



I. GENERAL INFORMATION

1. General information about INVL Global Emerging Markets Bond Subfund:

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:

January – June 2018

| | Rates of deductions (fees/charges) | | Amount of deductions charged for the reporting period, EUR | % 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 | No more than 1.25% of the Subfund's average annual net asset value | 0% of the Subfund's average annual net asset value | 59.819 | 0,63 |
| Performance fee | Non-applicable | Non-applicable | - | - |
| Depository fee | No more than 0.5% of the Subfund's average annual net asset value | No more than 0.5% of the Subfund's average annual net asset value | 5.036 | 0,05 |
| Transaction fee | No more than 1% of the value of transactions executed | No more than 1% of the value of transactions executed | - | - |
| Other operating costs (distribution fee) | No more than 5% of the value of the Subfund's unit | Non-applicable | - | - |
| Other operating costs (Subfund change fee) | No more than 0.25% of the value of the Subfund's units changed | 0.25% of the value of the Subfund's units changed | 12 | - |
| Audit fee | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the Subfund's average annual net asset value | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the Subfund's average annual net asset value | 1.023 | 0,01 |
| Other operating costs (bank charges) | No more than 1% of the Subfund's average annual net asset value | No more than 1% of the Subfund's average annual net asset value | 31 | - |
| Other operating costs (fee charged by the bank for keeping records of participants) | | | 1.716 | 0,02 |
| Other operating costs (fees charged by the market maker, quotation costs and one-off fees) | | | - | - |
| Total expenses included in TER | | | | 67.625 |
| Total expenses | | | | 67.637 |



7. Deductions from assets of the collective investment undertaking (continued):

January – June 2017

| | Rates of deductions (fees/charges) | | Amount of deductions charged for the reporting period, EUR | % 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 | No more than 1.25% of the Subfund's average annual net asset value | 0% of the Subfund's average annual net asset value | - | - |
| Performance fee | Non-applicable | Non-applicable | - | - |
| Depository fee | No more than 0.5% of the Subfund's average annual net asset value | No more than 0.5% of the Subfund's average annual net asset value | 4.407 | 0,05 |
| Transaction fee | No more than 1% of the value of transactions executed | No more than 1% of the value of transactions executed | - | - |
| Other operating costs (distribution fee) | No more than 5% of the value of the Subfund's unit | Non-applicable | - | - |
| Other operating costs (Subfund change fee) | No more than 0.25% of the value of the Subfund's units changed | 0.25% of the value of the Subfund's units changed | 185 | - |
| Audit fee | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the Subfund's average annual net asset value | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the Subfund's average annual net asset value | 335 | - |
| Other operating costs (bank charges) | No more than 1% of the Subfund's average annual net asset value | No more than 1% of the Subfund's average annual net asset value | 34 | - |
| Other operating costs (fee charged by the bank for keeping records of participants) | | | 726 | 0,01 |
| Other operating costs (fees charged by the market maker, quotation costs and one-off fees) | | | - | - |
| Other operating costs (legal costs) | No more than 1% of the Subfund's average annual net asset value | No more than 1% of the Subfund's average annual net asset value | - | - |
| Total expenses included in TER | | | | 5.502 |
| Total expenses | | | | 5.687 |

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 Subfund.



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

Information is provided on the annual report.

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 Annex, 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 arising on 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 Subfund 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 on the annual report.

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 subfund'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 on the annual report.

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 on the annual report.

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

Information is provided on the annual report.



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.



INVL ASSET MANAGEMENT UAB
126263073, Gynėjų str. 14, Vilnius
INVL Global Emerging Markets Bond Subfund
STATEMENT OF NET ASSETS AS AT 30 JUNE 2018

| No | Assets | Note No | Financial year | Previous financial year |
|--------|---|---------|----------------|-------------------------|
| A. | ASSETS | | 7.457.552 | 11.242.887 |
| 1. | CASH | 4 | 145.419 | 341.800 |
| 2. | TIME DEPOSITS | | - | - |
| 3. | MONEY MARKET INSTRUMENTS | | - | - |
| 3.1. | Treasury bills | | - | - |
| 3.2. | Other money market instruments | | - | - |
| 4. | TRANSFERABLE SECURITIES | 4,6 | 7.312.133 | 10.865.031 |
| 4.1. | Non-equity securities | 4,6 | 7.067.967 | 10.865.031 |
| 4.1.1. | Non-equity securities issued or guaranteed by governments and central banks | 4,6 | 2.130.426 | 4.491.932 |
| 4.1.2. | Other non-equity securities | 4,6 | 4.937.541 | 6.373.099 |
| 4.2. | Equity securities | | - | - |
| 4.3. | Investment units and shares of other collective investment undertakings | 4,6 | 244.166 | - |
| 5. | PREPAYMENTS | | - | - |
| 6. | AMOUNTS RECEIVABLE | | - | - |
| 6.1. | Amounts receivable from sale of investments | | - | - |
| 6.2. | Other amounts receivable | | - | - |
| 7. | INVESTMENT AND OTHER ASSETS | 4,6 | - | 36.056 |
| 7.1. | Investment assets | | - | - |
| 7.2. | Derivative financial instruments | 4,6,8 | - | 36.056 |
| 7.3. | Other assets | | - | - |
| B. | LIABILITIES | 4 | 214.278 | 3.985 |
| 1. | Amounts payable | 4 | 10.221 | 3.985 |
| 1.1. | Amounts payable for financial and investment assets | | - | - |
| 1.2. | Amounts payable to management company and depository | 4 | 10.100 | 3.863 |
| 1.3. | Other payables | 4 | 121 | 122 |
| 2. | Accrued charges | | - | - |
| 3. | Borrowings from credit institutions | | - | - |
| 4. | Liabilities under contracts on derivative financial instruments | 4,6,8 | 204.057 | - |
| 5. | Other liabilities | | - | - |
| C. | NET ASSETS | 2 | 7.243.274 | 11.238.902 |

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

| | | | |
|--------------------------|----------------------|-------------|----------------|
| CEO | Laura Križinauskienė | (signature) | 31 August 2018 |
| Head of Funds Accountant | Aušra Montvydaitė | (signature) | 31 August 2018 |



INVL ASSET MANAGEMENT UAB

126263073, Gynėjų str. 14, Vilnius

INVL Global Emerging Markets Bond Subfund

STATEMENT OF CHANGES IN NET ASSETS FOR JANUARY – JUNE 2018

| No | Items | Note No | Financial year | Previous financial year |
|--------|---|---------|----------------|-------------------------|
| 1. | NET ASSETS AT 1 JANUARY | 2 | 11.238.902 | 5.962.046 |
| 2. | INCREASE IN NET ASSET VALUE | | | |
| 2.1. | Contributions of participants | 3 | 1.535.188 | 4.070.014 |
| 2.2. | Transfers from other funds | 3 | 115.220 | 74.279 |
| 2.3. | Guarantee contributions | | - | - |
| 2.4. | Investment income | | 1.137 | 5.575 |
| 2.4.1. | Interest income | | - | - |
| 2.4.2. | Dividends | | 1.137 | 5.575 |
| 2.4.3. | Rental income | | - | - |
| 2.5. | Gain on change in value and sale of investments | 6 | 1.296.983 | 2.497.271 |
| 2.6. | Foreign exchange gain | | 68.496 | 78.901 |
| 2.7. | Gain on transactions involving derivative financial instruments | 6 | - | 437.952 |
| 2.8. | Other increases in net asset value | | 25.000 | 4.000 |
| | TOTAL INCREASE IN NET ASSET VALUE | | 3.042.024 | 7.167.992 |
| 3. | DECREASE IN NET ASSET VALUE | | | |
| 3.1. | Payments to participants | 3 | 4.651.848 | 1.143.424 |
| 3.2. | Transfers to other funds | 3 | 652.249 | 230.068 |
| 3.3. | Loss on change in value and sale of investments | 6 | 1.457.010 | 2.544.838 |
| 3.4. | Foreign exchange loss | | 60.175 | 82.814 |
| 3.5. | Loss on transactions involving derivative financial instruments | 6 | 148.733 | - |
| 3.6. | Management costs: | | 67.637 | 5.687 |
| 3.6.1. | Fee to management company | | 59.831 | 185 |
| 3.6.2. | Fee to depository | | 5.036 | 4.407 |
| 3.6.3. | Fee to intermediaries | | - | - |
| 3.6.4. | Audit fee costs | | 1.023 | 335 |
| 3.6.5. | Interest costs | | - | - |
| 3.6.6. | Other costs | | 1.747 | 760 |
| 3.7. | Other decreases in net asset value | | - | - |
| 3.8. | Reimbursement of costs (-) | | - | - |
| | TOTAL DECREASE IN NET ASSET VALUE | | 7.037.652 | 4.006.831 |
| 4. | Change in net asset value | | (3.995.628) | 3.161.161 |
| 5. | Profit distribution | | - | - |
| 6. | NET ASSET VALUE AT 30 JUNE | 2 | 7.243.274 | 9.123.207 |

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

CEO

Laura
Križinauskienė

31 August 2018

Head of Funds Accountant

Aušra Montvydaitė

31 August 2018

(signature)

(signature)



INVL ASSET MANAGEMENT UAB

126263073, Gynėjų str. 14, Vilnius

INVL Global Emerging Markets Bond Subfund

Explanatory notes to the semi-annual financial statements for January – June 2018

23.3.1. General information:

Details of the collective investment undertaking

| | |
|--|--|
| Name | INVL Global Emerging Markets Bond Subfund of INVL Umbrella Fund (hereinafter “the Subfund”) |
| Type, legal form | Open-ended type special investment fund for investments in transferable securities, with no rights of a legal entity |
| Date on which the Securities Commission (currently the Bank of Lithuania) approved the documents on the formation of the collective investment undertaking | 1 July 2016 |
| Duration of operation | Indefinite period |
| Location | Vilnius |

Details of the management company

| | |
|---|---|
| Name | INVL Asset Management UAB |
| Company code | 126263073 |
| Office address | Gynėjų str. 14, LT-01109 Vilnius |
| Register at which all data about the undertaking is stored and compiled | State enterprise Centre of Register, Vilnius branch |
| Telephone number | 8 700 55 959 |
| Fax number | 8 5 279 06 02 |
| Email address | info@invl.com |
| Website address | www.invl.com |
| Licence No | VJK-005 |
| Manager of the collective investment undertaking, other individuals making investment decisions | Vytautas Plunksnis – Member of the Investment Committee; Vaidotas Rūkas – Chief Investment Officer; Regimantas Valentonis – Fund Manager. |

Details of the depository

| | |
|------------------|------------------------------------|
| Name | SEB bankas AB |
| Company code | 112021238 |
| Office address | Gedimino ave. 12, LT-01103 Vilnius |
| Telephone number | (8~5) 268 28 00 |
| Fax number | (8~5) 268 23 33 |

Details of the audit company engaged to audit the annual financial statements

| | |
|------------------|------------------------------------|
| Name | PricewaterhouseCoopers UAB |
| Company code | 111473315 |
| Office address | J. Jasinskio 16B, LT-03163 Vilnius |
| Telephone number | (8~5) 239 2300 |

Reporting period:

From 1 January 2017 to 30 June 2017.



23.3.2. Accounting policies:

Regulatory legislation adopted in the preparation of the financial statements

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

Generally accepted accounting principles

The financial year of the Subfund coincides with the calendar year. For the purpose of the Subfund's financial statements, the year-end balances of assets and liabilities are reported as at 29 June 2018 amounts.

The Subfund'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

At least 80% of INVL Global Emerging Markets Bond Subfund's funds are invested in those debt securities of governments, municipalities and companies in emerging countries (securities exchanges and markets) that credit analysis shows to be the most promising.

The Subfund combines riskier investments (corporate bonds) and safer ones (government and municipal bonds) in order to protect the value of assets and ensure a stable return on the Subfund's investments. The Subfund's investments are not restricted to certain industry sector. The Subfund may invest in bonds of different types and with different credit ratings. Moreover, the objective will be to retain not higher than the average bond maturity of the benchmark index. When no better investment possibilities are available in the market, up to 100% of the Subfund's assets may be invested in deposits, money market instruments and harmonised investments units (shares) of collective investment undertakings with the main investment trend focused on money market instruments or bonds and other forms of non-equity securities. The Subfund's assets may be invested in derivative financial instruments, provided they are used for risk management purposes. At least 80% of the Subfund's investments are made in securities denominated in the euros or the US dollars. Foreign exchange risk is hedged using derivative financial instruments, whereas the net open in foreign currency cannot comprise more than 20%. Probability that the composition of the portfolio or portfolio management methods will give rise to significant fluctuations in the Subfund's net asset value is low.

Financial risk management

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

The Investment Committee decides on the composition of the Subfund'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 Subfund's portfolio risk and liquidity are assessed periodically and reported to the Investment Committee.

The Subfund'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.

The shares of the issuer held by the management company together with the shares of the same issuer held by the managed funds may not carry over 1/10 of the voting rights at the issuer's general meeting of shareholders.

The Subfund's assets may be used to acquire no more than as follows:

- 10% of the non-voting shares of an issuing body;
- 10% of the debt securities and other forms of non-equity securities of an issuing body;
- 25% of the units or shares of another collective investment undertaking;
- 10% of the money market instruments issued by a single issuing body.

23.3.2. Accounting policies (continued)

Policies for recognition of increase and decrease in assets and liabilities

Difference between the value of the Subfund's net assets and the value of the Subfund'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 Subfund 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 Subfund's assets for as long as they do not meet the definition criteria of financial assets.

Financial liabilities are recorded when the Subfund 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 Subfund'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 Subfund's assets charged for the management of the Subfund and the services provided by the Depository are presented in the Subfund's rules.

The specific rates of deductions for the management of the Subfund 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.invl.com.

Any other costs not specified in the Subfund's rules or in excess of the defined limits are born by the Management Company at its own expense.

The Subfund's deductions over the reporting period are presented in section 7 of the Annex.

Investment valuation methods, investment revaluation intervals

The Subfund'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;
- Valuation of investment units (shares) of collective investment undertakings is carried out with reference to the NA value 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;
- Valuation of derivative financial instruments is based on the last market value of previous analogous transactions, provided there were no substantial changes in economic circumstances over the period between the date of the transaction and the date of valuation;
- 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 all investments is conducted on each business day.



23.3.2. Accounting policies (continued)

Valuation of liabilities

Valuation of liabilities is based on the requirements of Business Accounting 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 to the fair value.

Rules on valuation of investment units

The initial value of the Subfund's unit, which was available before the first calculation of net asset value, was equal to EUR 28.9620.

The Subfund's net asset value for the current day is calculated by midday (12am) of the following day.

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

The value of the Subfund's unit is announced not later than by midday (12am) of the following day after the calculation of net asset value, on the website at address www.invl.com.

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 Subfund on sale of investments, amounts due on guarantee contributions and other amounts receivable under contracts. Amounts receivable also include amounts due from the management company that upon receipt are deducted from expenses for the reporting period, other than those defined in the Subfund's rules or which exceed the established limits.

Amounts payable represent amounts due to other funds to which the participants move, amounts due to the participants or their beneficiaries, amounts due to the distributors, 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 of the explanatory notes.



23.3.3. Notes to the financial statements:

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

| | Opening balance at 1 January 2018 | Closing balance at 30 June 2018 | One year ago at 30 June 2017 | Two years ago at 30 June 2016 * |
|--------------------------------|--------------------------------------|------------------------------------|---------------------------------|------------------------------------|
| Net asset value, EUR | 11.238.902 | 7.243.274 | 9.123.207 | - |
| Unit value, EUR | 113,7860 | 109,4694 | 109,7525 | - |
| Number of units in circulation | 98.772,3006 | 66.167,0822 | 83.125,2918 | - |

* The fund was established in 1 July 2016, therefore no comparable data is available.

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

| | Current financial year | | Previous financial year | |
|---|------------------------|-------------|-------------------------|------------|
| | Number of units | Value, EUR | Number of units | Value, EUR |
| Distributed (by converting monetary funds into units) * | 14.660,1462 | 1.650.396 | 38.727,6994 | 4.144.108 |
| Redeemed (by converting units into monetary funds) | 47.265,3646 | 5.304.097 | 12.677,1203 | 1.373.492 |
| Difference between the number and value of units (shares) distributed and redeemed | (32.605,2184) | (3.653.701) | 26.050,5791 | 2.770.616 |

* The value of distributed units (by converting monetary funds to investment units) does 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 and subfund change fee (deductions are disclosed in section 7 herein).

Note 4. Structure of investment portfolio

30 June 2018

| Issuer's name | Country | ISIN code | Quantity, items | Total acquisition value | Total market value | Interest rate | Redemption / conversion date | Share in net assets, % |
|---|---------|--------------|-----------------|-------------------------|--------------------|---------------|------------------------------|------------------------|
| Non-equity securities traded on other regulated markets | | | | | | | | |
| MACEDO 5.625 07/26/23 | MK | XS1452578591 | 400 | 446.669 | 476.268 | 5,63 | 2023-07-26 | 6,58 |
| BGEOLN 6 07/26/23 | GE | XS1405775880 | 345 | 312.345 | 305.157 | 6,00 | 2023-07-26 | 4,21 |
| DOMREP 6.6 01/28/24 | DO | USP3579EAT49 | 400 | 378.357 | 372.419 | 6,60 | 2024-01-28 | 5,14 |
| MINSUR 6.25 02/07/24 | PE | USP6811TAA36 | 400 | 411.165 | 371.097 | 6,25 | 2024-02-07 | 5,12 |
| KERPW 8.75 01/31/22 | UA | XS1533923238 | 460 | 439.450 | 406.345 | 8,75 | 2022-01-31 | 5,61 |
| GARAN 5.875 03/16/23 | TR | XS1576037284 | 360 | 341.370 | 300.509 | 5,88 | 2023-03-16 | 4,15 |
| PTABNK 5.375 03/14/22 | SNAT | XS1520309839 | 350 | 328.614 | 307.865 | 5,38 | 2022-03-14 | 4,25 |
| JPFAIJ 5.5 03/31/22 | ID | XS1588422201 | 300 | 258.537 | 246.316 | 5,50 | 2022-03-31 | 3,40 |
| OCPMR 5.625 04/25/24 | MA | XS1061043011 | 300 | 300.661 | 268.107 | 5,63 | 2024-04-25 | 3,70 |
| GAZPRU 3.125 11/17/23 | RU | XS1521039054 | 200 | 211.689 | 212.582 | 3,13 | 2023-11-17 | 2,93 |
| VIP 5.95 02/13/23 | NL | XS0889401724 | 255 | 242.289 | 227.203 | 5,95 | 2023-02-13 | 3,14 |
| TURKEY 3,25 06/14/25 | TR | XS1629918415 | 200 | 200.728 | 186.523 | 3,25 | 2025-06-14 | 2,58 |
| INDON 2.15 07/18/24 | ID | XS1647481206 | 300 | 307.099 | 308.805 | 2,15 | 2024-07-18 | 4,26 |
| TNEMAK 3.25 03/15/24 | MX | XS1533916299 | 350 | 363.225 | 353.944 | 3,25 | 2024-03-15 | 4,89 |
| BHARTI 5.35 05/20/24 | IN | USN1384FAB15 | 300 | 278.266 | 259.235 | 5,35 | 2024-05-20 | 3,58 |
| ISCTR 6 ¼ 04/25/24 | TR | XS1578203462 | 300 | 267.612 | 237.560 | 6,13 | 2024-04-25 | 3,28 |
| MOGOJ 10 03/31/21 | LV | LV0000801363 | 330 | 330.386 | 329.835 | 10,00 | 2021-03-31 | 4,55 |
| MEX 1,75 04/17/28 | MX | XS1751001139 | 290 | 289.469 | 279.331 | 1,75 | 2028-04-17 | 3,86 |
| EULNGR Float 02/22/21 | SE | SE0010831792 | 3 | 300.000 | 308.361 | 7,75 | 2021-02-22 | 4,26 |
| JBSSBZ 5,875 07/15/24 | BR | USU0901CAG51 | 300 | 239.494 | 255.611 | 5,88 | 2024-07-15 | 3,53 |
| GEOCAP 6,125 03/09/24 | GE | XS1778929478 | 400 | 321.183 | 332.831 | 6,13 | 2024-03-09 | 4,60 |
| GLPRLI 6.872 01/25/22 | RU | XS1319813769 | 400 | 349.628 | 361.715 | 6,87 | 2022-01-25 | 4,99 |
| MTNSJ 4.755 11/11/24 | ZA | XS1128996425 | 200 | 160.169 | 161.133 | 4,76 | 2024-11-11 | 2,22 |
| CROATI 2.7 06/15/28 | HR | XS1713462668 | 200 | 197.181 | 199.215 | 2,70 | 2028-06-15 | 2,75 |
| Total | - | - | - | 7.275.586 | 7.067.967 | - | - | 97,58 |
| Total non-equity securities | | | - | 7.275.586 | 7.067.967 | - | - | 97,58 |

Note 4. Structure of investment portfolio (continued)

| CIU name | Country | ISIN code | Quantity, items | Total acquisition value | Total market value | CIU type * | Share of NA, % |
|---|---------|--------------|-----------------|-------------------------|--------------------|------------|----------------|
| CIU items (shares) following requirements of Article 61 (1) of the Law on Collective Investment Undertaki | | | | | | | |
| ISHARES JPM USD EM BND EUR-H | DE | IE00B9M6RS56 | 2.650 | 250.041 | 244.166 | CIU 1 | 3,37 |
| Total | - | - | - | 250.041 | 244.166 | - | 3,37 |
| Total of CIU units (stocks) | | | - | 250.041 | 244.166 | - | 3,37 |

* CIU 1 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into non-equity securities;
 CIU 2 – Collective investment undertaking, which applies mixed (balanced) investment strategy;
 CIU 3 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into non-equity securities;
 CIU 4 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into money market instruments;
 CIU 5 – Collective investment undertakings of other types (alternative investment, private capital, real estate, commodities and etc.).

| Name of the credit institution | Currency | Total market value | Interest rate | Share in net assets, % |
|--------------------------------|----------|--------------------|---------------|------------------------|
| Cash | | | | |
| AB SEB bankas | EUR | 113.060 | - | 1,56 |
| AB SEB bankas | USD | 32.359 | | 0,45 |
| Total cash | - | 145.419 | - | 2,01 |

| Name of the instrument | Country | Counterparty | Currency | Investment transaction (position) | Value of transaction (position) | Total market value | Maturity date | Share in net assets, % |
|--|---------|----------------|----------|-----------------------------------|---------------------------------|--------------------|---------------|------------------------|
| Other derivative financial instruments | | | | | | | | |
| NDF91234 | LT | Šiaulių bankas | EUR | EUR/USD | 412.000 | (25.494) | 2018-08-16 | (0,35) |
| NDF92653 | LT | Šiaulių bankas | EUR | EUR/USD | 1.300.000 | (24.077) | 2018-11-15 | (0,33) |
| NDF92652 | LT | Šiaulių bankas | EUR | EUR/USD | 1.300.000 | (23.882) | 2018-10-17 | (0,33) |
| NDF90502 | LT | Šiaulių bankas | EUR | EUR/USD | 1.610.000 | (99.857) | 2018-07-12 | (1,38) |
| NDF90695 | LT | Šiaulių bankas | EUR | EUR/USD | 330.000 | (18.155) | 2018-07-12 | (0,25) |
| NDF90711 | LT | Šiaulių bankas | EUR | EUR/USD | 220.000 | (12.592) | 2018-07-12 | (0,17) |
| Total | - | - | - | - | 5.172.000 | (204.057) | - | (2,81) |

| Name | Brief description | Total value | Intended purpose | Share in net assets, % |
|-----------------|--|-----------------|------------------|------------------------|
| Amounts payable | Amounts payable to the management company and the depository | (10.100) | - | (0,15) |
| Amounts payable | Other amounts payable | (121) | - | - |
| Total | - | (10.221) | - | (0,15) |

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

The Fund invests in Emerging market's bonds and other forms of non-equity securities and in units (shares) of harmonized collective investment undertakings whose primary investment focus is bonds and other forms of non-equity securities.

The change in the value of the fund's investment portfolio was mostly influenced by the market price of financial instruments.

Note 4. Structure of investment portfolio (continued)

30 June 2017

| Issuer's name | Country | ISIN code | Quantity, items | Total acquisition value | Total market value | Interest rate | Redemption / conversion date | Share in net assets, % |
|---|---------|--------------|-----------------|-------------------------|--------------------|------------------|------------------------------|------------------------|
| Non-equity securities traded on other regulated markets | | | | | | | | |
| NELJAE Float 06/02/21 | EE | NO0010737174 | 1 | 101.546 | 101.133 | 6M Euribor + 650 | 2021-06-02 | 1,11 |
| MACEDO 5.625 07/26/23 | MK | XS1452578591 | 560 | 610.556 | 640.367 | 5,63 | 2023-07-26 | 7,02 |
| BGEOLN 6 07/26/23 | GE | XS1405775880 | 620 | 589.468 | 566.522 | 6,00 | 2023-07-26 | 6,21 |
| BULENR 4.875 08/02/21 | BG | XS1405778041 | 311 | 325.058 | 350.265 | 4,88 | 2021-08-02 | 3,84 |
| DOMREP 6.6 01/28/24 | DO | USP3579EAT49 | 260 | 264.588 | 256.976 | 6,60 | 2024-01-28 | 2,82 |
| GLPRLI 6.5 09/22/23 | CY | XS1405775450 | 432 | 416.160 | 397.807 | 6,50 | 2023-09-22 | 4,36 |
| MINSUR 6.25 02/07/24 | PE | USP6811TAA36 | 400 | 411.165 | 386.817 | 6,25 | 2024-02-07 | 4,24 |
| ISCTR 5.5 04/21/22 | TR | XS1508390090 | 515 | 474.025 | 458.424 | 5,50 | 2022-04-21 | 5,02 |
| MTNSJ 5.373 02/13/22 | MU | XS1503116912 | 200 | 178.396 | 184.226 | 5,37 | 2022-02-13 | 2,02 |
| MEX 4 10/02/23 | MX | US91086QBC15 | 400 | 765.993 | 741.315 | 4,00 | 2023-10-02 | 8,13 |
| TURKEY 4.125 04/11/23 | TR | XS1057340009 | 510 | 548.561 | 551.520 | 4,13 | 2023-04-11 | 6,05 |
| CBVS 6.5 06/15/21 | AR | USP19157AR03 | 510 | 503.247 | 475.569 | 6,50 | 2021-06-15 | 5,21 |
| SOAF 4.665 01/17/24 | ZA | US836205AQ75 | 270 | 264.282 | 244.983 | 4,67 | 2024-01-17 | 2,69 |
| BRAZIL 4.25 01/07/25 | BR | US105756BV13 | 490 | 445.791 | 430.612 | 4,25 | 2025-01-07 | 4,72 |
| KERPW 8.75 01/31/22 | LU | XS1533923238 | 410 | 390.339 | 399.176 | 8,75 | 2022-01-31 | 4,38 |
| GARAN 5.875 03/16/23 | TR | XS1576037284 | 360 | 341.370 | 332.211 | 5,88 | 2023-03-16 | 3,64 |
| PTABNK 5.375 03/14/22 | SNAT | XS1520309839 | 350 | 328.614 | 317.636 | 5,38 | 2022-03-14 | 3,48 |
| JPFAIJ 5.5 03/31/22 | ID | XS1588422201 | 320 | 295.494 | 283.405 | 5,50 | 2022-03-31 | 3,11 |
| HRELEC 5.875 10/23/22 | HR | XS1309493630 | 250 | 272.694 | 241.013 | 5,88 | 2022-10-23 | 2,64 |
| OCPMR 5.625 04/25/24 | MA | XS1061043011 | 300 | 300.661 | 287.742 | 5,63 | 2024-04-25 | 3,15 |
| GAZPRU 3.125 11/17/23 | LU | XS1521039054 | 400 | 423.332 | 426.297 | 3,13 | 2023-11-17 | 4,67 |
| Lauma International 12 05/19/21 | LV | LV0000802254 | 20 | 200.000 | 202.800 | 12,00 | 2021-05-19 | 2,22 |
| VIP 5.95 02/13/23 | NL | XS0889401724 | 385 | 370.155 | 367.294 | 5,95 | 2023-02-13 | 4,03 |
| Total | - | - | - | 8.821.495 | 8.644.110 | - | - | 94,76 |
| Total non-equity securities | | | - | 8.821.495 | 8.644.110 | - | - | 94,76 |

Note 4. Structure of investment portfolio (continued)

| Name of the credit institution | Currency | Total market value | Interest rate | Share in net assets, % |
|--------------------------------|----------|--------------------|---------------|------------------------|
| Cash | | | | |
| AB SEB bankas | EUR | 210.726 | - | 2,31 |
| AB SEB bankas | USD | 3.567 | | 0,04 |
| Total cash | - | 214.293 | - | 2,35 |

| Name of the instrument | Country | Counterparty | Currency | Investment transaction (position) | Value of transaction (position) | Total market value | Maturity date | Share in net assets, % |
|--|---------|-------------------|----------|-----------------------------------|---------------------------------|--------------------|---------------|------------------------|
| Other derivative financial instruments | | | | | | | | |
| FW_170523_5 | LT | AB Šiaulių bankas | USD | USD/EUR | 42.000 | 1.114 | 2017-07-12 | 0,01 |
| FW_170519_1 | LT | AB Šiaulių bankas | USD | USD/EUR | 1.035.000 | 4.492 | 2017-07-12 | 0,05 |
| FW_170411_2 | LT | AB Šiaulių bankas | USD | USD/EUR | 930.000 | 93.944 | 2017-08-16 | 1,03 |
| FW_170314_3 | LT | AB Šiaulių bankas | USD | USD/EUR | 400.000 | 53.519 | 2017-08-16 | 0,59 |
| FW_170516_3 | LT | AB Šiaulių bankas | USD | USD/EUR | 155.000 | 26.851 | 2017-08-16 | 0,29 |
| FW_170615_2 | LT | AB Šiaulių bankas | USD | USD/EUR | 1.485.000 | 21.784 | 2017-09-14 | 0,24 |
| FW_170221_5 | LT | AB Šiaulių bankas | USD | USD/EUR | 909.000 | 2.771 | 2017-10-17 | 0,03 |
| FW_170224_2 | LT | AB Šiaulių bankas | USD | USD/EUR | 220.000 | 63.860 | 2017-10-17 | 0,70 |
| FW_170317_1 | LT | AB Šiaulių bankas | USD | USD/EUR | 100.000 | 18.681 | 2017-10-17 | 0,20 |
| FW_170331_1 | LT | AB Šiaulių bankas | USD | USD/EUR | 1.400.000 | 8.484 | 2017-11-15 | 0,09 |
| FW_170621_3 | LT | AB Šiaulių bankas | USD | USD/EUR | 190.000 | 3.808 | 2017-11-15 | 0,04 |
| Total | - | - | - | - | 6.866.000 | 299.308 | - | 3,27 |

| Name | Brief description | Total value | Intended purpose | Share in net assets, % |
|--------------------|--|-----------------|------------------|------------------------|
| Amounts receivable | Amounts receivable under transactions on disposal of assets | 336.747 | - | 3,69 |
| Amounts payable | Amounts payable for acquired assets | (368.922) | - | (4,04) |
| Amounts payable | Amounts payable to the management company and the depository | (2.208) | - | (0,02) |
| Amounts payable | Other amounts payable | (121) | - | - |
| Total | - | (34.504) | - | (0,37) |

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

The Fund invests in bonds and other forms of non-equity securities and in units (shares) of harmonized collective investment undertakings whose primary investment focus is bonds and other forms of non-equity securities.

The change in the value of the fund's investment portfolio was mostly influenced by the market price of financial instruments.

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

By geographical area

| Breakdown of investments | Market value at 30 June 2018 | Share in assets, % | Market value at 1 January 2018 | Share in assets, % |
|--------------------------|------------------------------|--------------------|--------------------------------|--------------------|
| Lithuania | (58.638) | (0,81) | 377.856 | 3,36 |
| Bulgaria | - | - | 302.807 | 2,69 |
| Russia | 574.297 | 7,93 | 859.645 | 7,65 |
| Georgia | 637.988 | 8,81 | 736.640 | 6,56 |
| Brazil | 255.611 | 3,53 | 601.542 | 5,35 |
| Macedonia | 476.268 | 6,59 | 920.666 | 8,19 |
| Mauritius | - | - | 177.134 | 1,58 |
| Mexico | 633.275 | 8,74 | 725.454 | 6,45 |
| Peru | 371.096 | 5,12 | 377.226 | 3,36 |
| Turkey | 724.592 | 10 | 1.442.892 | 12,84 |
| Dominican Republic | 372.419 | 5,14 | 443.076 | 3,94 |
| South Africa Republic | 161.133 | 2,22 | 324.304 | 2,89 |
| Latvia | 329.835 | 4,55 | 529.676 | 4,71 |
| Croatia | 199.215 | 2,75 | 234.796 | 2,09 |
| Indonesia | 555.122 | 7,66 | 753.252 | 6,7 |
| Morocco | 268.107 | 3,7 | 272.267 | 2,42 |
| Netherlands | 227.203 | 3,14 | 418.253 | 3,72 |
| Romania | - | - | 540.169 | 4,81 |
| SNAT | 307.865 | 4,25 | 311.574 | 2,77 |
| India | 259.235 | 3,58 | 454.008 | 4,04 |
| Ukraine | 406.345 | 5,61 | 439.650 | 3,91 |
| Sweden | 308.361 | 4,26 | - | - |
| Germany | 244.166 | 3,38 | - | - |
| Total | 7.253.495 | 100,15 | 11.242.887 | 100,03 |

Note 6. Change in value of investments

January – June 2018

| Items reported in the statement of net assets | Change | | | | | Balance at 30 June 2018 |
|---|-----------------------------|--------------------------|---------------------------------|-------------------|-------------------|-------------------------|
| | Balance at 31 December 2017 | Acquired over the period | Sold (redeemed) over the period | Increase in value | Decrease in value | |
| Time deposits | - | - | - | - | - | - |
| Money market instruments | - | - | - | - | - | - |
| Non-equity securities ² | 10.865.031 | 3.720.933 | 7.363.845 | 1.289.576 | 1.443.728 | 7.067.967 |
| Non-equity securities issued or guaranteed by governments and central banks | 4.491.932 | 832.269 | 3.101.522 | 258.138 | 350.391 | 2.130.426 |
| Other non-equity securities | 6.373.099 | 2.888.664 | 4.262.323 | 1.031.438 | 1.093.337 | 4.937.541 |
| Equity securities | - | - | - | - | - | - |
| Units and shares of collective investment undertakings | - | 250.041 | - | 7.407 | 13.282 | 244.166 |
| Derivative financial instruments ¹ | 36.056 | - | 91.379 | - | 148.734 | (204.057) |
| Total | 10.901.087 | 3.970.974 | 7.455.224 | 1.296.983 | 1.605.744 | 7.108.076 |

¹ Balance at 30 June 2017 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 30 June 2017 reflects the fair value of non-equity securities at 1 January 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.

January – June 2017

| Items reported in the statement of net assets | Change | | | | | Balance at 30 June 2017 |
|---|-----------------------------|--------------------------|---------------------------------|-------------------|-------------------|-------------------------|
| | Balance at 31 December 2016 | Acquired over the period | Sold (redeemed) over the period | Increase in value | Decrease in value | |
| Time deposits | - | - | - | - | - | - |
| Money market instruments | - | - | - | - | - | - |
| Non-equity securities ² | 5.535.796 | 5.982.784 | 2.818.977 | 2.464.378 | 2.519.871 | 8.644.110 |
| Non-equity securities issued or guaranteed by governments and central banks | 2.374.013 | 1.91.860 | 1.366.314 | 1.763.410 | 580.385 | 3.582.584 |
| Other non-equity securities | 3.161.783 | 4.590.924 | 1.452.663 | 700.968 | 1.939.486 | 5.061.526 |
| Equity securities | - | - | - | - | - | - |
| Units and shares of collective investment undertakings | - | 402.542 | 410.468 | 32.893 | 24.967 | - |
| Derivative financial instruments ¹ | (197.235) | - | (58.591) | 437.952 | - | 299.308 |
| Total | 5.338.561 | 6.385.326 | 3.170.854 | 2.935.223 | 2.544.838 | 8.943.418 |

¹ Balance at 30 June 2017 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 30 June 2017 reflects the fair value of non-equity securities at 1 January 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 sale of investments

During the first six months of year 2017 and 2018, the undertaking had no sale transactions involving financial instruments other than those measured at fair value.

Note 8. Transactions involving derivative financial instruments

The following transactions involving derivative financial instruments were conducted with Šiaulių Bankas AB over the reporting period:

| Category of instrument | Settlement date | Gain/loss | Currency | Intended purpose of the derivative | Comments |
|------------------------|-----------------|---------------|----------|------------------------------------|---------------------------------|
| Currency forwards | 2018-01-11 | 8.659 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-11 | 5.454 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 29.689 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 1.003 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 4.140 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 14.423 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 39.347 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-01-30 | 11.015 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-03-15 | 15.106 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-04-17 | 13.828 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-05-16 | (31.923) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-05-16 | 38.197 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-05-16 | 24.779 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-06-14 | (30.720) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-06-14 | (71.150) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-06-14 | 15.780 | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-06-14 | 3.752 | EUR | Currency risk hedging | Not traded on regulated markets |
| Total | - | 91.379 | - | - | - |

Transactions with Šiaulių bankas that expired over the reporting period:

| Number of transactions | Purchase | | Sale | | Gain (loss), EUR |
|------------------------|----------|-------------------|----------|-------------------|------------------|
| | Currency | Amount, EUR | Currency | Amount, EUR | |
| 13 | EUR | 10.571.559 | USD | 10.571.559 | 91.379 |
| 4 | USD | 1.977.917 | EUR | 1.977.917 | |
| Total | - | 12.549.476 | - | 12.549.476 | 91.379 |

Note 8. Transactions involving derivative financial instruments (continued)

During the reporting period, the Subfund entered into currency forward contracts. These contracts were intended for currency risk management purposes. Currency forwards were used to hedge against currency risk arising on investments denominated in USD. They helped reduce the fluctuations in the value of the Subfund's investments and units caused by changes in foreign exchange rates.

By entering into these over-the-counter contracts, the Subfund assumes the related credit risk of the issuer of forward contracts. The credit risk is a risk of counterparty or issuer defaulting. This risk is managed by following the principle that the total exposure per single counterparty or issuer may not exceed 20% of net asset value.

Market value of unexpired transactions with Šiaulių bankas AB at the reporting date:

| Category of instrument | Value of liabilities at 30 June 2018 | Currency | Comments |
|------------------------|--------------------------------------|------------|---------------------------------|
| Currency forwards | (204.057) | EUR | Not traded on regulated markets |
| Total | (204.057) | EUR | |

| Category of instrument | Settlement date | Gain/loss | Currency | Intended purpose of the derivative | Comments |
|------------------------|-----------------|------------------|----------|------------------------------------|---------------------------------|
| Currency forwards | 2018-07-12 | (99.857) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-07-12 | (18.155) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-07-12 | (12.592) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-08-16 | (25.494) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-10-17 | (23.882) | EUR | Currency risk hedging | Not traded on regulated markets |
| Currency forwards | 2018-11-15 | (24.077) | EUR | Currency risk hedging | Not traded on regulated markets |
| Total | - | (204.057) | - | - | - |

Note 8. Transactions involving derivative financial instruments (continued)

Unexpired transactions involving derivative financial instruments with Šiaulių bankas AB:

| Number of transactions | Purchase | | Sale | | Gain (loss), EUR |
|------------------------|----------|------------------|----------|------------------|------------------|
| | Currency | Amount, EUR | Currency | Amount, EUR | |
| 6 | EUR | 4.237.585 | USD | 4.237.585 | (204.057) |
| Total | - | 4.237.585 | - | 4.237.585 | (204.057) |

Note 9. Costs of intermediary fees

No costs of intermediary fees were incurred during the reporting period. Note 10. Dividends and other benefits assessed and/or paid to the participants that do not result in changes in units

The Subfund 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 Subfund 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 financial year and previous financial year

Transactions conducted with the management company and balances thereon are disclosed in Notes 4 and report's Clause 7.

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

During the reporting period from 1 January 2018 to 30 June 2018, the Subfund applied the same accounting policies.

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 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 significant information on the Subfund's financial position.

24. Entire text of the auditor's report:

Information is provided on the annual report.

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

| | | |
|------|---|-----------|
| I. | Income from investing activities | |
| 1. | <i>Interest income</i> | - |
| 2. | <i>Realised gain (loss) on investment in:</i> | (241.014) |
| 2.1. | equity securities | - |
| 2.2. | non-equity securities | (241.014) |
| 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 investments instruments | - |
| 3. | <i>Unrealised gain (loss) on:</i> | (263.877) |
| 3.1. | equity securities | - |
| 3.2. | non-equity securities | (109.269) |
| 3.3. | money market instruments | - |
| 3.4. | derivative financial instruments | (148.733) |
| 3.5. | units of other collective investment undertakings | (5.875) |
| 3.6. | real estate objects | - |
| 3.7. | other investment instruments | - |
| 4. | <i>Other income:</i> | 290.764 |
| 4.1. | income from lease of real estate | - |
| 4.2. | positive foreign exchange effect | 68.496 |
| 4.3. | other | 222.268 |
| | Total income | (214.127) |
| II. | Expenses | |
| 1. | <i>Operating expenses:</i> | 67.637 |
| 1.1. | deductions of management fee | 59.831 |
| 1.2. | deductions of depository fee | 5.036 |
| 1.3. | intermediary fee | - |
| 1.4. | audit fee | 1.023 |
| 1.5. | deductions of other fees and charges | 1.747 |
| 2. | <i>Other expenses:</i> | 60.175 |
| 2.1. | interest expenses | - |
| 2.2. | expenses related to the managed real estate objects | - |
| 2.3. | negative foreign exchange effect | 60.175 |
| 2.4. | other | - |
| | Total expenses | 127.812 |
| III. | Net income | (341.939) |
| IV. | Payments (dividends) to holders of investment units | - |
| V. | Re-invested earnings | (341.939) |

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 significant information on the Subfund'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 COLLECTIVE INVESTMENT UNDERTAKING'S BORROWINGS FOR ITS OWN NEEDS

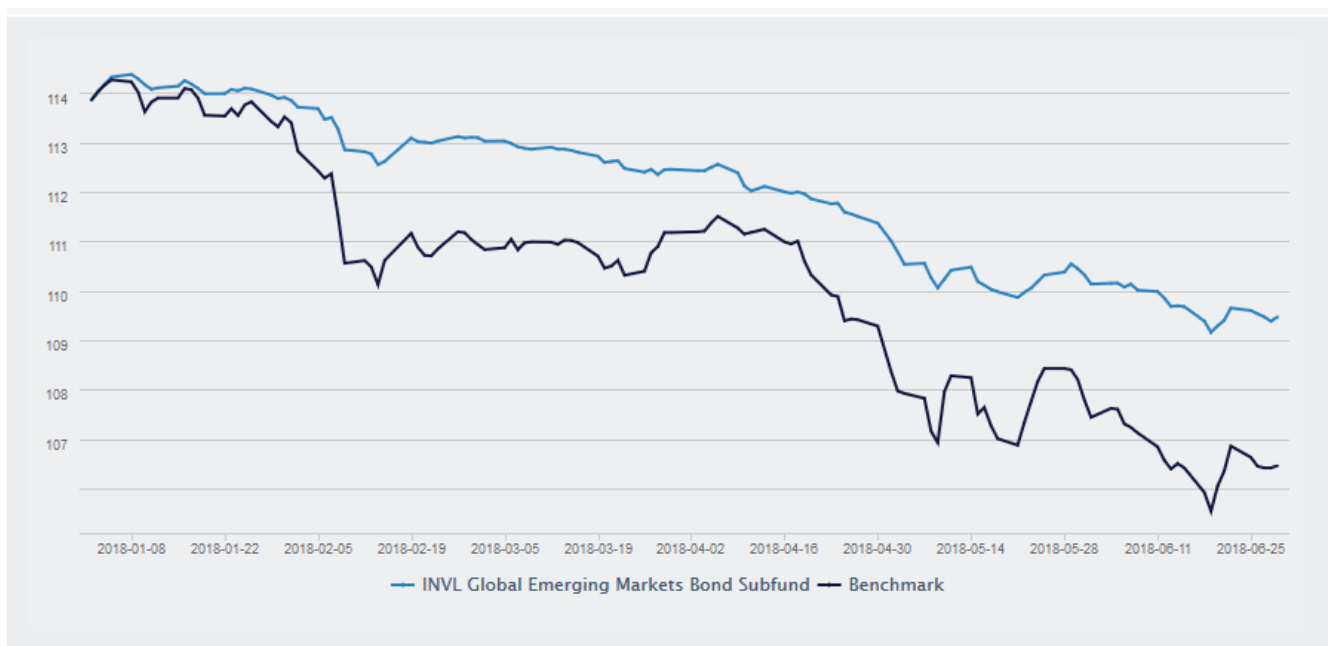
28. Collective investment undertaking's borrowings for its own needs as at the end of the reporting period:

Information is provided in Note 11.

IX. OTHER INFORMATION

29. 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:

Change in benchmark index and value during the reporting period



X. ACCOUNTABLE PERSONS

30. 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.

31. 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.

32. 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, Laura Križinauskienė, CEO of INVL 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 Subfund's results.

(signature)

I, Aušra Montvydaitė, Head of Funds Accountant of INVL 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 Subfund's results.

(signature)

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

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

| | | |
|------------------|-------------------------------|----------------------------|
| Full name | Laura Križinauskienė | Aušra Montvydaitė |
| Job position | CEO | Head of Funds Accountant |
| Telephone number | (8~7) 005 59 59 | (8~6) 264 55 82 |
| Fax number | (8~5) 279 06 02 | (8~5) 279 06 02 |
| Email address | laura.krizinauskiene@invl.com | ausra.montvydaite@invl.com |

33.2. 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.