



I. GENERAL INFORMATION

1. General information about 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:

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:				
<i>Fixed rate</i>	No more than 2% of the fund's average annual net asset value	2% of the fund's average annual net asset value	32.509	1,00
<i>Performance fee</i>	Non-applicable	Non-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	1.609	0,05
Transaction fee	No more than 0.75% of the value of transactions executed	No more than 0.75% of the value of transactions executed	2.854	0,09
Other operating costs (distribution fee)	No more than 3% of the invested amount	No more than 2% of the invested amount	128	-
Audit fee	No more than 0.5% of average annual net asset value of the fund	No more than 0.5% of average annual net asset value of the fund	415	0,01
Other operating costs (bank charges)	No more than 0.5% of average annual net asset value of the fund	No more than 0.5% of average annual net asset value of the fund	92	-
Other operating costs (fee charged by the bank for keeping records of participants)			726	0,02
Other operating costs (fees charged by the market maker, quotation costs and one-off fees)			1.019	0,03
Total expenses included in TER				36.370
Total expenses				39.352



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

January – June 2016

Types of deductions (fees/charges)	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 foundation documents	Rates applied during the reporting period		
Management fee:				
<i>Fixed rate</i>	No more than 2% of the fund's average annual net asset value	2% of the fund's average annual net asset value	19.315	0,98
<i>Performance fee</i>	Non-applicable	Non-applicable	953	0,05
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	1.234	0,06
Transaction fee	No more than 0.75% of the value of transactions executed	No more than 0.75% of the value of transactions executed	13	-
Other operating costs (distribution 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	295	0,02
Other operating costs (subfund change fee)	No more than 0.5% of average annual net asset value of the fund	No more than 0.5% of average annual net asset value of the fund	47	-
Audit fee			124	0,01
Other operating costs (bank charges)			1.065	0,05
Total expenses				23.046



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:

Information is provided on the annual report.

IV. INFORMATION ON 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 9.

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

Information is provided in Note 10.

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 5.

18. Factors that had a 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 unit's value 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 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 unit value 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 unit value 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 BALTIC FUND

STATEMENT OF NET ASSETS AS AT 30 JUNE 2017

No	Assets	Note No	Financial year	Previous financial year
A.	ASSETS		4.936.736	3.230.554
1.	CASH	4	883.682	271.180
2.	TIME DEPOSITS		-	-
3.	MONEY MARKET INSTRUMENTS		-	-
3.1.	Treasury bills		-	-
3.2.	Other money market instruments		-	-
4.	TRANSFERABLE SECURITIES	4,6	4.046.810	2.959.374
4.1.	Non-equity securities	4,6	101.400	-
4.1.1.	Non-equity securities issued or guaranteed by governments and central banks		-	-
4.1.2.	Other non-equity securities	4,6	101.400	-
4.2.	Equity securities	4,6	3.945.410	2.959.374
4.3.	Investment units and shares of other collective investment undertakings		-	-
5.	PREPAYMENTS		-	-
6.	AMOUNTS RECEIVABLE	4	6.244	-
6.1.	Amounts receivable from sale of investments		-	-
6.2.	Other amounts receivable	4	6.244	-
7.	INVESTMENT AND OTHER ASSETS		-	-
7.1.	Investment property		-	-
7.2.	Derivative financial instruments		-	-
7.3.	Other assets		-	-
B.	LIABILITIES	4	362.602	19.748
1.	Amounts payable	4	362.602	19.748
1.1.	Amounts payable for financial and investment assets	4	283.990	-
1.2.	Amounts payable to management company and depository	4	7.883	6.765
1.3.	Other payables	4	70.729	12.983
2.	Accrued charges		-	-
3.	Borrowings from credit institutions		-	-
4.	Liabilities under contracts on derivative financial instruments		-	-
5.	Other liabilities		-	-
C.	NET ASSETS	2	4.574.134	3.210.806

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

General Director	<u>Darius Šulnis</u>	(signature)	31 August 2017
Head of Funds Accounting	<u>Aušra Montvydaitė</u>	(signature)	31 August 2017



INVL ASSET MANAGEMENT UAB
126263073, Gynėjų str. 14, Vilnius

INVL BALTIC FUND

STATEMENT OF CHANGES IN NET ASSETS FOR JANUARY – JUNE 2017

No	Items	Note No.	Financial year	Previous financial year
1.	NET ASSET VALUE AT 1 JANUARY	2	3.210.806	1.747.904
2.	INCREASE IN NET ASSET VALUE		-	-
2.1.	Contributions of participants	3	2.809.272	975.478
2.2.	Transfers from other funds*	3	-	396.320
2.3.	Guarantee contributions		-	-
2.4.	Investment income		100.783	51.411
2.4.1.	Interest income		-	-
2.4.2.	Dividends		100.783	51.411
2.4.3.	Rental income		-	-
2.5.	Gain on change in value and sale of investments	6	703.736	496.767
2.6.	Foreign exchange gain		3.130	-
2.7.	Gain on transactions involving derivative financial instruments		-	-
2.8.	Other increases in net asset value		2.000	-
	TOTAL INCREASE IN NET ASSET VALUE		3.618.921	1.919.976
3.	DECREASE IN NET ASSET VALUE		-	-
3.1.	Payments to participants	3	1.907.478	1.092.696
3.2.	Transfers to other funds		-	-
3.3.	Loss on change in value and sale of investments	6	306.321	351.680
3.4.	Foreign exchange loss		2.442	-
3.5.	Loss on transactions involving derivative financial instruments		-	-
3.6.	Management costs:		39.352	23.046
3.6.1.	Fee to management company		32.637	19.328
3.6.2.	Fee to depository		1.609	953
3.6.3.	Fee to intermediaries	9	2.854	1.234
3.6.4.	Audit fee costs		415	295
3.6.5.	Interest costs		-	-
3.6.6.	Other costs		1.837	1.236
3.7.	Other decreases in net asset value		-	-
3.8.	Reimbursement of costs (-)		-	-
	TOTAL DECREASE IN NET ASSET VALUE		2.255.593	1.467.422
4.	Change in value of net assets		1.363.328	452.554
5.	Profit appropriation		-	-
6.	NET ASSET VALUE AT 30 JUNE	2	4.574.134	2.200.458

* After the merger of INVL Flexible Strategy Subfund into INVL Baltic Fund on 31 May 2016 investment units with the value of EUR 396,320 were issued.

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

General Director	<u>Darius Šulnis</u>	(signature)	31 August 2017
Head of Funds Accounting	<u>Aušra Montvydaitė</u>	(signature)	31 August 2017



INVL ASSET MANAGEMENT UAB
126263073, Gynėjų str. 14, Vilnius

INVL BALTIC FUND

Explanatory notes to the semi-annual financial statements for January – June 2017

Details of the collective investment undertaking

Name	INVL Baltic Fund
Type, legal form	Open-ended 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 the formation of the collective investment undertaking	8 December 2005
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
License No	VJK-005
Manager of the collective investment undertaking, other individuals making investment decisions	Vytautas Plunksnis – Member of the Investment Committee; Vaidotas Rūkas – Director of the Investment Management Department.

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

Listing

Fund has been listed on OMX Stock Exchange with effect from September 2013.

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 fund'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.

Due to rounding effects, some tabular amounts may not add up.

Policies for recognition of increase and decrease in assets and liabilities

Calculation of net asset value (NAV) includes as follows:

- value of assets;
- value of liabilities;
- difference between the value of assets and the value of liabilities reflects the value of net assets.

Calculation of assets and liabilities is based on their fair value, which reflects the value of net assets, 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. Planned transactions, guarantees and sureties received are not recognised as assets of the fund for as long as they do not meet the definition criteria of financial assets.

Transactions in financial instruments are included in the NAV prevailing at the date on which the transaction was concluded, except for:

- when at the date of the transaction it is not possible to determine necessary details relating to the inclusion of the transaction in the NAV, such as the quantity or the price of the financial instrument. In this case transactions are included upon the receipt of the confirmation on the concluded transaction;
- due to other significant reasons transaction in financial instruments may be included in the NAV at the settlement date.

Financial liabilities are recorded when the fund assumes a commitment to pay cash or any other financial assets. Planned transactions, guarantees and sureties granted but not yet executable are not recognised as liabilities of the fund for as long as they do not meet the definition criteria of financial liabilities.

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

When calculating the value of net assets, transactions whose existence and performance or the results' documentation in accordance with the procedure established by the Lithuanian legal acts are related to foreign currencies are translated to the euros in the accounting using a foreign exchange reference rate 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 by the Bank of Lithuania, unless otherwise prescribed by law.

Investment valuation methods, investment revaluation intervals

The fair value of financial instruments traded on regulated markets of the Baltic states (NASDAQ OMX Vilnius, NASDAQ OMX Riga, NASDAQ OMX Tallinn), and the fair value of financial instruments traded on other than aforementioned regulated markets is determined with reference to the closing price, except when:

- the financial instruments have been quoted on several regulated markets, in which case their fair value is based on the inputs of the regulated market, which has a higher liquidity, regularity and frequency of trade in these financial instruments;
- based on the defined criteria, it is impossible to select reasonably the market, the inputs of which should be used to determine the fair value of the financial instrument, in which case the fair value is based on the inputs of the regulated market, in which the issuer's registered place of business is located;
- the financial instrument has not been quoted during the last trading session, in which case the fair value is based on the last known average market price or closing price, however not more than 30 calendar days ago, if no events have occurred since the last trading date that would make the current market price significantly lower or higher than the last known price;
- the financial instrument has not been quoted for more than 30 calendar days as at the valuation date or has been quoted less frequently than defined in the management company's procedure for the calculation of the fund's net assets, in which case the fair value is determined similarly as for the financial instruments that are not traded on regulated markets.

23.3.2. Accounting policies (continued)

The procedure for valuation of financial instruments that are not traded on regulated markets is as follows:

Equity securities:

- based on the valuation of independent business valuer qualified to be engaged in such activities, unless no more than 1 year has passed after the valuation and no events have occurred after the valuation that would make the current market price significantly lower or higher than that determined by the valuer;
- when the above-mentioned valuation is not available or the above-mentioned conditions are not met, the valuation is based on earnings (before tax) per share (using the weighted average number of shares in issue during a certain period) of a comparable company multiplied by earnings per share of the company in question;
- when due to certain reasons the above-mentioned valuation techniques cannot be used, the valuation is based on the probable selling price determined under the selected valuation technique defined in the management company's procedure for the calculation of the fund's net asset value, which is generally accepted and widely applied in the finance market;

The valuation of non-equity securities and money market instruments is made in accordance with the methodology for the calculation of net asset value adopted by the Bank of Lithuania or based on the following valuation techniques if they reflect more accurately the value of these financial statements.

Non-equity securities:

- profitability of securities of the Republic of Lithuania is determined with reference to the average profitability, given the lowest bid price and the highest ask price for particular issue of securities on that day provided by at least three primary dealers (SEB bankas AB, DNB bankas AB, Swedbank AB);
- the fair value of foreign securities and non-quoted securities is determined under one of the following methods:
- based on profitability data and (or) prices provided by Bloomberg, Reuters or any other international news agencies, information sources;
- based on the value of securities with analogous maturity, analogous rating and similar issue conditions;
- based on the probable selling price determined under the valuation technique of relevant financial instrument defined in the management company's procedure for the calculation of the fund's net asset value;
- where it is impossible to determine the price of securities based on the above-mentioned methods, the value of securities is determined under the accumulated interest method (by amortising the value of securities).

The official source of the valuation of a specific financial instrument is agreed between the management company and the depository in the manner established in the agreement signed with the depository.

The value of derivative financial instrument is determined with reference to the last market price of previous analogous transaction, provided there were no significant changes in economic circumstances over the period from the date of transaction to the date of valuation. If this condition is not met, the valuation is based on the probable selling price determined under the selected valuation technique defined in the management company's procedure for the calculation of the fund's net asset value, which is generally accepted and widely applied in the finance market;

The valuation of units (shares) of collective investment undertakings is based on the last quoted redemption price;

The valuation of time deposits held in banks is based on the amortised cost.

The valuation of cash and cash held in credit institutions is based on the nominal value;

The valuation of money market instruments with the redemption term or the remaining time to redemption not longer than 397 days or with yields regularly updated in line with money market conditions at least once during 397 days, or the risk of which (including credit and interest rate risks) is very similar to the risk of financial instruments, the redemption term and yields of which satisfy the aforementioned characteristics, may be based on the amortised cost method.

The valuation of other assets is based on the probable selling price determined under the selected valuation technique defined in the management company's procedure for the calculation of the fund's net asset value, which is generally accepted and widely applied in the finance market.

The valuation of all investments is conducted on each business day.



23.3.2. Accounting policies (continued)

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

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 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 fund 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 fund's rules or which exceed the established limits.

Amounts payable represent amounts due to other funds to which the participant 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 events that occurred after the end of the reporting period are disclosed in Note 15 of the explanatory notes.



23.3.3. Notes:

Note 1. Significant financial statement amounts and reasons for their change:

There were no significant financial statement amounts.

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

	Opening balance at 1 January 2017	Closing balance at 30 June 2017	One year ago at 30 June 2016	Two years ago at 30 June 2015
Net asset value, EUR	3.210.806	4.574.134	2.200.458	1.894.153
Unit value, EUR	32,7029	37,7279	28,3063	26,4612
Number of units in circulation	98.181,112140	121.240,097246	77.737,305188	71.582,345358

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)*	77.420,295359	2.809.144	49.394,528641	1.371.785
Redeemed (by converting units into monetary funds)	54.361,310253	1.907.478	39.273,706696	1.092.696
Difference between the number and value of units (shares) distributed and redeemed	23.058,985106	901.666	10.120,821945	279.089

* 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 change fee (deductions are disclosed in section 7 herein)

Note 4. Structure of investment portfolio

30 June 2017

Issuer's name	Country	ISIN code	Quantity, items	Total acquisition value	Total market value	Share in net assets, %		
Equity securities listed on the Main List of Stock Exchange or its equivalent								
Apranga	LT	LT0000102337	104.504	275.842	266.485	5,83		
Vilkyškių pieninė	LT	LT0000127508	43.940	70.354	126.108	2,76		
Šiaulių bankas	LT	LT0000102253	506.953	114.989	249.421	5,45		
Rokiškio sūris	LT	LT0000100372	71.373	107.979	170.581	3,73		
Linas Agro Group	LT	LT0000128092	282.680	189.765	186.569	4,08		
Grigeo	LT	LT0000102030	165.043	175.637	186.499	4,08		
Energijos Skirstymo Operatorius	LT	LT0000130023	235.052	204.517	203.790	4,46		
Silvano Fashion Group	EE	EE3100001751	67.691	151.938	188.858	4,13		
Tallink Grupp	EE	EE3100004466	221.719	200.121	201.764	4,41		
Grindeks	LV	LV0000100659	20.600	79.310	156.560	3,42		
Merko Ehitus	EE	EE3100098328	14.320	123.655	131.744	2,88		
Olainfarm	LV	LV0000100501	27.523	219.605	300.001	6,56		
Olympic Entertainment Group	EE	EE3100084021	158.304	285.653	273.866	5,99		
Tallinna Kaubamaja Grupp	EE	EE0000001105	18.880	137.192	173.696	3,80		
SAF Tehnika	LV	LV0000101129	23.294	79.130	112.976	2,47		
Telia Lietuva	LT	LT0000123911	330.215	307.103	294.881	6,45		
LHV Group	EE	EE3100073644	21.023	200.551	210.230	4,60		
Total	-	-	2.313.114	2.923.341	3.434.029	75,10		
Equity securities listed on the Secondary List of Stock Exchange or its equivalent								
Valmieras stikla šķiedra	LV	LV0000100485	44.174	136.178	144.891	3,17		
Latvijas balzams	LV	LV0000100808	16.000	115.538	144.000	3,15		
Žemaitijos pienas	LT	LT0000121865	130.111	106.177	222.490	4,86		
Total	-	-	190.285	357.893	511.381	11,18		
Equity securities traded on other regulated markets								
Telefonija	RS	RSTLFNE22541	1.000	-	-	-		
Total	-	-	1.000	-	-	-		
Total non-equity securities			2.504.399	3.281.234	3.945.410	86,28		
Issuer's name	Country	ISIN code	Quantity, items.	Total acquisition value	Total market value	Interest rate, %	Redemption / conversion date / term	Share in net assets, %
Non-equity securities traded on other regulated markets								
Lauma International 12 05/19/21	LT	LV0000802254	10	100.000	101.400	12,00	2021-05-19	2,22
Total	-	-	10	100.000	101.400	-	-	2,22
Total non-equity securities			10	100.000	101.400	-	-	2,22

Note 4. Structure of investment portfolio (continued):

Name of bank	Currency	Total market value	Interest rate	Share in net assets, %
Cash				
SEB bankas AB	EUR	883.682	-	19,32
Total cash	-	883.682	-	19,32

Name	Brief description	Total value	Intended purpose	Share in net assets, %
Amounts receivable	Other receivable amounts	6.244	-	0,14
Amounts payable	Amounts payable for the redemption of investment units	(283.990)	-	(6,21)
Amounts payable	Amounts payable to the management company and the depository	(7.883)	-	(0,17)
Amounts payable	Other amounts payable	(70.729)	-	(1,55)
Total	-	(356.358)	-	(7,79)

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

The investment strategy tenet of investing 50 per cent to 100 per cent of the Fund's net assets in securities of companies listed on the Lithuanian, Latvian and Estonian exchanges was maintained.

At the end of the half-year the Fund's main investments were in the financial, consumer goods, industrial and health care sectors on the Vilnius, Tallinn, and Riga exchanges. 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 2016

Issuer's name	Country	ISIN code	Quantity, items	Total acquisition value	Total market value	Share in net assets, %
Equity securities listed on the Main List of Stock Exchange or its equivalent						
AB Apranga PVA	LT	LT0000102337	41.080	106.315	102.700	4,67
AB "Vilkyškių pieninė"	LT	LT0000127508	42.311	59.877	62.197	2,83
AB Šiaulių bankas	LT	LT0000102253	522.461	141.317	171.367	7,79
Rokiškio sūris AB	LT	LT0000100372	65.364	97.797	90.856	4,13
AB Linas Agro Group	LT	LT0000128092	131.508	92.599	87.453	3,97
AB „Grigeo Grigiškės“.	LT	LT0000102030	155.854	116.203	179.232	8,15
AB „Energijos skirstymo operatorius“	LT	LT0000130023	120.092	106.660	101.838	4,63
Klaipėdos Nafta	LT	LT0000111650	210.377	81.345	108.975	4,95
Silvano Fashion Group	EE	EE3100001751	74.499	112.622	148.998	6,77
Tallink Grupp	EE	EE3100004466	100.942	88.799	92.261	4,19
Merko Ehitus	EE	EE3100098328	11.320	88.073	89.541	4,07
Olainfarm	LV	LV0000100501	23.559	169.918	173.159	7,87
Olympic Entertainment Group	EE	EE3100084021	95.950	182.394	186.143	8,46
Tallinna Kaubamāja Grupp AS	EE	EE0000001105	15.651	89.470	106.270	4,83
SAF Tehnika	LV	LV0000101129	16.000	50.316	49.280	2,24
Total	-	-	1.626.968	1.583.705	1.750.270	79,55
Equity securities listed on the Secondary List of Stock Exchange or its equivalent						
Latvijas Gaze	LV	LV0000100899	9.740	94.317	104.218	4,74
Valmieras Stikla Skiedra	LV	LV0000100485	20.200	63.428	67.670	3,08
Latvijas balzams	LV	LV0000100808	10.695	75.492	75.935	3,45
AB Žemaitijos piens PVA	LT	LT0000121865	68.030	54.702	54.288	2,47
Total			108.665	287.939	302.111	13,74
Equity securities listed on other markets						
Telefonija	RS	RSTLFNE22541	1.000	-	-	0,00
City Service SE	EE	EE3100126368	48.101	82.196	86.941	3,95
Total	-	-	49.101	82.196	86.941	3,95
Total equity securities			4.990.634	1.953.840	2.139.322	97,24

Note 4. Structure of investment portfolio (continued):

Issuer's name	Country	ISIN code	Quantity, items	Total acquisition value	Total market value	Type of CIU*	Share in net assets, %
Credit Suisse Solutions Lux - Dow Jones Credit Suisse AllHedge	LU	LU0337322282	0,419	34	31	KIS 5	-
Total	-	-	0,419	34	31	-	-
Total equity securities			0,419	34	31	-	-

* CIU 1 stands for CIU with the strategy of investment of up to 100% of net assets in non-equity securities;
 CIU 2 stands for CIU with the strategy of mixed (balanced) investment;
 CIU 3 stands for CIU with the strategy of investment of up to 100% of net assets in equity securities;
 CIU 4 stands for CIU with the strategy of investment of up to 100% of net assets in money market instruments;
 CIU 5 stands for all other types of CIU (alternative investment, private equity, real estate, raw materials, etc.).

Name of bank	Currency	Total market value	Interest rate	Share in net assets, %
Cash				
SEB bankas AB	EUR	62.872	-	2,86
SEB bankas AB	PLN	4	-	-
Total cash		62.876		2,86

Name	Brief description	Total value	Intended purpose	Share in net assets, %
Amounts receivable	Other receivable amounts	8.075	-	0,37
Amounts payable	Amounts payable for financial and investment assets	(1.868)	-	(0,08)
Amounts payable	Amounts payable to the management company and the depository	(4.404)		(0,20)
Amounts payable	Other amounts payable	(3.574)	-	(0,16)
Total		(1.771)		(0,07)

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

By industry sector

Breakdown of investments	Market value	Share in assets, %	Market value at the beginning of the reporting period	Share in assets at the beginning of the reporting period, %
Telecommunications	294.882	6,45	151.246	4,71
Health care	456.561	9,98	374.467	11,66
Emergency goods and services	830.609	18,16	733.924	22,86
Convenience goods and services	1.023.444	22,37	807.356	25,14
Financial services	459.651	10,05	189.685	5,91
Information technology	112.976	2,47		
Industrial materials	478.399	10,46	224.414	6,99
Utility goods and services	203.790	4,46	258.097	8,04
Materials	186.498	4,08	220.185	6,86
Total	4.046.810	88,48	2.959.374	92,17

By geographical area

Breakdown of investments	Market value	Share in assets, %	Market value at the beginning of the reporting period	Share in assets at the beginning of the reporting period, %
Lithuania	2.790.507	61,01	1.676.465	52,21
Latvia	959.827	20,98	693.422	21,60
Estonia	1.180.158	25,80	860.667	26,81
Total	4.930.492	107,79	3.230.554	100,62

Note 6. Change in value of investments
January – June 2017

Items of 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	-	100.000	-	1.400	-	101.400
Non-equity securities issued or guaranteed by governments and central banks	-	-	-	-	-	-
Other non-equity securities	-	100.000	-	1.400	-	101.400
Equity securities	2.959.374	1.261.939	671.918	702.336	306.321	3.945.410
Units and shares of collective investment undertakings	-	-	-	-	-	-
Derivative financial instruments ¹	-	-	-	-	-	-
Total	2.959.374	1.361.939	671.918	703.736	306.321	4.046.810

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 2016

Items of the statement of net assets	Change					Balance at 31 December 2016
	Balance at 31 December 2015	Acquired over the period	Sold (redeemed) over the period	Increase in value	Decrease in value	
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	1.660.862	604.279	270.906	496.766	351.679	2.139.322
Units and shares of collective investment undertakings	-	31	-	1	1	31
Derivative financial instruments ¹	-	-	-	-	-	-
Total	1.660.862	604.310	270.906	496.767	351.680	2.139.353

¹ Balance at 30 June 2016 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 2016 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 reporting period, the undertaking had no sale transactions involving financial instruments other than those measured at fair value.

Note 8. Derivative financial instruments

During the reporting period, there were no transactions involving derivative financial instruments.

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
Šiaulių bankas AB	Commission fee for intermediation services in transactions involving securities	-	4	The management company and intermediary have signed an agreement on intermediation services.
UAB FMĮ ORION SECURITIES	Commission fee for intermediation services in transactions involving securities	64	-	The management company and intermediary have signed an agreement on intermediation services.
SEB bankas AB	Commission fee for intermediation services in transactions involving securities	2.790	1.220	SEB bankas AB is a depository of the fund managed by the management company
Total	-	2.854	1.224	-

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 financial year and previous financial year

Transactions and balances arising on these transactions with the management company have been disclosed in Notes 7 and 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 2017 to 30 June 2017, the fund applied accounting policies consistent with those applied in the previous year.

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 financial position of the fund.

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.	Interest income	-
2.	<i>Realised gain (loss) on investment in:</i>	13.386
2.1.	equity securities	13.386
2.2.	non-equity securities	-
2.3.	money market instruments	-
2.4.	derivative financial instruments	-
2.5.	units of other collective investment undertaking	-
2.6.	real estate objects	-
2.7.	other investment instruments	-
3.	Unrealised gain (loss) on:	384.029
3.1.	equity securities	382.629
3.2.	non-equity securities	1.400
3.3.	money market instruments	-
3.4.	derivative financial instruments	-
3.5.	units of other collective investment undertaking	-
3.6.	real estate objects	-
3.7.	other investments instruments	-
4.	<i>Other income:</i>	105.913
4.1.	income from lease of real estate	-
4.2.	positive foreign exchange effect	3.130
4.3.	Other	102.783
	Total income	503.328
II.	Expenses	-
1.	<i>Operating expenses:</i>	39.352
1.1.	deductions of management fee	32.637
1.2.	deductions of depository fee	1.609
1.3.	intermediary fee	2.854
1.4.	audit fee	415
1.5.	deductions of other fees and charges	1.837
2.	<i>Other expenses:</i>	2.442
2.1.	interest expenses	-
2.2.	expenses related to the managed real estate objects	-
2.3.	negative foreign exchange effect	2.442
2.4.	Other	-
	Total expenses	41.794
III.	Net income	461.534
IV.	Payments (dividends) to holders of investment units	-
V.	Re-invested earnings	461.534

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 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 COLLECTIVE INVESTMENT UNDERTAKING'S BORROWINGS FOR ITS OWN NEEDS

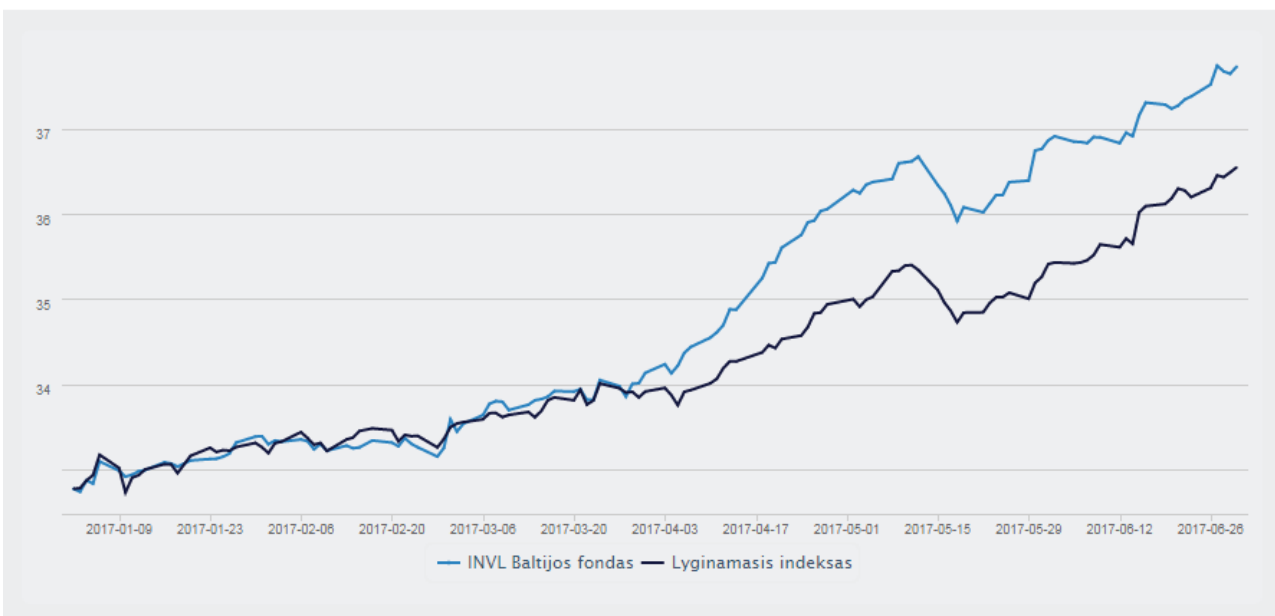
28. Collective investment undertaking's borrowings for its own needs as at the end of the reporting period:

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 assessment of the fund's results:

I, Darius Šulnis, Director General 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 fund's results.

(signature)

I, Aušra Montvydaitė, Head of Funds Accounting 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 fund'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 who are responsible for the preparation of the financial statements;

Full name	Darius Šulnis	Aušra Montvydaitė
Job position	Director General	Head of Funds Accounting
Telephone number	8 700 55 959	8 6 264 5582
Fax number	8 5 279 06 02	8 5 279 06 02
Email address	darius.sulnis@invl.com	ausra.montvydaite@invl.com

33.2. If 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.