of IPAS:

Kārlis Purgailis
Chairperson of the Board

Riga, 31 July 2020

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 DUE ON DEMAND FROM CREDIT INSTITUTIONS

	30.06.2020.	% from net assets as at 30.06.2020.	31.12.2019.	% from net assets as at 31.12.2019.
Due on demand from credit institutions, AS Citadele banka	1,389,872	7.06%	2,668,368	9.23%
Total demand deposits with credit institutions	1,389,872	7.06%	2,668,368	9.23%

NOTE 2 DEBT INSTRUMENTS AND OTHER FIXED INCOME SECURITIES

All debt instruments and other fixed income instruments are classified as financial assets at fair value through profit or loss. All fixed income securities held by the fund are traded on regulated markets, except for not traded on regulated markets the fixed income securities worth EUR 407,941. The following table presents the debt instruments distribution of by the issuer's country of origin:

Financial instrument	ISIN code	Currency	Nominal amount	Acquisition value (EUR)	Carrying value (EUR) 30.06.2019.	% of the Fund's net assets 30.06.2019.
Financial instruments traded on regulated markets:				18,722,586	17,795,378	90.39%
Debt instruments of Mexican issuers:				2,490,720	2,306,814	11.71%
El Puerto de Liverpool SAB de CV 3.95% 20/2024	USP3691NBE96	USD	800,000	755,054	729,934	3.71%
Grupo KUO SAB De CV 5.75% 07/2027	USP4954BAF33	USD	650,000	565,119	540,010	2.74%
Nemak SAB de CV 3.25% 03/2024	XS1533916299	EUR	550,000	570,687	524,557	2.66%
Credito Real SAB de CV SOFOM ER 5.0% 02/2027	XS2060698219	EUR	600,000	599,860	512,313	2.60%
Debt instruments of South African issuers:				2,106,671	1,892,074	9.61%
SASOL Financing USA LLC 5.875% 03/2024	US80386WAA36	USD	900,000	816,393	737,937	3.75%
Sappi Papier Holding GmbH 3.125% 04/2026	XS1961852750	EUR	800,000	797,188	685,208	3.48%
Stillwater Mining Co 7.125% 06/2025	USU85969AD24	USD	500,000	493,090	468,929	2.38%
Debt instruments of Indian issuers:				2,009,031	1,878,535	9.55%
ONGC Videsh Vankorneft Pte Ltd 3.75% 07/2026	XS1457499645	USD	800,000	630,070	747,646	3.80%
JSW Steel Ltd 5.95% 04/2024	XS1981202861	USD	800,000	733,909	692,331	3.52%
Future Retail Ltd 5.6% 01/2025	USY267BJGT59	USD	700,000	645,052	438,558	2.23%
Debt instruments of Brazilian issuers:				1,841,467	1,858,494	9.43%
MARB BondCo PLC 6.875% 01/2025	USG5825AAB82	USD	750,000	733,551	689,585	3.50%
Adecoagro SA 6.0% 09/2027	USL00849AA47	USD	750,000	545,601	634,573	3.22%
Globo Comunicacao e Participacoes SA 4.843% 06/2025	USP47773AN93	USD	600,000	562,315	534,336	2.71%
Debt instruments of Indonesian issuers:				1,604,728	1,698,192	8.62%
Indonesia 1.75% 04/2025	XS1810775145	EUR	600,000	616,347	606,727	3.08%
Chandra Asri Petrochemical 4.95% 11/2024	USY7141GAA05	USD	700,000	555,069	590,849	3.00%
Listrindo Capital BV 4.95% 09/2026	USN5276YAD87	USD	550,000	433,312	500,616	2.54%
Debt instruments of Lithuanian issuers:				911,997	963,915	4.90%
AUGA group AB 6.00% 12/2024	LT0000404238	EUR	500,000	460,325	501,333	2.55%
Maxima Grupe UAB 3.25% 09/2023	XS1878323499	EUR	450,000	451,672	462,582	2.35%
Debt instruments of Kazakh issuers:				796,858	775,084	3.94%
KazTransGas JSC 4.375% 09/2027	XS1682544157	USD	800,000	796,858	775,084	3.94%
Debt instruments of Chilean issuers:				611,583	752,413	3.82%
Empresa Nacional del Petroleo 4.5% 09/2047	USP37110AM89	USD	800,000	611,583	752,413	3.82%
Debt instruments of Russian issuers:				639,421	663,684	3.37%
NLMK 4.5% 06/2023	XS1405775617	USD	700,000	639,421	663,684	3.37%
Debt instruments of Paraguayan issuers:				631,703	610,192	3.10%
Telefonica Celular 5.875% 04/2027	USP90475AB31	USD	650,000	631,703	610,192	3.10%
Debt instruments of Malasian issuers:				569,117	543,602	2.76%
Press Metal Labuan Ltd 4.80% 11/2022	XS1704655635	USD	650,000	569,117	543,602	2.76%
Debt instruments of Turkish issuers:				572,777	527,332	2.68%
Turk Telekomunikasyon AS 6.875% 02/2025	XS1955059420	USD	550,000	572,777	527,332	2.68%
Debt instruments of Romanian issuers:				540,897	505,432	2.57%
Globalworth Real Estate Investments Ltd 3.0% 03/2025	XS1799975922	EUR	500,000	540,897	505,432	2.57%
Debt instruments of Georgian issuers:				480,838	489,527	2.49%
BGEO Group JSC 6% 07/2023	XS1405775880	USD	550,000	480,838	489,527	2.49%
Debt instruments of Guatemalian issuers:				479,913	466,606	2.37%
Comunicaciones Celulares SA Via Comcel Trust 6.875% 02/2024	USG2300TAA00	USD	500,000	479,913	466,606	2.37%
Debt instruments of Trinidad and Tobago issuers:				501,433	419,587	2.13%
Trinidad Generation UnLtd 5.25% 11/2027	USP9400VAA90	USD	500,000	501,433	419,587	2.13%
Debt instruments of Latvian issuers:				451,295	393,258	2.00%
Air Baltic Corp AS 6.75% 07/2024	XS1843432821	EUR	450,000	451,295	393,258	2.00%
Debt instruments of Norwegian issuers:				450,321	389,619	1.98%
B2Holding ASA 6.35% 05/2024	NO0010852742	EUR	450,000	450,321	389,619	1.98%

Financial instrument	ISIN code	Currency	Nominal amount	Acquisition value (EUR)	Carrying value (EUR) 30.06.2019.	% of the Fund's net assets 30.06.2019.
Debt instruments of Argentinian issuers:				630,722	373,440	1.90%
Argentine Republic Government 5.0 % 01/2027	XS1503160498	EUR	1,000,000	630,722	373,440	1.90%
Debt instruments of Swedish issuers:				401,094	287,578	1.46%
European Lingerie Group AB 7.75% 02/2021	SE0010831792	EUR	400,000	401,094	287,578	1.46%
Financial instruments not traded on regulated markets:				450,000	407,941	2.07%
Debt instruments of Estonian issuers:				450,000	407,941	2.07%
Mainor Ulemiste 5.5% 04/2023	EE3300111343	EUR	450,000	450,000	407,941	2.07%
Total debt instruments and other fixed income instruments:				19,172,586	18,203,319	92.46%

NOTE 3 DERIVATIVE FINANCIAL INSTRUMENTS

The following table presents the notional amount and fair value of currency swaps. The notional amount of foreign exchange transactions is determined in accordance with the requirements arising from these transactions.

	30.06.2020.			% of the Fund's net assets 30.06.2020.	31.12.2019.			% of the Fund's net assets 30.12.2019.
	Notional amount	Fair value			Notional amount	Fair value		
		Assets	Liabilities			Assets	Liabilities	
Foreign currency Exchange transactions (swaps)	22,669,415	94,883	(30,180)	0.33%	36,229,382	148,296	(55,060)	0.32%
Total derivative financial instruments	22,669,415	94,883	(30,180)	0.33%	36,229,382	148,296	(55,060)	0.32%

All derivative financial instruments are EUR and USD swaps concluded with AS Citadele Banka.

NOTE 4 PERFORMANCE DYNAMICS OF THE INVESTMENT FUND

"CBL Global Emerging Markets Bond Fund" Klase R Acc USD	30.06.2020	31.12.2019	31.12.2018
Net assets (EUR)	3,518,739	3,833,606	3,150,523
Number of share certificates	377,094	403,288	366,599
Value of the unit of the investment fund (EUR)	9.33	9.51	8.59
Profitability of the investment fund*	(1.89%)	10.71%	3.02%
Net assets (USD)**	3,940,284	4,306,673	3,607,348
Number of share certificates	377,094	403,288	366,599
Value of the unit of the investment fund (USD)	10.45	10.68	9.84
Profitability of the investment fund*	(2.15%)	8.54%	(1.60%)

"CBL Global Emerging Markets Bond Fund" Klase R Acc EUR (hedged)	30.06.2020	31.12.2019	31.12.2018	31.12.2017
Net assets (EUR)	16,023,929	25,066,373	22,947,788	20,800,324
Number of share certificates	1,444,185	2,181,735	2,103,071	1,819,677
Value of the unit of the investment fund (EUR)	11.10	11.49	10.91	11.43
Profitability of the investment fund*	(3.39%)	5.32%	(4.55%)	4.10%

"CBL Global Emerging Markets Bond Fund" R Acc EUR (hedged) share class performance dynamics and profitability of the investment fund for the previous periods refer to the CBL Global Emerging Markets Bond Fund.

* The net asset value in EUR is determined using the foreign exchange rates prevailing on the financial markets at the end of the day.

** Yield is calculated as the change in the value of the Fund unit over the reporting period in relation to its value at the beginning of the period. The profitability of the semi-annual report is presented in absolute terms. The Fund's annual performance is expressed as a multiple of 365 times the number of days in the period.