

**HARMONIZED COLLECTIVE INVESTMENT UNDERTAKING
„DOVRE BALTIC SEA“
REPORT FOR THE FIRST HALF OF YEAR 2015**

I. GENERAL INFORMATION

1. Fund's information:

Title – „Dovre Baltic Sea “;
Legal form – Harmonized collective investment undertaking;
Establishment date - 19 February 2013.

2. Reporting period:

01 January 2015 – 30 June 2015.

3. Management Company's information:

3.1. title – „Dovre Forvaltning“, UAB; company code - 302589746;
3.2. address – Konstitucijos pr. 7, 09308, Vilnius, Lithuania;
3.3. tel. no. +37052683461; fax. no. +37052683463; email: info@dovreforvaltning.no;
web page - www.dovreforvaltning.no
3.4. operating license no. – VKĮ-018;
3.5. Fund Manager – Rytis Simanaitis.

4. Custodian's information:

Title – Swedbank, AB; Code – 1202965;
Address – Konstitucijos pr. 20A, 09321 Vilnius, Lithuania;
Tel. no. +3705268422;
Fax. no. +3705268417.

II. NUMBERS AND VALUES OF NET ASSETS, INVESTMENT UNITS OR SHARES

5. Number and value of net assets and Fund units:

	The beginning of the reporting period	At the end of the reporting period	A year ago	Two years ago
Net asset value (NAV)	-	15.173.229,15 NOK; 1.669.503,44 EUR	17.667.050,97 NOK; 2.115.563,86 EUR	2.021.357,15 NOK; 254.519,59 EUR
Investment unit's (share's) value	-	148,6756 NOK; 16,3587 EUR	145,07 NOK; 17,37 EUR	134,06 NOK; 16,88 EUR
Current number of Fund units (shares)	-	102.055,9792	121.783,8285	15077,6663

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

	Number of investment units (shares)	Value
Distributed units	1.430,41	210.000,00 NOK; 24.902,76 EUR
Redeemed units	21.440,24	3.216.925,61 NOK; 381.477,75 EUR

III. INDICATORS OF FUND EXPENSES AND TURNOVER

7. Deductions:

Deductions	maximum, (set in Fund's documents)	applied during the reporting period	accrued during the reporting period	% of the average value of the reporting period NAV
For management			88.391,21 NOK; 10.218,22 EUR	0,640%
<i>fixed fee</i>	Management fee - 1,75% of annual NAV		88.391,21 NOK; 10.218,22 EUR	0,640%
<i>success fee</i>	-		-	
For custodian	0,17% of annual NAV, but not less than 57,92 EUR per month		8.534,24 NOK; 986,58 EUR	0,062%
For transactions	0,3% of a transaction value		527,17 NOK; 60,94 EUR	0,004%
Other expenses:			460,67 NOK; 53,25 EUR	0,003%
Other expenses to financial institutions	not more than 0,2 % of annual average NAV		460,67 NOK; 53,25 EUR	0,003%
Expenses included into Total Expense Ratio (TER)*			96.925,45 NOK; 11.204,79 EUR	0,702%
Total amount of expenses			97.913,30 NOK; 11.318,99 EUR	0,706%

* 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.

8. Remuneration to brokers:

Broker	Paid amount	Service
Neonet	351,6 NOK; 40,59 EUR	brokerage
Total:	351,6 NOK; 40,59 EUR	

9. Information about all agreements on payments division and hidden commissions.

There are no such agreements.

10. An example of deductions influence on investment returns.

Presented only in yearly reports.

IV. INFORMATION ABOUT FUND'S FINANCIAL INSTRUMENTS PORTFOLIO

11. Portfolio composition at the end of the reporting period:

Issuer title	Country	ISIN	Currency	Quantity	Total nominal value	Purchase value		Market value		Interest rate %	Source for market value (web page)	Share of the issuer, %	Share of assets, %
						NOK	EUR	NOK	EUR				
Equities		ISIN											
Listed in the official (or equivalent) trading list													
Total				-		-	-	-	-				-
Listed in the additional trading list													
Total													
traded in other regulated markets													
Total													
newly issued securities													
Total													
Total equity				-		-	-	-	-				-
Non-equity securities		ISIN											
Listed in the official (or equivalent) trading list													
Total													
Listed in the additional trading list													
Total													
traded in other regulated markets													
Total													
newly issued													
Total													
TOTAL (NON-EQUITY SECURITIES)				-		-	-	-	-				
Units (shares) of collective investment undertakings		ISIN											
TOTAL				-		-	-	-	-				

Money market instruments													
Total													
other money market instruments													
Total													
Total money market instruments				-				-	-				
Deposits with credit institutions													
Total deposits								-	-				0%
Financial derivatives													
Financial derivatives in regulated markets													
Total													
other													
Total													
Total financial derivatives								-	-				
Cash													
"Swedbank", AB	EUR		NOK					-	-	-			
Total Cash								-	-				-
Other instruments unforeseen in the Law of CUI article 57 part1				Short description				Value		Purpose			
Payables								-	-				
Receivables								-	-				
Total other								-	-				-
Total								-	-				-

CUI (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)

12. 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, %
According to investment objects				
Equities	-	-	10.588.552,52 NOK; 1.165.053,58 EUR	69,68%
Debt securities	-	-	-	-
Term-deposits	-	-	-	-
Total	-	-	10.588.552,52 NOK; 1.165.053,58 EUR	69,68%
According to sectors				
Energy	-	-	2.167.560,59 NOK; 238.495,70 EUR	14,26%
Materials	-	-	706.718,92 NOK; 77.759,96 EUR	4,65%
Industrials	-	-	88.836,69 NOK; 9.774,66 EUR	0,58%
Casual consumer discretionary	-	-	1.494.794,34 NOK; 164.471,54 EUR	9,84%
Consumer discretionary	-	-	992.834,82 NOK; 109.241,16 EUR	6,53%
Healthcare	-	-	83.428,87 NOK; 9.179,64 EUR	0,55%
Financials	-	-	4.102.897,10 NOK; 451.439,89 EUR	27,00%
Information Technology	-	-	250.243,68 NOK; 27.534,20 EUR	1,65%
Telecommunication services	-	-	701.237,51 NOK; 77.156,84 EUR	4,61%
Utilities	-	-	-	-
Total	-	-	10.588.552,52 NOK; 1.165.053,58 EUR	69,68%
According to geographical area				
Poland	-	-	7.733.674,28 NOK; 850.932,63 EUR	50,89%
Lithuania	-	-	1.613.258,87 NOK; 177.506,13 EUR	10,62%
Latvia	-	-	83.428,87 NOK; 9.179,64 EUR	0,55%
Estonia	-	-	1.158.190,50 NOK; 127.435,17 EUR	7,62%
Total	-	-	10.588.552,52 NOK; 1.165.053,58 EUR	69,68%

13. Transactions of derivatives executed during the reporting period, except indicated in paragraph 11.

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14. Types, risks, quantitative limits and methods for risk assessment of derivatives indicated in paragraph 11.

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15. Total value of derivatives' liabilities (at the end of the reporting period).

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16. Further information related to risk amount of derivatives.

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17. How the existing investment portfolio matches/does not match to Fund's investment strategy (investment trends, investment specialization, geographical area, etc.).

Investments were in line with investment strategy and geographical boundaries in the first half of 2015. Fund was merged with Umbrella Dovre Baltic Sea subfund in May.

18. Factors which had the significant impact on the investment portfolio structure and its value changes during the reporting period.

The main factor influencing returns of the fund were downward trends in the markets.

V. INVESTMENT RETURNS AND RISK INDICATORS

This information is not provided in half-year reports.

VI. FINANCIAL STATUS

23. Financial reports prepared in accordance with laws and legislations of the Republic of Lithuania:

23.1. Statement of net assets:

No.		2015.06.30	2014.06.30
A.	ASSETS	-	17.712.178,65 NOK; 2.146.770,63 EUR
I.	CASH	-	1.619.042,42 NOK; 196.232,93 EUR
II.	TERM DEPOSITS	-	4.785.236,09 NOK; 579.985,36 EUR
III.	MONEY MARKET INSTRUMENTS	-	-
IV.	TRANSFERABLE SECURITIES	-	11.145.699,76 NOK; 1.350.893,16 EUR
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	-	11.145.699,76 NOK; 1.350.893,16 EUR
IV.3.	Units and shares of other collective investment undertakings	-	-
V.	RECEIVABLE ACCOUNTS	-	162.200,38 NOK; 19.659,19 EUR
V.1.	Receivables from sales of investment	-	-
V.2.	Other receivables	-	162.200,38 NOK; 19.659,19 EUR
VI.	INVESTMENTS AND OTHER ASSETS	-	-
B.	LIABILITIES	-	45.127,68 NOK; 5.469,61 EUR
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	-	28.526,36 NOK; 3.457,48 EUR
V.	Other payables and liabilities	-	16.601,32 NOK; 2.012,13 EUR
C.	NET ASSETS (A-B)	-	17.667.050,97 NOK; 2.141.301,02 EUR

23.2. Statement of changes in net assets:

No.		2015.06.30	2014.06.30
I.	NET ASSET VALUE AT THE BEGINNING OF THE PERIOD	15.173.229,15 NOK; 1.669.503,44 EUR	22.084.073,33 NOK; 2.613.401,40 EUR
II.	INCREASES IN NET ASSET VALUE		
II.1.	Contributions from Fund participants	210.000,00 NOK; 24.276,46 EUR	2.851.376,77 NOK; 341.249,86 EUR
II.2.	Amounts received from other funds	-	-
II.3.	Margin	-	-
II.4.	Interest income	9.816,04 NOK; 1.134,76 EUR	42.103,85 NOK; 5.038,95 EUR
II.5.	Dividends	109.912,29 NOK; 12.706,10 EUR	264.422,19 NOK; 31.645,78 EUR
II.6.	Gains from change in value of investments and sales	1.094.807,77 NOK; 126.562,15 EUR	519.947,00 NOK; 62.226,73 EUR
II.7.	Gains from changes in foreign exchange rates	153,24 NOK; 17,71 EUR	
II.8.	Gains from derivative transactions	-	-
II.9.	Other increase in net asset value	9.436,99 NOK; 1.090,94 EUR	-
II.10.	Gain from translation difference	-	-
	TOTAL INCREASE:	1.434.126,33 NOK; 250.342,89 EUR	3.683.588,78 NOK; 497.372,50 EUR
III.	DECREASE IN NET ASSET VALUE		
III.1.	Payments to Fund participants	3.216.925,61 NOK; 371.883,58 EUR	5.738,97 NOK; 686,83 EUR
III.2.	Payments to other funds	12.800.335,74 NOK; 1.479.746,58 EUR	-
III.3.	Losses from change in value of investments and sales	434.980,75 NOK; 50.284,72 EUR	-
III.4.	Losses from changes in foreign exchange rates	55.713,12 NOK; 6.440,56 EUR	-
III.5.	Losses from derivative transactions	-	3.683.588,78 NOK; 497.372,50 EUR
III.6.	Management costs:	97.913,30 NOK; 11.318,99 EUR	-
III.6.1.	Remuneration to the management company	88.391,21 NOK; 10.218,22 EUR	7.387.755,38 NOK; 884.159,03 EUR
III.6.2.	Remuneration to the custodian	8.534,24 NOK; 986,58 EUR	-
III.6.3.	Remuneration to brokers	527,17 NOK; 60,94 EUR	330.314,82 NOK; 39.531,74 EUR
III.6.4.	Audit costs	-	177.174,81 NOK; 21.204,10 EUR
III.6.5.	Other costs (e-banking costs)	460,67 NOK; 53,25 EUR	-
III.7.	Other loss in net asset value	1.486,97 NOK; 171,90 EUR	205.272,93 NOK; 24.566,86 EUR
III.8.	Cost reimbursement (-)	-	179.716,71 NOK; 21.508,31 EUR
III.9.	Distribution of profit	-	17.156,99 NOK; 2.053,33 EUR
III.10.	Loss from translation difference	-	8.399,23 NOK; 1.005,21 EUR
	TOTAL DECREASE:	16.607.355,49 NOK; 1.919.846,32 EUR	8.100.611,13 NOK; 969.472,87 EUR
IV.	NET ASSET VALUE IN THE END OF THE PERIOD	0,00 NOK; 0,00 EUR	17.667.050,97 NOK; 2.141.301,02 EUR

23.3. Explanatory notes

General information about “Dovre Baltic Sea” fund

“Dovre Baltic Sea” (hereafter – “Fund”) is a harmonized collective investment undertaking. It was established on 19 February 2013 and is managed by Dovre Forvaltning UAB.

Operation period of the Fund is indefinite.

Management Company - Dovre Forvaltning UAB, c.c. 302589746, address Konstitucijos 7, Vilnius.

Custodian, that protects the assets of the Fund, – Swedbank AB, cc 112029651, address Konstitucijos 20A, Vilnius.

Audit company – Deloitte Lietuva UAB, c.c. 111525235, address Jogailos str. 4, Vilnius.

Reporting period – 1 January 2015 – 30 June 2015.

The Fund has no employees.

The management fee - 1,75 % of Fund's annual net assets value (NAV).

Investment policy and portfolio composition

The Fund is an actively managed investment fund, which aims to achieve the Fund's investment unit value growth. The Fund specializes in the geographical area: Lithuania, Latvia, Estonia, Poland and Norway. The Fund shall not specialize in industries.

The Fund invests in equities, various rank governments 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 Fund's portfolio management approach is based on tactical asset allocation and frequent portfolio adjustments. This means that the Fund manager, having regard the market situation as well as economic and political risk factors, may at its discretion decide what part of the Fund's assets must be invested in stocks (or stock funds). If the situation in the markets seem to be particularly favorable for equity, 100 percent of the Fund's assets may be invested in equities or equity funds. As equity securities have large price fluctuations the Fund's net assets may also experience big fluctuations. In cases where the market situation seems particularly unfavorable for equity securities, the Fund may hold up to 100 percent in cash or in deposits or be invested into money market instruments.

Although there are no specific limits for regions, sectors or financial instruments, the Fund, however, expects that the average proportions will be:

- 45% shares listed in Poland, or investment funds that invest in the relevant financial instruments;
- 15% shares listed in the Baltic States (Lithuania, Latvia and Estonia) or investment funds that invest in the relevant financial instruments;
- 40% cash and deposits (in Lithuania and / or Norwegian financial institutions), government or corporate bonds up to 1 year duration, listed in Lithuania, Latvia, Estonia, Poland and Norway, investment funds that invest in the relevant financial instruments, and other money market instruments which are not admitted to trading on a regulated market and fulfill criteria in par 4. and geographic specialization of the Fund.

The Fund does not set limits for individual sectors; therefore, there may be periods when the risk increases with certain narrow asset classes or industry sectors.

The Fund does not invest more than 35 percent of net assets in transferable securities or money market instruments issued or guaranteed by the Republic of Lithuania and European Union member states, their municipalities, other countries or international organizations with at least one European Union country.

The corresponding proportions are reflected in the choice of the benchmark:

Benchmark component parts	Index name
45 %	WIG20 Index
15 %	OMX Baltic Benchmark Capped Index GI
40 %	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 company shares from the relevant stock exchange. ST1X index reflects the yields of money market instruments. Currency of the benchmark is NOK.

It should be noted that the Fund's investment strategy does not seek to replicate an index. Benchmark reflects what is expected to be medium-sized proportions. Benchmark index is reviewed at least once a year and shall be adjusted, if the average proportions change.

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.

Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which the Fund operates (the 'functional currency'). The functional currency of the Fund is the Norwegian krone (NOK) as it mainly influences sale and purchase prices of the securities and major part of Fund'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 Fund, prepared in Norwegian krone, the functional currency of the Fund, are translated to the presentation currency, Lithuanian Litas by using period end exchange rate for translation of assets and liabilities and average exchange rate for the year for translation of income and expenses (unless this average is not a reasonable approximation of the cumulative effect of the rates

prevailing on the transaction dates, in which case income and expenses are translated at rates prevailing at the dates of the transactions). All resulting exchange differences are recognized as cumulative translation adjustments in other comprehensive income.

Principles of recognition for increase and decreases in assets – Fund'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 Fund only those deductions are carried out that are related to management of the Fund and described in the Fund Rules. The amount may not exceed the size stated in the Fund Rules. All other expenses that are not mentioned in the Rules of the Fund 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 Fund'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 Fund's NAV is accordingly adjusted on the 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 fund units – The net asset value of the Fund and the price of Fund units is determined daily. The net asset value is determined using the methods described in methodology for calculating net asset value. The price of Fund units is determined dividing the net asset value by the number of shares. The price and the number of Fund units is determined to four decimal places.

Cash and cash equivalents – 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 Fund unit value

Fund 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 Fund (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.

Fund 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 Fund unit value is determined each business day by dividing the NAV by the total number of circulating Fund units. The Fund unit value is calculated to four decimal places rounded according to mathematical rules of rounding.

Financial risk

Risk factors associated with acquisition of units: investors should note that the Fund'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 Fund's investment portfolio, will change due to risk factors relating to the issuer of the securities. To reduce this risk, the Fund'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 Fund to sell a large quantity of securities due to lack of market liquidity the Fund 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 Fund will seek to reduce the risk by diversifying the portfolio.

Fund operational risk

There is a risk that if there is a sharp rise in redemption applications of Fund units, the Fund will be unable to pay the members of the Fund for the units redeemed. To reduce this risk, the Fund will invest as much as possible in liquid securities. Also part of the Fund 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 Fund securities' results. The Fund has not established any upper or

lower limits on investments in the specific currency-denominated securities. The Fund 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 Fund's assets due to exchange rate fluctuations.

Inflation risk

Real Fund growth may be lower due to inflation, in addition the inflation directly affects the interest rate changes, which may have an impact on Fund investment portfolio. Historically, investments in equity securities provide sufficient protection against inflation, so the Fund 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 Fund's portfolio securities values. Since the majority of Fund investment portfolio will consist of shares, the direct impact of this risk to the Fund's investment returns will be minimal. The Fund 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 Fund will seek to minimize risk through transactions only with reliable, excellent reputation financial institutions. Most of the Fund transactions will be conducted in accordance with the payment principle. The Fund'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 Fund's portfolio value will grow.

Fund investment objective and investment policy risk

There is a risk that the chosen Fund strategy will not work as expected. There is no guarantee that Fund 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.

24. Full text of audit opinion

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25. Information on Fund's operating income and expenses incurred during the reporting period:

I.	Income from investment activities	
1.	<i>Income on interest</i>	9.816,04 NOK; 1.134,76 EUR
2.	<i>Realized gains on investments in:</i>	137.073,45 NOK; 15.845,99 EUR
2.1.	equity securities	137.073,45 NOK; 15.845,99 EUR
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	9.436,99 NOK; 1.090,94 EUR
3.	<i>Unrealized gain (loss) from:</i>	575.619,01 NOK; 66.542,81 EUR
3.1.	equity securities	575.619,01 NOK; 66.542,81 EUR
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	731.945,49 NOK; 84.614,49 EUR
II.	Costs	
1.	<i>Operating expenses:</i>	97.913,30 NOK; 11.318,99 EUR
1.1.	deductions for management	88.391,21 NOK; 10.218,22 EUR
1.2.	deductions for custodian	8.534,24 NOK; 986,58 EUR
1.3.	payments to intermediaries	527,17 NOK; 60,94 EUR
1.4.	payments for audit	-
1.5.	other deductions and expenses	460,67 NOK; 53,25 EUR
2.	<i>Other expenses (distribution fee)</i>	-
	Total costs	97.913,30 NOK; 11.318,99 EUR
III.	Net income	634.032,20 NOK; 73.295,50 EUR
IV.	Payments (dividends) to unit holders	-
V.	Reinvested earnings	-

26. Other significant information about the Fund's financial situation. Factors and circumstances that have an impact on the collective investment undertaking's assets or liabilities.

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VII. INFORMATION ON DIVIDEND PAYMENT

27. 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 Fund does not pay dividends.

VIII. INFORMATION ABOUT BORROWED FUNDS

28. 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 fund's net assets, %
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

IX. OTHER INFORMATION

29. Notes, comments, pictorial and graphic material and other important information about the Fund for an investor to properly evaluate the changes in the entity's operations and results.

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X. RESPONSIBLE PERSONS

30. Names (legal titles), addresses, license numbers and business names of consultants, whose services were used in preparing this report (brokerage firms, auditors, etc.).

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31. Names, surnames, titles and workplaces of persons who prepared the report (if they are not employees of the Company).

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32. Signatures of the director of the Management company and persons who prepared the report as confirmation that the information presented in this report is correct and there is no omission likely to have a significant impact on the values of the indicators:

I, UAB „Dovre Forvaltning“ Deputy CEO Gytė Maleckaitė, certify that the information presented in this report is correct and there is no omission likely to have a significant impact on the values of the indicators:

I, Fund's "Dovre Baltic Sea" accountant Solveiga Brazauskaitė certify that the information presented in this report is correct and there is no omission likely to have a significant impact on the values of the indicators:

33. Persons responsible for the information provided in this report:

33.1. Names, surnames, titles and contact information of persons who prepared the report

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33.2. Names, surnames and contact information of the consultants.

Consultants' services were not used for preparation of this report.