

**HARMONIZED COLLECTIVE
INVESTMENT UNDERTAKING
DOVRE BALTIC SEA MANAGED
BY DOVRE FORVALTNING UAB**

*Financial statements for the period
from 1st of January 2016 to 30th of June 2016*

**HARMONIZED COLLECTIVE INVESTMENT UNDERTAKING DOVRE BALTIC SEA
MANAGED BY DOVRE FORVALTNING UAB**

Management company c.c. 302589746, address: Konstitucijos Ave. 7, LT09308 Vilnius

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1. GENERAL INFORMATION

Subfund's information

Title – „Dovre Baltic Sea“;

Legal form – Subfund of Dovre Umbrella Fund type Harmonized collective investment undertaking;

Code of Subfund F084;

Approve of Commission for establishment documents – 9th of March, 2015

Reporting period

1st of January 2016 – 30th of June 2016.

Management Company's information

Title – „Dovre Forvaltning“, UAB; company code - 302589746;

Address – Konstitucijos pr. 7, 09308, Vilnius, Lithuania;

Tel. no. +37052683461; fax. no. +37052683463; email: info@dovreforvaltning.no; web page - www.dovreforvaltning.com;

Operating license no. – VKI-018;

Manager – Stig Roar Myrseth.

Custodian

Swedbank, AB; Code – 1202965;

Address – Konstitucijos pr. 20A, 09321 Vilnius, Lithuania;

Tel. no. +3705268422;

Fax. no. +3705268417.

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2. FINANCIAL STATEMENTS

2.1 STATEMENT OF NET ASSET

No	Items	Note No.5;6	Reporting period (2016.06.30)		Previous financial year (2015.12.31)	
			NOK	EUR	NOK	EUR
A.	ASSETS		12.533.286,29	1.346.723,93	12.460.160,16	1.295.773,73
I.	CASH		1.477.090,81	158.716,04	1.288.029,67	133.946,51
II.	TERM DEPOSITS		-	-	-	-
III.	MONEY MARKET INSTRUMENTS		-	-	-	-
IV.	TRANSFERABLE SECURITIES	5;6	10.975.362,10	1.179.322,20	11.115.741,10	1.155.963,09
IV.1.	Non-equity securities		-	-	-	-
IV.1.1.	Non-equity securities of governments and central banks or guaranteed by governments and central banks		-	-	-	-
IV.1.2.	Other non-equity securities		-	-	-	-
IV.2.	Equity securities		10.975.362,10	1.179.322,20	11.115.741,10	1.155.963,09
IV.3.	Units and shares of other collective investment undertakings		-	-	-	-
V.	RECEIVABLE ACCOUNTS		80.833,38	8.685,69	56.389,39	5.864,12
V.1.	Receivables from sales of investment		-	-	-	-
V.2.	Other receivables		80.833,38	8.685,69	56.389,39	5.864,12
VI.	INVESTMENTS AND OTHER ASSETS		-	-	-	-
B.	LIABILITIES		38.487,08	4.135,51	19.388,45	2.016,27
I.	Liabilities of financial and investment asset purchases		-	-	-	-
II.	Liabilities to credit institutions		-	-	-	-
III.	Liabilities from derivative contracts		-	-	-	-
VI.	Payable accounts to the management company and the custodian		28.721,68	3.086,20	19.388,45	2.016,27
V.	Other payables and liabilities		9.765,40	1.049,31	-	-
C.	NET ASSETS (A-B)		12.494.799,15	1.342.588,42	12.440.771,71	1.293.757,46

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2.2 STATEMENT OF CHANGES IN NET ASSET

No	Items	Note no.	Reporting period (2016.06.30)		A year ago (2015.06.30)*	
			NOK	EUR	NOK	EUR
I.	NET ASSET VALUE AT THE BEGINNING OF THE PERIOD		12.440.771,71	1.293.757,46	-	-
II.	INCREASES IN NET ASSET VALUE					
II.1.	Contributions from Subfund participants	2	2.464.252,00	258.195,76	150.000,00	17.353,66
II.2.	Amounts received from other funds		-	-	12.800.335,74	1.517.922,37
II.3.	Margin		-	-	-	-
II.4.	Interest income		56,96	6,03	1,24	0,14
II.5.	Dividends		183.429,05	19.703,35	103.617,30	11.876,82
II.6.	Gains from change in value of investments and sales		1.186.729,62	519.378,01	267.458,73	16.684,40
II.7.	Gains from changes in foreign exchange rates		-	4.560,45	22.422,74	400,87
II.8.	Gains from derivative transactions					
II.9.	Other increase in net asset value					
II.10.	Gains from translation difference					
	TOTAL INCREASE:		3.834.467,43	801.843,58	13.343.835,75	1.564.238,27
III.	DECREASE IN NET ASSET VALUE					
III.1.	Payments to Subfund participants	2	1.119.103,14	119.471,08	785.336,49	92.819,38
III.2.	Payments to other funds					
III.3.	Losses from change in value of investments and sales		2.440.233,21	612.991,33	641.630,42	114.006,07
III.4.	Losses from changes in foreign exchange rates		75.151,88	5.023,52	-	4.149,08
III.5.	Losses from derivative transactions					
III.6.	Management costs:		145.751,66	15.505,27	30.043,87	3.488,06
III.6.1.	Remuneration to the management company	3	122.199,40	12.977,39	27.174,11	3.152,23
III.6.2.	Remuneration to the custodian	3	10.999,94	1.167,64	2.639,76	306,22
III.6.3.	Remuneration to brokers	3;4	11.915,65	1.290,33	-	-
III.6.4.	Audit costs		-	-	-	-
III.6.5.	Other costs	3	636,67	69,91	230,00	29,61
III.7.	Other loss in net asset value		200,09	21,41	25,43	-
III.8.	Cost reimbursement (-)					
III.9.	Distribution of profit					
III.10.	Loss from translation difference					
	TOTAL DECREASE:		3.780.439,99	753.012,61	1.457.036,20	214.462,59
IV.	NET ASSET VALUE IN THE END OF THE PERIOD		12.494.799,15	1.342.588,42	11.886.799,55	1.349.775,68

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3. EXPLANATORY NOTES

3.1 GENERAL INFORMATION

“Dovre Baltic Sea” (hereafter – “Subfund”) is a subfund of Dovre Umbrella Type harmonized collective investment undertaking, code of Subfund F084. It was established on 19 May 2015 and is managed by Dovre Forvaltning UAB.

Operation period of the Subfund is indefinite. The Subfund has no employees.

Management Company

Dovre Forvaltning UAB, c.c. 302589746, address Konstitucijos 7, Vilnius.

Custodian

Swedbank AB, cc 112029651, address Konstitucijos 20A, Vilnius.

Audit company

“Ernst & Young Baltic ” UAB, c.c. 110878442, address Subaciaus str. 7, Vilnius.

Reporting period

1st of January 2016 – 30th of June 2016.

The management fee

1,75 % of Subfund's annual net assets value (NAV).

Investment policy and portfolio composition

Dovre Baltic Sea invests in equities, various rank government or corporate bonds (typically up to 1 year term, but in exceptional cases, where the manager sees a particularly favorable opportunity, and longer duration), investment funds and deposits (Prospectus par. 27). The Subfund specializes in the geographical area: Lithuania, Latvia, Estonia, Poland and Norway. The Subfund shall not specialize in industries.

The Subfund will invest in those financial instruments that meet the Subfund's objectives and investment policy. The major part of Subfund’s assets will be invested into listed stocks. The goal of the

Subfund is to be invested ~90% all of the time. In exceptional cases, in order to protect the interests of investors, the Subfund may be less invested.

The measures and instruments are used to ensure stable and good performance of the Subfund. The Subfund's manager is responsible for compliance with the objectives, measures and restrictions.

The Management Company which manages the assets of the Subfund may not borrow on the account of the Subfund except for loans with duration of 3 months up to 10% of its net assets to

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maintain liquidity. This shall not constitute a prohibition to borrow foreign currency for the purpose of acquisition of transferable securities or money market instruments, provided the lender has submitted at least an equivalent amount in another currency in order to secure repayment of the loan.

Benchmark

Benchmark component parts	Index name
70 %	WIG20TR Index
20 %	OMX Baltic Benchmark Capped Index GI
10 %	Norway Government Bond Index 0.25 years (ST1X)

NASDAQ OMX index calculation methodology details are available on NASDAQ OMX's website <http://www.nasdaqomxbaltic.com>, index column. WIG information about the WIG index family is given in the Warsaw Stock Exchange website (<http://www.gpw.pl/>) index column. ST1X index calculation methodology detailed information is available on the website <http://www.oslobors.no>. WIG and OMX selected indices consist of various industrial and service sectors highest liquidity and market capitalization companies' shares from the relevant stock exchange. ST1X index reflects the yields of money market instruments. Currency of the benchmark is NOK.

3.2 ACCOUNTING POLICY

The financial statements have been prepared in accordance with the Lithuanian Business Accounting Standards, Collective Investment Undertakings and Accounting laws, Net asset value calculation methods and other by-laws approved by the Government of the Republic of Lithuania.

Below are the basic accounting principles.

Currency of financial statements

The Subfund's currency is the Norwegian krone (NOK) as it mainly influences sales and purchase prices of the securities and major part of Subfund's participants reside in Norway. The management uses the NOK to manage business risks and exposures and to measure performance of the business.

The financial statements of the Subfund are prepared in euro (EUR) and Norwegian crone (NOK). Operations in other currencies are translated to euro (EUR) and Norwegian crone (NOK) using period end exchange rate for translation of assets and liabilities and day exchange rate for the year for translation of income and expenses. All resulting exchange differences are recognized as cumulative translation adjustments in other comprehensive income. Exchange rate set by Accounting law.

* Subfund financial reports for the period 1st of January – 30th of June, 2015 was prepared using Subfund's currency – Norwegian crones and converted to presentation currency – euro - using the

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following exchange rates: for asset and liabilities was used exchange rate of transaction's date and for incomes and expenditure average exchange rate. Average exchange rate was used not in accordance with National accounting standards. Seeking that financial statements correctly represent financial situation, comparable data for 2015 was calculated using exchange rate of transaction's date for incomes and expenditures.

Principles of recognition for increase and decreases in assets

Subfund's assets increase or decrease in value due to changes of stock prices and exchange rates. Increase in assets is recognized by getting: new contributions, investment income from sales, interest on securities, investment income and gains of foreign exchange rate changes.

A decrease in assets is recognized by making possible deductions: payment of asset management fee, the redemption payments. A decrease in asset value is caused by realized losses, unrealized losses and by negative changes in exchange rates.

Rules for deductions to the management company and the custodian

From the assets of the Subfund only those deductions are carried out that are related to management of the Subfund and described in the Subfund Rules. The amount may not exceed the size stated in the Subfund Rules. All other expenses that are not mentioned in the Rules of the Subfund or exceed the limits stated in the Rules are covered by the management company.

Investment valuation methods

Instruments' traded on regulated markets, fair value is determined by the market's publicly announced closing price on the valuation date (submitted by news agency Bloomberg, FactSet, Reuters and so on).

Derivative financial instruments are valued: According to the latest market value of a similar instrument. Assessment of these instruments is based on information from the financial markets. Forward and swap transactions are valued using the following formula: Value of a derivative financial instrument = payables from derivative financial instrument (current value) - (minus) receivables from the derivative financial instrument (current value).

Term deposits with banks are valued by face value / amortized cost value method.

Cash and balances with credit institutions are valued at face value.

Dividends on equity securities of companies in the Subfund's assets are accounted on an accrual basis on the date of publication of a dividend. The date of dividend announcement is considered to be when such information is published in the stock exchange websites or when this information is presented by the Custodian. If the amount of dividends received does not match the company's general shareholders' meeting approved dividends, the Subfund's NAV is accordingly adjusted on the

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business day on which the dividends are received. The resulting difference is recorded as investment gain or losses.

Money market instruments with a maturity or the remaining maturity of less than 397 days, or instruments whose yield is regularly adjusted at least every 397 days, or instruments which have very similar risks, including credit and interest rate risk, to those financial instruments with maturities and yields mentioned above are measured using amortized cost method.

Instruments', traded on regulated markets and multilateral trading systems, fair value is determined by the mid-market price or the closing price on the multilateral system of trade in which these instruments tend to have more liquidity, regularity and frequency (these characteristics are best described by the average volume and the average number of trades during the past 12 months).

Instruments', traded only on the multilateral trading system, fair value is determined by the mid-market price or the closing price on the multilateral trading system in which trading in these instruments tends to have more liquidity, regularity and frequency (these characteristics are best described by the average volume and the average number of trades during the past 12 months).

The frequency of investment valuation

Evaluation of investments is done when calculating net asset value which is carried out every day.

Realized and unrealized gain/loss in investments

In the statement of changes in net asset the realized gain/loss is calculated as the difference between the selling price and the price at the start of the reporting period or the purchase price if the purchase has taken place within the reporting period. Unrealized gains are calculated as the difference in the price of securities at the start and at the end of the reporting period or the purchase price and the price at the end of the reporting period if the securities were purchased during the reported period.

Rules for determining the price of Subfund units

The net asset value of the Subfund and the price of Subfund units is determined daily. The net asset value is determined using the methods described in methodology for calculating net asset value. The price of Subfund units is determined dividing the net asset value by the number of shares. The price and the number of Subfund units is determined to four decimal places.

Cash and cash equivalents

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Cash in the bank account and cash equivalents. Cash equivalents are considered to be short term (up to three months) liquid investments that can be quickly converted into cash and their risk of price variation is insignificant. Equity investments are not considered to be cash equivalents.

Effective interest rate method

A method for determining the amortized purchasing price and for the distribution of interest income to a specific period. Effective interest rate is an interest rate that discounts future cash-flows to the price of the financial instrument during the tenure of the instrument or if necessary for a shorter period.

Below are the basic calculation principles of Net asset value (NAV) and Subfund unit value

Subfund's NAV is calculated each day according to the supervisory authority approved NAV calculation methodology and Management company's NAV calculation procedures. Calculation of NAV includes calculations of value of assets and value of liabilities. The difference between the calculated assets and the liabilities value comprises the net asset value of the Subfund (NAV).

Liabilities are calculated according to business accounting standards. Liabilities (or portions thereof) are debited only when they disappear, i.e. when the contract obligations are met, canceled or expired. Assets (or part thereof) are debited only when the rights are enforced to the property (or part thereof), when the rights expire or when the rights are passed.

When calculating net assets denominated in foreign currency, the value of the assets and liabilities is determined according to the Bank of Lithuania official currency exchange rate of the valued currency and NOK valid on valuation date.

Subfund NAV is calculated to four decimal places rounded according to the mathematical rules of rounding. The current day's NAV is calculated till 12.00 hrs on the next working day. Day's NAV calculations include those transactions that were concluded prior to the date of NAV calculation 24 hrs. The Subfund unit value is determined each business day by dividing the NAV by the total number of circulating Subfund units. The Subfund unit value is calculated to four decimal places rounded according to mathematical rules of rounding.

3.3 OTHER INFORMATION

1. Number and value of net assets and Subfund units

	At the end of the reporting period		In the beginning of the reporting period		A year ago (2016.06.30)		Two years ago (2014.06.30)	
	NOK	EUR	NOK	EUR	NOK	EUR	NOK	EUR
Net asset value (NAV)	12.494.799,15	1.342.588,42	12.440.771,71	1.293.757,46	11.886.799,55	1.349.775,68	-	-

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Investment unit's (share's) value	131,1367	14,0909	145,3024	15,11050	152,61	17,33	-	-
Current number of Subfund units (shares)	95.280,72		85.619,84		77.889,7324		-	-

2. Number and value of distributed and redeemed investment units (shares)

	Number of investment units (shares)	Value, NOK	Value, EUR
Distributed units	17.929,59	2.455.286,97	257.238,18
Redeemed units	8.268,71	1.119.103,14	119.471,08

3. Deductions

Deductions	Amount of deductions		accrued during the reporting period		% of the average value of the reporting period NAV
	maximum, (set in Subfund's documents)	applied during the reporting period	NOK	EUR	
For management			122.199,40	12.977,39	0,936%
<i>fixed fee</i>	Management fee - 1,75% of annual NAV		113.234,40	12.019,81	0,867%
<i>subscription fee</i>	1-3 % , depends on invested amount		8.965,00	957,57	0,069%
For custodian	0,17% of annual NAV, but not less than 57,9 EUR per month		10.999,94	1.167,64	0,084%
For transactions	0,3% of a transaction value		11.915,65	1.290,33	0,091%
Other expenses:			636,67	69,91	0,005%
Other expenses to financial institutions			636,67	69,91	0,005%
Expenses included into Total Expense Ratio (TER)*			124.234,34	13.187,45	0,952%
Total amount of expenses			145.751,66	15.505,27	1,117%

* Total Expense Ratio (TER) – percentage, which indicates the average amount of net assets that will be allocated to cover the management costs. These expenses directly reduce the investor's return on investment. The transaction costs (remuneration to brokers) are not included into TER.

4. Remuneration to brokers

Broker	Paid amount		Service
	NOK	EUR	
„Swedbank“, AB	11.915,65	1.290,33	Commissions
Viso:	11.915,65	1.290,33	

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5. Portfolio composition at the end of the reporting period

Code	Issuer title	Country	ISIN	Currency	Quantity	Total nominal value, NOK	Total nominal value, EUR	Total purchase value		Total market value		Source for market value (web page)	Share of the issuer, %	Share in net assets, %
								NOK	EUR	NOK	EUR			
1	2	3	4	5	6	7	8	12	13	14	15	16	17	19
1	Equities		ISIN code											
1.1.	Listed in Official list											-		
	AB Vilkyskiu pienine	LT	LT0000127508	EUR	27.383	76.361	7.941	489.855	50.942	374.615	40.253	http://www.nasdaqomxbaltic.com	0.22928%	2,99%
	Alior Bank S.A.	PL	PLALIOR00045	PLN	1.722	39.054	4.061	323.677	33.660	189.293	20.340	http://www.gpw.pl/	0.00193%	1,51%
	Apranga AB	LT	LT0000102337	EUR	7.467	20.795	2.163	195.303	20.310	173.729	18.668	http://www.nasdaqomxbaltic.com	0.01350%	1,39%
	AS O.k.-f.r. Olainfarm	LV	LV0000100501	EUR	1.548	20.840	2.167	115.065	11.966	105.888	11.378	http://www.nasdaqomxbaltic.com	0.01099%	0,85%
	Asseco Poland S.A.	PL	PLSOFTB00016	PLN	3.475	7.881	820	448.692	46.661	381.482	40.991	http://www.gpw.pl/	0.00419%	3,05%
	Bank Handlowy w Warszawie S.A.	PL	PLBH0000012	PLN	1.050	9.525	991	261.945	27.241	158.297	17.009	http://www.gpw.pl/	0.00080%	1,26%
	Bank of Sialiai AB	LT	LT0000102253	EUR	139.562	389.188	40.473	335.508	34.891	426.017	45.776	http://www.nasdaqomxbaltic.com	0.03697%	3,40%
	Bank Pekao S.A.	PL	PLPEKAO00016	PLN	2.423	5.495	571	1.055.899	109.806	698.229	75.026	http://www.gpw.pl/	0.00092%	5,58%
	Bank Zachodni WBK S.A.	PL	PLBZ00000044	PLN	1.079	24.471	2.545	743.073	77.275	596.114	64.054	http://www.gpw.pl/	0.00109%	4,76%
	CCC S.A.	PL	PLCCC0000016	PLN	700	158.755	16.509	269.089	27.983	234.981	25.249	http://www.gpw.pl/	0.00182%	1,88%
	Cyfrowy Polsat S.A.	PL	PLCFRPT00013	PLN	10.486	951	99	599.293	62.322	485.062	52.121	http://www.gpw.pl/	0.00164%	3,87%
	Eurocash S.A.	PL	PLEURCH00011	PLN	5.422	12.297	1.279	526.891	54.793	525.564	56.473	http://www.gpw.pl/	0.00391%	4,20%
	KGHM Polska Miedz S.A.	PL	PLKGHM000017	PLN	2.656	60.236	6.264	592.772	61.644	368.585	39.605	http://www.gpw.pl/	0.00133%	2,94%
	Klaipedos Nafta AB	LT	LT0000111650	EUR	34.420	95.859	9.969	122.464	12.735	165.931	17.830	http://www.nasdaqomxbaltic.com	0.00904%	1,32%
	Linas Agro Group AB	LT	LT0000128092	EUR	19.827	55.218	5.742	131.553	13.681	122.706	13.185	http://www.nasdaqomxbaltic.com	0.01247%	0,98%
	mBank S.A.	PL	PLBRE0000012	PLN	456	4.137	430	323.128	33.603	296.223	31.830	http://www.gpw.pl/	0.00108%	2,37%

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	Merko Ehitus AS	EE	EE3100098328	EUR	1.369	0	0	121.770	12.663	100.778	10.829	http://www.nasdaqomxbaltic.com	0,00773%	0,80%
	Olympic Entertainment Group AS	EE	EE3100084021	EUR	20.461	78.701	8.184	358.090	37.239	369.415	39.694	http://www.nasdaqomxbaltic.com	0,01348%	2,95%
	Orange Polska SA	PL	PLTLKPL00017	PLN	27.300	185.743	19.316	518.555	53.926	291.029	31.272	http://www.gpw.pl/	0,00208%	2,32%
	PGE Polska Grupa Energetyczna	PL	PLPGER000010	PLN	11.995	272.038	28.290	550.876	57.287	298.114	32.033	http://www.gpw.pl/	0,00064%	2,38%
	Polski Koncern Naftowy Orlen	PL	PLPKN0000018	PLN	6.360	18.030	1.875	987.323	102.675	923.392	99.220	http://www.gpw.pl/	0,00149%	7,37%
	Polskie Gorn.Naft.i Gazo.	PL	PLPGNIG00014	PLN	31.768	72.047	7.492	462.864	48.135	374.062	40.194	http://www.gpw.pl/	0,00054%	2,99%
	Powszechna K.O.(PKO)Bk Polski	PL	PLPKO0000016	PLN	17.207	39.024	4.058	1.281.646	133.283	842.274	90.504	http://www.gpw.pl/	0,00138%	6,73%
	Powszechny Zaklad Ubezpieczen	PL	PLPZU0000011	PLN	9.040	2.050	213	963.391	100.186	542.675	58.311	http://www.gpw.pl/	0,00105%	4,33%
	PRFoods AS	EE	EE3100101031	EUR	19.547	37.593	3.909	133.454	13.878	68.945	7.408	http://www.nasdaqomxbaltic.com	0,05110%	0,55%
	Rokiskio Suris PC	LT	LT0000100372	EUR	7.698	21.467	2.232	102.893	10.700	99.582	10.700	http://www.nasdaqomxbaltic.com	0,02146%	0,80%
	Silvano Fashion Group AS	EE	EE3100001751	EUR	11.974	34.543	3.592	161.199	16.764	222.872	23.948	http://www.nasdaqomxbaltic.com	0,03189%	1,78%
	Synthos S.A.	PL	PLDWORY00019	PLN	45.147	3.072	319	432.374	44.964	341.741	36.721	http://www.gpw.pl/	0,00341%	2,73%
	Tallink Grupp AS	EE	EE3100004466	EUR	21.052	121.462	12.631	157.900	16.421	179.071	19.242	http://www.nasdaqomxbaltic.com	0,00312%	1,43%
	Tallinna Kaubamaja Grupp AS	EE	EE0000001105	EUR	3.348	12.878	1.339	190.269	19.787	211.564	22.733	http://www.nasdaqomxbaltic.com	0,00822%	1,69%
	Tauron Polska Energia SA	PL	PLTAURN00011	PLN	65.825	746.431	77.624	394.115	40.985	393.074	42.237	http://www.gpw.pl/	0,00376%	3,14%
	TEO LT AB	LT	LT0000123911	EUR	27.392	76.286	7.933	276.572	28.762	226.882	24.379	http://www.nasdaqomxbaltic.com	0,00470%	1,81%
	Trakcja S.A.	PL	PLTRKPL00014	PLN	8.992	16.315	1.697	278.979	29.012	187.179	20.113	http://www.gpw.pl/	0,01749%	1,49%
												-		
	Total				596.151	2.718.742	282.731	13.906.477	1.446.181	10.975.362	1.179.322			87,64%
1.2.	Listed in additional list													
	Total													
1.3.	Traded in market													
	Total													

HARMONIZED COLLECTIVE INVESTMENT UNDERTAKING DOVRE BALTIC SEA MANAGED BY DOVRE FORVALTNING UAB

Management company c.c. 302589746, address: Konstitucijos Ave. 7, LT09308 Vilnius

1.4.	Newly issued													
	Total													
	Total equities				596.151	2.718.742	282.731	13.906.477	1.446.181	10.975.362	1.179.322			87,64%
7	Cash													
	"Swedbank", AB	LT		NOK						1.477.091	158.716			
	Total cash									1.477.091	158.716			11,79%
8	Other													
	Mokėtinios sumos (komisiniai tarpininkams; VP pirkimai)									-9.765	-1.049			
	Gautinos sumos (palūkanos, dividendai)									80.833	8.686			
										71.068	7.636			0,57%
9	IŠ VISO									12.523.521	1.345.675			100,00%

CIU (Collective Investment Undertaking)

CUI 1 – CUI, which strategy is to invest into non-equity securities up to 100 proc. of NAV;

CUI 2 – CUI, which strategy is mixed (balanced) investment;

CUI 3 – CUI, which strategy is to invest into equities up to 100 proc. of NAV;

CUI 4 – CUI which strategy is to invest into money market instruments up to 100 proc. of NAV;

CUI 5 – all other types of CUI (alternative, private capital, real estate, materials, etc.).

Note. Funds of funds should be assigned to a certain CUI group according to the investment strategy of funds' funds.

Paragraph changes: No. [1K-24](#), 2008-12-11, Žin., 2008, No. 145-5865 (2008-12-18)

6. Investment allocation according to the criteria of the investment strategy

Investment allocation	At the end of the reporting period			In the beginning of the reporting period		
	Market value		Share in assets, %	Market value		Share in assets, %
	NOK	EUR		NOK	EUR	
According to investment objects						
Equities	10.975.362,10	1.179.322,20	87,64%	10.832.744,83	1.128.058,40	89,00%
Debt securities	-	-	-	-	-	-
Term-deposits	-	-	-	-	-	-
Total	10.975.362,10	1.179.322,20	87,64%	10.832.744,83	1.128.058,40	89,00%
According to sectors						
Energy	2.154.572,41	231.512,64	17,20%	1.747.072,84	181.929,90	14,35%
Materials	897.503,96	96.438,40	7,17%	308.260,38	32.100,42	2,53%
Industrials	100.778,13	10.828,79	0,80%	110.167,73	11.472,22	0,91%
Casual consumer discretionary	2.190.694,95	235.394,07	17,49%	2.438.174,00	253.897,12	20,03%
Consumer discretionary	877.411,40	94.279,42	7,01%	987.279,42	102.809,48	8,11%
Healthcare	105.887,50	11.377,80	0,85%	106.733,89	11.114,64	0,88%
Financials	3.749.121,38	402.849,77	29,94%	4.437.653,30	462.111,14	36,46%
Information Technology	381.481,66	40.990,88	3,05%	434.357,89	45.231,48	3,57%
Telecommunication services	517.910,71	55.650,43	4,14%	263.045,38	27.392,00	2,16%
Total	10.975.362,10	1.179.322,20	87,64%	10.832.744,83	1.128.058,40	89,00%
According to geographical area						
Lithuania	1.589.461,43	170.790,46	12,69%	1.596.591,45	166.259,65	13,12%
Latvia	105.887,50	11.377,80	0,85%	106.733,89	11.114,64	0,88%
Estonia	1.152.646,23	123.853,89	9,20%	1.231.532,07	128.244,51	10,12%
Poland	8.127.366,94	873.300,05	64,90%	7.897.887,42	822.439,59	64,89%
Total	10.975.362,10	1.179.322,20	87,64%	10.832.744,83	1.128.058,40	89,00%
According to other criteria						
-	-	-	-	-	-	-
Total	10.975.362,10	1.179.322,20	87,64%	10.832.744,83	1.128.058,40	89,00%

7. Information on subfund's operating income and expenses incurred during the reporting period

		NOK	EUR
I.	Income from investment activities		
1.	<i>Income on interest</i>	56,96	6,01
2.	<i>Realized gains on investments in:</i>	(57.035,24)	4.353,88
2.1.	equity securities	(57.035,24)	4.353,88
2.2.	government's non-equity securities	-	-
2.3.	companies' non-equity securities	-	-
2.4.	financial instruments	-	-
2.5.	derivative financial instruments	-	-
2.6.	other collective investment undertakings units	-	-
2.7.	other	-	-

3.	<i>Unrealized gain (loss) from:</i>	(1.088.191,18)	(78.726,91)
3.1.	equity securities	(1.088.191,18)	(78.726,91)
3.2.	government's non-equity securities	-	-
3.3.	companies' non-equity securities	-	-
3.4.	financial instruments	-	-
3.5.	derivative financial instruments	-	-
3.6.	other collective investment undertakings units	-	-
3.7.	other	-	-
	Total income	(1.145.169,46)	(74.367,03)
II.	<i>Costs</i>	-	-
1.	<i>Operating expenses:</i>	145.751,66	15.505,27
1.1.	deductions for management	122.199,40	12.977,39
1.2.	deductions for custodian	10.999,94	1.167,64
1.3.	payments to brokers	11.915,65	1.290,33
1.4.	payments for audit	-	-
1.5.	other deductions and expenses	636,67	69,91
2.	<i>Other expenses (subscription fee)</i>	200,09	21,41
	Total costs	145.951,75	15.526,68
III.	Net income	(1.291.121,21)	(89.893,71)
IV.	Payments (dividends) to Subfund units holders	-	-
V.	Reinvested earnings	-	-

8. Provide information on the charged and (or) paid dividends (half-yearly report – interim dividends after taxes), the period for which the dividends were paid, the payment date, the dividend amount per unit (share), and other relevant information.

The Subfund does not pay dividends.

9. Collective investment undertaking's borrowed funds at the end of the reporting period

No.	Loan amount	Loan currency	Loan collection date	Maturity of the loan	The interest rate	Purpose of borrowing	Creditor	Borrowed funds compared with the Subfund's net assets, %
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

10. Financial risk

Risk factors associated with acquisition of units: investors should note that the Subfund's unit value can either increase or decrease and investors may receive less than invested. The past returns on investment do not guarantee the same returns will be achieved in the future.

Risk factors associated with investing in securities:

Specific risk. Specific risk – risk that the prices of securities, that are in the Subfund's investment portfolio, will change due to risk factors relating to the issuer of the securities. To reduce this risk, the Subfund's investment portfolio will be diversified

among different issuers of securities, which are active in different regions and industries.

Market liquidity risk. Under exceptional circumstances for markets or when there is a need for the Subfund to sell a large quantity of securities due to lack of market liquidity the Subfund may incur losses. When making investment decisions security's liquidity will be taken into account.

Market volatility risk. Fluctuations in the market risk - the risk that affects constant stock price volatility in the market (the prices may rise and fall). There are many factors that determine the overall market volatility: the macroeconomic environment, sentiment, political events, expectations for the future, natural disasters and more. The Subfund will seek to reduce the risk by diversifying the portfolio.

Subfund operational risk. There is a risk that if there is a sharp rise in redemption applications of Subfund units, the Subfund will be unable to pay the members of the Subfund for the units redeemed. To reduce this risk, the Subfund will invest as much as possible in liquid securities. Also part of the Subfund assets will be kept as cash or cash equivalents.

Exchange rate fluctuations. There is a risk that the value of investments will be reduced by the unfavorable exchange rate changes, which are not directly related to the Subfund securities' results. The Subfund has not established any upper or lower limits on investments in the specific currency-denominated securities. The Subfund may manage the risks by using derivative instruments (forward exchange transactions and currency options). Derivative financial instruments will be used to offset any adverse change in the Subfund's assets due to exchange rate fluctuations.

Inflation risk. Real Subfund growth may be lower due to inflation, in addition the inflation directly affects the interest rate changes, which may have an impact on Subfund investment portfolio. Historically, investments in equity securities provide sufficient protection against inflation, so the Subfund will seek to reduce this risk by investing primarily in equity securities. It should be noted that investment is made in the Nordic Europe region, which normally has low inflation rates, so this should not significantly affect the risk of the portfolio.

Interest rate risk. Change in interest rates can directly affect the Subfund's portfolio securities values. Since the majority of Subfund investment portfolio will consist of shares, the direct impact of this risk to the Subfund's investment returns will be minimal. The Subfund will not forecast and will not manage interest rate risk.

Counterparty and settlement risk. The risk of loss resulting from a counterparty failing to meet its financial obligations. The Subfund will seek to minimize risk through transactions only with reliable, excellent reputation financial institutions. Most of the Subfund transactions will be conducted in accordance with the payment principle. The Subfund's investment portfolio will be diversified in order to reduce positions of substantial influence on the entire investment portfolio, however, there is no guarantee that the Subfund's portfolio value will grow.

Subfund investment objective and investment policy risk

There is a risk that the chosen Subfund strategy will not work as expected. There is no guarantee that Subfund objectives will be achieved.

Chosen risk management methods

In order to effectively manage the above mentioned risks, the Management Company will use the generally accepted risk management techniques (portfolio diversification, derivatives financial instruments, portfolio immunization, etc.).

Each risk's management methods are described above in the specific risk profile.

11. Responsible persons

Names, surnames, titles and contact information of the people who are responsible for the report

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