Vilnius University Foundation

QUARTERLY INVESTMENT REPORT

YEAR 2022

QUARTER IV

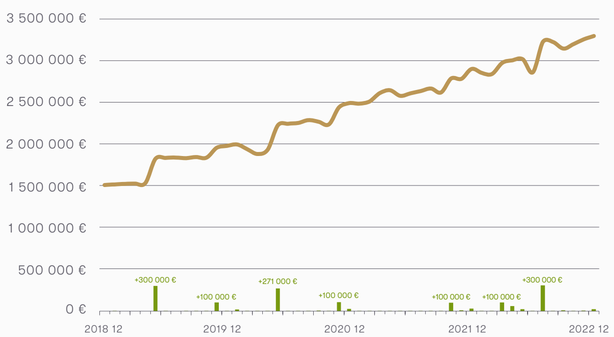
GENERAL INFORMATION

Founded	2016 04
Endowment capital formed	2017 05
Investments started	2019 01
Endowment capital size	3 019 633 EUR
Investment results since 2019 01	**+513 044 EUR**
Allocated to finance Vilnius University	-181 752 EUR
Portfolio value	3 350 925 EUR
Portfolio investment return since 2019 01	**+25,6 %**

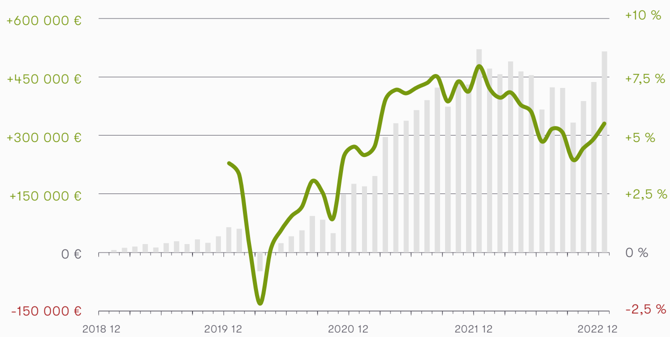
PORTFOLIO & RESULTS BY ASSET CLASS

	ASSET CLASS	Allocation 31 12 2022	Return Q4 2022	Return 2022	Annualised return since 01 2019 (IRR)
Equity	European	15 %	+9,7 %	-6,8 %	+8,9 %
Equity	World	14 %	+0,6 %	-19,1 %	+11,1 %
Equity	Emerging markets	-	-	-	-
Bonds	Euro-zone governments	12 %	+1,0 %	+2,2 %	+1,4 %
Bonds	Investment grade corporates	15 %	+1,2 %	+4,5 %	+5,4 %
Bonds	High yield	6 %	+2,9 %	+7,7 %	+7,4 %
	Alternative investments	32 %	+13,1 %	+12,5 %	+10,1 %
	Investments	**94%**	**+6,8 %**	**-0,5 %**	**+8,4 %**
	Cash and equivalents	6 %	-	-	-
	Portfolio	**100 %**	**+5,7 %**	**-0,3 %**	**+5,5 %**

PORTFOLIO GROWTH



PORTFOLIO RETURN



COMMENTARY BY INVESTMENT BOARD

At the end of the year, inflation has started to slow down in most economies, but central banks continue to emphasise that fighting inflation remains their primary objective. This means further increases in base interest rates and negative effects on economic growth.

The outlook for 2023 is complicated by uncertainty about the outcome of the war in Ukraine, China's fight against COVID and the reopening of the economy, and interest and inflation levels. However, the energy theme, which has been a major concern, seems to be fading as energy commodity prices turn downwards. Most countries and businesses have reoriented and adapted quite quickly to the new reality without Russian oil and gas.

Last year was a very bad year for most asset classes in financial markets. Despite the already significant fall in equity prices, we still see room for a fall in equity prices. It is possible that equities have not yet fully priced in the significant rise in interest rates and the negative economic outlook.

The long-unpopular investment theme of bonds (due to their very low yields) is slowly making a comeback. The Fund has actively sought and will continue to seek new opportunities in the fourth quarter, namely in the debt market, where attractive yields are already available, while the risk level remains fairly similar.

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