

FINASTA EMERGING EUROPE BOND SUBFUND  
ANNUAL FINANCIAL STATEMENTS FOR 2014  
PRESENTED TOGETHER WITH INDEPENDENT AUDITOR'S REPORT



## Independent Auditor's Report

Finasta Asset Management UAB

We have audited the accompanying financial statements of Finasta Emerging Europe Bond subfund (the Fund) managed by Finasta Asset Management UAB (the Company) set out on pages 5 – 32 which comprise the statement of net asset as of 31 December 2014 and the statement of changes in net asset for the year then ended and explanatory notes.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Lithuanian regulatory legislation on accounting and financial reporting and Business Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

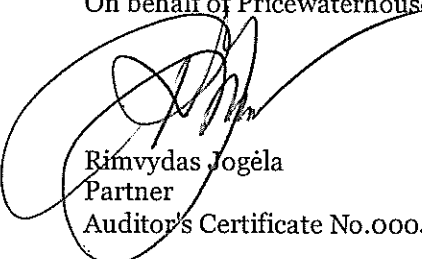
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*


In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund of 31 December 2014 and of its changes in net assets for the year then ended in accordance with Lithuanian regulatory legislation on accounting and financial reporting and Business Accounting Standards.

On behalf of PricewaterhouseCoopers UAB



Rimvydas Jogėla  
Partner  
Auditor's Certificate No.000457

Vilnius, Republic of Lithuania  
30 April 2015



Rasa Selevičienė  
Auditor's Certificate No.000504

## I. GENERAL INFORMATION

1. General information about Finasta Emerging Europe Bond Subfund:  
Information is provided under section *General information* in the explanatory notes.
2. Reporting period covered by these financial statements:  
Information is provided under section *General information* in the explanatory notes.
3. Details of the management company:  
Information is provided under section *General information* in the explanatory notes.
4. Details of the depository:  
Information is provided under section *General information* in the explanatory notes.

## II. NET ASSET VALUE, NUMBER AND VALUES OF INVESTMENT UNITS (SHARES)

5. Net asset value (NAV), number and value of investment units (shares):  
Information is provided in Note 1.
6. Number of investment units or shares distributed and redeemed over the reporting period and total conversion values:  
Information is provided in Note 2.

## III. EXPENSE AND TURNOVER RATIOS OF THE COLLECTIVE INVESTMENT UNDERTAKING

7. Deductions from assets of the collective investment undertaking:  
Information is provided in Note 19.
8. Intermediary fee:  
Information is provided in Note 8.
9. Information on all existing arrangements on distributions and hidden commission fees:  
Over the reporting period, the management company did not enter into any formal or informal arrangements on distributions, nor any hidden commission fees were applied to the subfund.
10. Illustration of impact of deductions on investor's ultimate return on investments:

|                                  | After 1 year | After 3 years | After 5 years | After 10 years |
|----------------------------------|--------------|---------------|---------------|----------------|
| Deductions paid, LTL             | 243.97       | 569.30        | 949.96        | 2,193.63       |
| Accrued amount before deductions | 10,500.00    | 11,576.25     | 12,762.82     | 16,288.95      |
| Accrued amount after deductions  | 10,256.03    | 11,006.95     | 11,812.86     | 14,095.32      |

## IV. INFORMATION ON THE INVESTMENT PORTFOLIO OF THE COLLECTIVE INVESTMENT UNDERTAKING

11. Structure of investment portfolio at the end of the reporting period:  
Information is provided in Note 3.
12. Breakdown of investments by the criteria that meet the investment strategy:  
Information is provided in Note 4.
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 7.
14. Types of derivative financial instruments referred to in section 11 of the Annex, the related risks and quantitative limits and methods used to assess the risks incurred by the collective investment undertaking in relation to transactions involving derivative financial instruments. Description of how derivative financial instrument may be used to hedge investment instrument transaction (position) against risk:  
Information is provided in Note 7.

#### IV. INFORMATION ON THE INVESTMENT PORTFOLIO OF THE COLLECTIVE INVESTMENT UNDERTAKING (CONTINUED)

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

Information is provided in Note 7.

16. Analysis of the current investment portfolio's compliance (non-compliance) with the collective investment undertaking's investment strategy (investment trends, investment specialisation, geographical area, etc.):

Structure of investment portfolio is provided in Note 4.

17. Factors that had the major impact on the structure of investment portfolio and changes in its value over the reporting period:

Information is provided in Note 3.

#### V. RETURN ON INVESTMENTS AND RISK INDICATORS OF THE COLLECTIVE INVESTMENT UNDERTAKING

18. Benchmark index (if selected) and its brief description:

Information is provided in Note 18.1.

19. Change in value of unit (share) for the same period, change in annual return (gross and net) on investments, and change in value of benchmark index (if selected), and other indicators over the last 10 years of the subfund's operation:

Information is provided in Note 18.2.

20. Average return on investments, average change in value of investment unit and average change in value of benchmark index (if selected) over the last three, five, ten years (average net return on investments, average change in value of unit and average change in value of benchmark index are calculated as a geometric mean of annual changes in net return on investments, annual changes in value of unit and annual changes in value of benchmark index, respectively):

Information is provided in Note 18.3.

21. Other indicators revealing the risks pertaining to the investment portfolio:

Other indicators revealing the risks pertaining to the investment portfolio over the reporting period were not estimated.

#### VI. FINANCIAL POSITION OF THE COLLECTIVE INVESTMENT UNDERTAKING

22. The financial statements of the collective investment undertaking have been prepared in accordance with the requirements of the Lithuanian laws and legal acts:

22.1. Statement of net assets;

22.2. Statement of changes in net assets;

22.3. Explanatory notes.

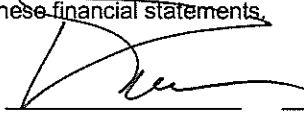
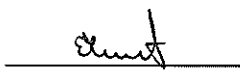
FINASTA ASSET MANAGEMENT UAB  
126263073, Maironio g. 11, Vilnius

Finasta Emerging Europe Bond Subfund  
STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2014

(LTL)

| No        | Assets  | Note No  | Financial year       | Previous financial year (restated) |
|-----------|---|----------|----------------------|------------------------------------|
| <b>A.</b> | <b>ASSETS</b>   |          | <b>45,474,524.47</b> | <b>42,093,861.85</b>               |
| I.        | CASH  | 3,4      | 1,309,434.31         | 3,036,662.12                       |
| II.       | TIME DEPOSITS   |          | -                    | -                                  |
| III.      | MONEY MARKET INSTRUMENTS  | 3,4,5    | 1,077,389.34         | 2,886,296.65                       |
| III.1.    | Treasury bills  |          | -                    | -                                  |
| III.2.    | Other money market instruments  | 3,4,5    | 1,077,389.34         | 2,886,296.65                       |
| IV.       | TRANSFERABLE SECURITIES   | 3,4,5    | 41,554,657.62        | 35,878,202.77                      |
| IV.1.     | Non-equity securities   | 3,4,5    | 41,554,657.62        | 35,878,202.77                      |
| IV.1.1.   | Non-equity securities issued or guaranteed by governments and central banks | 3,4,5    | 12,328,562.71        | 14,074,712.48                      |
| IV.1.2.   | Other non-equity securities   | 3,4,5    | 29,226,094.91        | 21,803,490.28                      |
| IV.2.     | Equity securities   |          | -                    | -                                  |
| IV.3.     | Investment units and shares of other collective investment undertakings     |          | -                    | -                                  |
| <b>V.</b> | <b>AMOUNTS RECEIVABLE</b>   | <b>3</b> | <b>1,533,043.20</b>  | <b>-</b>                           |
| V.1.      | Amounts receivable from sale of investments                                 | 3        | 1,533,043.20         | -                                  |
| V.2.      | Other amounts receivable  |          | -                    | -                                  |
| VI.       | INVESTMENT AND OTHER ASSETS   | 3,5      | -                    | 292,700.31                         |
| VI.1.     | Investment assets   |          | -                    | -                                  |
| VI.2.     | Derivative financial instruments  | 3,5      | -                    | 292,700.31                         |
| VI.3.     | Other assets  |          | -                    | -                                  |
| <b>B.</b> | <b>LIABILITIES</b>  |          | <b>1,010,411.22</b>  | <b>54,085.25</b>                   |
| I.        | Liabilities on purchase of financial assets and investment assets           |          | -                    | -                                  |
| II.       | Liabilities to credit institutions  |          | -                    | -                                  |
| III.      | Liabilities under contracts on derivative financial instruments             | 3,5,7    | 954,811.21           | -                                  |
| VI.       | Amounts payable to management company and depository                        | 3        | 55,600.01            | 53,486.36                          |
| V.        | Other amounts payable and liabilities                                       | 3        | -                    | 598.89                             |
| <b>C.</b> | <b>NET ASSETS</b>   | <b>1</b> | <b>44,464,113.25</b> | <b>42,039,776.60</b>               |

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

|   |                |  |               |
|---|----------------|--|---------------|
| Director General of the<br>Management Company | Darius Šulnis  |  | 30 April 2015 |
| Accountant                                    | Edita Muralytė |  | 30 April 2015 |

FINASTA ASSET MANAGEMENT UAB  
126263073, Maironio g. 11, Vilnius

**Finasta Emerging Europe Bond Subfund  
STATEMENT OF CHANGES IN NET ASSETS FOR 2014**

(LTL)

| No       | Items   | Note No | Financial year       | Previous financial year |
|----------|---|---------|----------------------|-------------------------|
| I.       | <b>NET ASSETS AT 1 JANUARY</b>                                  |         | <b>42,039,776.60</b> | <b>33,658,605.97</b>    |
| II.      | <b>INCREASE IN NET ASSET VALUE</b>                              |         | -                    | -                       |
| II.1.    | Contributions of participants                                   |         | 16,609,814.76        | 18,629,646.24           |
| II.2.    | Transfers from other funds                                      |         | 4,200,068.27         | 8,060,426.53            |
| II.3.    | Guarantee contributions   |         | -                    | -                       |
| II.4.    | Interest income   |         | -                    | -                       |
| II.5.    | Dividends   |         | -                    | -                       |
| II.6.    | Gain on change in value and sale of investments                 | 5       | 10,607,685.70        | 7,350,597.16            |
| II.7.    | Foreign exchange gain   |         | 234,950.13           | 83,705.65               |
| II.8.    | Gain on transactions involving derivative financial instruments | 5       | -                    | 403,487.20              |
| II.9.    | Other increases in net asset value                              |         | -                    | -                       |
|          | <b>TOTAL INCREASE</b>   |         | <b>31,652,518.86</b> | <b>34,527,862.78</b>    |
| III.     | <b>DECREASE IN NET ASSET VALUE</b>                              |         | -                    | -                       |
| III.1.   | Payments to participants  |         | 15,814,927.14        | 14,407,693.23           |
| III.2.   | Transfers to other funds  |         | 2,672,788.90         | 5,125,641.37            |
| III.3.   | Loss on change in value and sale of investments                 | 5       | 7,580,936.88         | 6,009,226.25            |
| III.4.   | Foreign exchange loss   |         | 221,303.18           | 83,967.73               |
| III.5.   | Loss on transactions involving derivative financial instruments | 5       | 2,340,906.87         | -                       |
| III.6.   | Management costs:   | 19      | 597,319.24           | 520,163.57              |
| III.6.1. | Fee to management company                                       |         | 452,831.21           | 442,762.41              |
| III.6.2. | Fee to depository   |         | 68,235.85            | 41,242.77               |
| III.6.3. | Fee to intermediaries   | 8       | 1,488.53             | 178.27                  |
| III.6.4. | Audit fee costs   |         | 13,411.47            | 13,310.00               |
| III.6.5. | Other costs   |         | 61,352.18            | 22,670.12               |
| III.7.   | Other decreases in net asset value                              |         | -                    | -                       |
| III.8.   | Reimbursement of costs (-)                                      |         | -                    | -                       |
| III.9.   | Profit distribution   |         | -                    | -                       |
|          | <b>TOTAL DECREASE</b>   |         | <b>29,228,182.21</b> | <b>26,146,692.15</b>    |
| IV.      | <b>NET ASSET VALUE AT 31 DECEMBER</b>                           | 1       | <b>44,464,113.25</b> | <b>42,039,776.60</b>    |

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

Director General of the  
Management Company

Darius Šulnis

30 April 2015

Accountant

Edita Muralytė

30 April 2015

FINASTA ASSET MANAGEMENT UAB  
126263073, Maironio g. 11, Vilnius

**Finasta Emerging Europe Bond Subfund**

**Explanatory notes to the annual financial statements for 2014**

22.3.1. General information:

Details of the collective investment undertaking:

|  |  |
|--|--|
| Name   | Finasta Emerging Europe Bond Subfund                               |
| Legal form   | Special investment fund for investments in transferable securities |
| Date on which the Securities Commission approved the documents on the formation of the collective investment undertaking | 29 October 2010  |
| Duration of operation  | Unlimited  |
| Location   | Vilnius  |

Details of the management company:

|   |  |
|---|--|
| Name  | Finasta Asset Management UAB   |
| Company code  | 126263073  |
| Office address  | Maironio g. 11, LT-01124 Vilnius   |
| Telephone number  | 1813   |
| Fax number  | (8~5) 203 22 44  |
| Email address   | info@finasta.com   |
| Website address   | www.finasta.com  |
| Licence No  | VJK-005  |
| Manager of the collective investment undertaking, other individuals making investment decisions | Andrej Cyba - Director General and Board Member.<br>Tomas Krakauskas – Deputy Director General and Head of Portfolio Management Department<br>Vitalijus Šostak - Head of Fund Management Department and Board Member<br>Arturs Miežis – Finasta Asset Management (Latvia) Investment Manager |

Details of the depository:

|                  |                                   |
|------------------|-----------------------------------|
| Name             | SEB Bankas AB                     |
| Company code     | 112021238                         |
| Office address   | Gedimino pr. 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

Finasta Emerging Europe Bond Subfund has been listed on OMX Stock Exchange with effect from September 2013.

Reporting period

From 1 January 2014 to 31 December 2014.

### 22.3.2. Accounting policies:

#### Regulatory legislation adopted in the preparation of the financial statements

Finasta Asset Management UAB manages the assets of the subfund, keeps the subfund's accounting records and prepares its financial statements in compliance with Business Accounting Standards (BAS), Lithuanian Law on Accounting, Lithuanian Law on Collective Investment Undertakings and other legal acts. With effect from 2011, BAS 39 was adopted following its approval on 13 December 2010. International Financial reporting Standards were not applied in the preparation of the subfund's annual financial statements for 2013, as set forth in the official explanation of the Bank of Lithuania.

The subfund's assets are denominated in the litas, however, investments may be made in different foreign currencies. The management company uses derivative financial instruments to mitigate the negative effects of fluctuations in foreign exchange rates.

The financial year of the subfund coincides with the calendar year. The subfund's financial statements are prepared within four months following the end of the financial year. The fund's accounting records are kept in the euros, and all amounts in these financial statements have been presented in a national currency of the Republic of Lithuania – the litas (LTL) at the accuracy of the litas cents. As from 1 January 2015, Lithuania joined the euro area and adopted euro as its currency.

From 2 February 2002, the litas was pegged to the euro at an exchange rate of LTL 3.4528 to EUR 1, and the exchange rates of the litas against other foreign currencies were announced daily by the Bank of Lithuania.

Due to rounding effects, there may be mismatches between the total amounts reported in these financial statements and the sums of constituent figures.

#### Investment policy and structure of investment portfolio

The subfund's objective is to ensure a well-balanced growth of its assets. Up to 100% of the subfund's assets are invested in government and corporate debt securities selected by the managers as the most promising across the emerging Europe. The subfund combines higher-risk investments (corporate bonds) with more safe investments (government bonds) to safeguard assets and ensure sustainable return on investments to the subfund.

The subfund's assets are invested in Central and Eastern Europe region. The subfund's investments are not restricted to certain industry sector. The subfund may invest in bonds of different maturities and with different credit ratings.

When no better investment possibilities are available in the market, up to 100% of the subfund's assets may be invested in deposits, money market instruments and harmonised investment units (shares) of collective investment undertakings with the main investment trend focused on money market instruments or bonds and other forms of non-equity securities. The subfund's assets may be invested in derivative financial instruments, provided they are used for risk management purposes.

Probability that the composition of the portfolio or portfolio management methods will give rise to significant fluctuations in the subfund's net asset value is remote.

#### Financial risk management

The subfund's assets are invested in the following financial instruments in line with the defined objectives and investment policy of the subfund:

- shares, depository receipts in respect of shares and harmonised investment units (shares) of collective investment undertakings with primary investment trend focused on shares, depository receipts in respect of shares;
- bonds and other forms of non-equity securities and harmonised investment units (shares) of collective investment undertakings with primary investment trend focused on bonds and other forms of non-equity securities;
- other securities which carry the right to acquire or dispose of the transferable securities or which result in cash settlements set on the basis of transferrable securities, currencies, interest rates, yield, commodities and other indices and instruments;
- other harmonised investment units (shares) of collective investment undertakings with primary investment trend focused on transferrable securities, raw materials, commodities, currencies, interest rates, yields, other indices;
- special collective investment undertakings (alternative investment, private equity, real estate) and collective investment undertakings that are not regulated under the Lithuanian Law on Collective Investment Undertakings (investing directly in commodities, raw materials, currencies, etc.);
- money market instruments and harmonised investment units (shares) of collective investment undertakings with primary investment trend focused on money market instruments;
- deposits held with credit institutions;
- derivative financial instruments linked with the above-mentioned financial instruments, financial indices, interest rates, currencies or exchange rates, provided they are used for risk management purposes.



### 22.3.2. Accounting policies (continued)

The subfund's investment portfolio should be composed in compliance with the investment portfolio's diversification requirements and investment restrictions as set forth in the Lithuanian Law on Collective Investment Undertakings.

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

The Investment Committee decides on the composition of the subfund's investment portfolio in view of the current risk level of the portfolio and the effects of decisions made on the overall risk level of the portfolio. The subfund's portfolio risk is assessed periodically and reported at the Meeting of the Investment Committee at least on a quarterly basis.

The subfund's investment portfolio risk is assessed on the basis of constituent securities in view of:

- issuer's credit rating;
- price sensitivity to interest rate shifts;
- historical and expected fluctuations in price of nominal currency;
- maturity;
- yield;
- weight of securities in total investment portfolio.

No more than 20% of the subfund's net assets may be invested in transferable securities and money market instruments issued by companies of the group, which is required to prepare the consolidated financial statements.

Shares held by the subfund together with the management company or other managed collective investment undertakings in an issuing body may not carry over 1/10 of the voting rights at the issuer's general meeting of shareholders.

The subfund may acquire no more than as follows:

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

The management company reviews the investment strategy at least once during a 3-year period and makes amendments, if necessary.

#### 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.

Assets (or part of them) are written off only when:

- the rights to these assets (or part of them) have been exercised;
- the rights have expired or have been transferred.

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, the value of assets and liabilities denominated in foreign currencies is determined using the official exchange rate of the litas against relevant foreign currency as set by the Bank of Lithuania on the valuation date.

### 22.3.2. Accounting policies (continued)

#### Rules on deductions to the accumulating company and the depository

The fee charged by the management company for the management of the subfund is paid from the subfund's assets.

The fee to the management company represents the asset management fee of no more than 1% of the subfund's average annual net asset value.

The fee to the management company does not include the fee charged by the management company for the distribution and change of the subfund's units (subfund change fee is charged on change of the subfund's units into the units of another subfund):

The sale price of the subfund's unit is equal to the sum of the value of the subfund's unit and no more than 2 (two) percent of the fee to cover distribution costs.

The change price of the subfund's unit is equal to the sum of the value of the subfund's unit and no more than 0.25 percent of the fee to cover subfund change costs.

The distribution/subfund change fees that are included in the sale/change price of the subfund's unit are paid by the participant for the subfund's units acquired under the agreement for purchase/sale of the subfund's units.

The distribution and subfund change fees are not included in the calculation of net asset value.

The fee to the management company is calculated on accrual basis on each business day on the basis of the subfund's net asset value and increase in the value of the subfund's unit on that day following the principle of simultaneity. The fee to the management company is payable on a monthly basis by the 10<sup>th</sup> (tenth) day of the following month.

After the end of the calendar year, the rate of asset management fee is reviewed. All overpayments during the calendar year are refunded to the subfund over 30 (thirty) calendar days after the end of the financial year, and all underpayments should be covered to the management company by the subfund over 30 (thirty) calendar days after the end of the financial year.

Overpayments refunded by the management company to the subfund are added to the subfund's net asset value.

The fee to the depository for the services rendered by the depository under the agreement is paid from the subfund's assets and it may be no more than 0.5 (point five) percent of the subfund's average annual net asset value.

The fee to the depository represents the fee charged on:

- custody of the subfund's assets; it is calculated on accrual basis on each business day on the subfund's net asset value. The fee is calculated based on assumption that one year has the actual number of business days;
- movements on the accounts of financial instruments; it is calculated on each business day of transactions in the accounts of financial instruments.

The fee to the depository is payable for each preceding quarter by the 10<sup>th</sup> (tenth) day of the following quarter.

After the end of the calendar year, the rate of asset custody fee is reviewed. All overpayments during the calendar year are refunded to the subfund over 30 (thirty) calendar days after the end of the financial year, and all underpayments should be covered to the depository by the subfund over 30 (thirty) calendar days after the end of the financial year.

Overpayments refunded by the depository to the subfund are added to the subfund's net asset value.

#### Investment valuation methods, investment revaluation intervals

- The fair value of financial instruments traded on regulated markets of the Baltic states (Riga, Tallinn or Vilnius Stock Exchange) is determined with reference to the average quoted market price on the date of valuation, 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;

### 22.3.2. Accounting policies (continued)

- 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 subfund's net assets, in which case the fair value is determined similarly as for the financial instruments that are not traded on regulated markets.

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 subfund's net asset value, which is generally accepted and widely applied in the finance market.

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

- profitability of Lithuanian securities 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 subfund'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 value of derivate 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 subfund'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 subfund's net asset value, which is generally accepted and widely applied in the finance market.

#### Rules on valuation of investment units

The initial value of the subfund's unit, which was available before the first calculation of net asset value, was equal to LTL 100 (one hundred litas), i.e. EUR 28.9620 (twenty eight euros point nine thousand, six hundred and twenty euro cents).

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

### 22.3.2. Accounting policies (continued)

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

The value of the subfund's unit is announced not later than by midday (12am) of the following day after the calculation of net asset value, on the website at address: [www.finasta.com](http://www.finasta.com).

#### Cash and time deposits:

Cash includes the subfund's cash balances at bank accounts and demand deposits with undefined maturity. Time deposits comprise cash accumulated in credit institutions in the accounts of time deposits with defined and undefined maturity. The value of time deposits is based on cash amount placed in the account of time deposit and interest accumulated thereon under the agreement on time deposit.

Cash and cash equivalents denominated in foreign currencies are translated into the national currency of the Republic of Lithuania using the official exchange rate as set by the Bank of Lithuania on the date of calculation.

Cash and time deposits denominated in foreign currencies are translated into the national currency of the Republic of Lithuania using the official exchange rate as set by the Bank of Lithuania on the date of calculation.

#### Amounts receivable and amounts payable:

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

Amounts payable represent amounts due to other subfunds 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 14 of the explanatory notes:

#### Note 1. Net asset value, number and value of units

|  | Opening balance at<br>1 January 2014 | Closing balance at<br>31 December 2014 | One year ago at<br>31 December<br>2013 | Two years ago at<br>31 December 2012 |
|--|--------------------------------------|--|--|--------------------------------------|
| Net asset value, LTL                       | 42,039,776.60                        | 44,464,113.25                          | 42,039,776.60                          | 33,658,605.97                        |
| Unit (share) value, LTL                    | 119.7797                             | 120.2041                               | 119.7797                               | 115.5364                             |
| Number of units (shares) in<br>circulation | 350,976.0398                         | 369,905.4857                           | 350,976.0398                           | 291,324.6086                         |

#### Note 2. Number and value of units distributed and redeemed over the reporting period

|  | Current financial year |               | Previous financial year |               |
|--|------------------------|---------------|-------------------------|---------------|
|  | Number of units        | Value, LTL    | Number of units         | Value, LTL    |
| Distributed (by converting monetary<br>funds into units)                                 | 171,221.23             | 20,777,331.31 | 224,893.7923            | 26,607,098.69 |
| Redeemed (by converting units into<br>monetary funds)                                    | 152,291.78             | 18,487,716.02 | 330,355.6794            | 19,533,334.60 |
| Difference between the number and<br>value of units (shares) distributed<br>and redeemed | 18929.4459             | 2,289,615.29  | (105,461.8871)          | 7,073,764.09  |

Note 3. Structure of investment portfolio

2014

| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Market of reference for determining the market value (website address) | Share of votes held in the issuer, % | Share in net assets, % |
|---|---------|--------------|-----------------|------------------|-------------------------|--------------------|--|--------------------------------------|------------------------|
| <b>Equity securities listed on the Main List of Stock Exchange or its equivalent</b>          |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Equity securities listed on the Secondary List of Stock Exchange or its equivalent</b>     |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Equity securities traded on other regulated markets</b>                                    |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Newly issued equity securities</b>   |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total equity securities</b>  |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Non-equity securities listed on the Main List of Stock Exchange or its equivalent</b>      |         |              |                 |                  |                         |                    |  |                                      |                        |
| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Interest rate  | Date of redemption/ conversion       | Share in net assets, % |
| Latvia 1.875% 11/21/19  | LV      | LV0000570125 | 363             | 1,253,366        | 1,296,444.60            | 1,299,385.49       | 1.875  | 2019.11.21                           | 2.92                   |
| <b>Total</b>  | -       | -            | 363             |                  | 1,296,444.60            | 1,299,385.49       | -  | -                                    | 2.92                   |
| <b>Non-equity securities listed on the Secondary List of Stock Exchange or its equivalent</b> |         |              |                 |                  |                         |                    |  |                                      |                        |
| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Interest rate  | Date of redemption/ conversion       | Share in net assets, % |
| Q-Vara 2009/01/12   | EE      | EE3300079987 | 10              | 345,280.00       | 345,583.16              | 0.00               | 0  | 2009.01.12                           | 0                      |
| OTP Bank 5.27% 2016/09/19   | HU      | XS0268320800 | 552             | 1,905,945.60     | 1,837,091.44            | 2,020,064.30       | 5.27   | 2016.09.19                           | 4.5431                 |
| BULENR 4 ¼ 11/07/18   | BG      | XS0989152573 | 588             | 2,030,246.40     | 2,051,793.60            | 1997842.04         | 4.25   | 2018.11.07                           | 4.4932                 |
| SINEK 7.7% 2015/08/03   | LU      | XS0225785962 | 722             | 2,049,541.40     | 2,002,716.00            | 2,113,527.80       | 7.7  | 2015.08.03                           | 4.7533                 |
| BLTEBG 6.625 11/15/18   | BG      | XS0994993037 | 587             | 2,026,793.60     | 2,159,744.15            | 2,046,176.45       | 6.625  | 2018.11.15                           | 4.6019                 |
| Lithuania 5, 125% 2017/09/14  | LT      | XS0541528682 | 464             | 1,317,156.80     | 1,401,475.86            | 1,452,909.10       | 5.125  | 2017.09.14                           | 3.2676                 |
| VTB Bank 5,01% 2015/09/29   | LU      | XS0230683111 | 1,112           | 3,156,634.40     | 2,994,401.89            | 3,035,954.99       | 5.01   | 2015.09.29                           | 6.8279                 |
| Vimpelcom 8.25% 2016/05/23  | RU      | XS0253861834 | 384             | 1,090,060.80     | 1,056,688.03            | 1,066,958.26       | 8.25   | 2016.05.23                           | 2.3996                 |
| TURKTI 3.75% 06/19/19   | TR      | XS1028952155 | 1,055           | 2,994,828.50     | 2,745,053.34            | 3,021,304.79       | 3.75   | 2019.06.19                           | 6.7949                 |
| GRAIL 07/22/2015  | GE      | XS0523947751 | 491             | 1,393,801.70     | 1,403,957.34            | 1,501,528.01       | 9.875  | 2015.07.22                           | 3.3769                 |
| Bank St Petersburg 7.63% 07/25/17   | RU      | XS0312572984 | 494             | 1,402,317.80     | 1,255,729.14            | 1,176,883.77       | 7.63   | 2017.07.25                           | 2.6468                 |
| VIP 9.125% 04/30/2018   | RU      | XS0361041808 | 598             | 1,697,542.60     | 1,727,968.73            | 1,627,810.61       | 9.125  | 2018.04.30                           | 3.661                  |
| Romania 3.4% 01/21/2019   | RO      | RO1419DBE013 | 138             | 2,382,432.00     | 2,483,264.19            | 2,648,463.65       | 3.4  | 2019.01.21                           | 5.9564                 |

Note 3. Structure of investment portfolio (continued)

|                                |    |              |               |              |                      |                      |       |            |              |
|--------------------------------|----|--------------|---------------|--------------|----------------------|----------------------|-------|------------|--------------|
| HRELEC 6% 11/09/2017           | HR | XS0853036860 | 701           | 1,989,928.70 | 1,903,345.84         | 2,092,333.54         | 6     | 2017.11.09 | 4.7057       |
| MOSCOW 5.064 10/20/16          | RU | XS0271772559 | 476           | 1,643,532.80 | 1,786,774.35         | 1,604,104.28         | 5.064 | 2016.10.20 | 3.6076       |
| MOLHB 5 % 04/20/17             | HU | XS0503453275 | 521           | 1,798,908.80 | 1,995,368.11         | 1,984,961.31         | 5.875 | 2017.04.20 | 4.4642       |
| Croatia 6.5% 2015/01/05        | HR | XS0431967230 | 0             | 0.00         | 0.00                 | 0.00                 | 6.5   | 2015.01.05 | 0            |
| SLOREP 1 % 10/09/17            | SI | SI0002103396 | 620           | 2,140,736.00 | 2,195,774.32         | 2,219,248.56         | 1.75  | 2017.10.09 | 4.9911       |
| Bank of Georgia 7.75% 07/05/17 | GE | XS0783935561 | 551           | 1,564,123.70 | 1,647,958.32         | 1,666,902.66         | 7.75  | 2017.07.05 | 3.7489       |
| SBERRU 5 % 10/29/22 Corp       | RU | XS0848530977 | 625           | 1,774,187.50 | 1,535,790.77         | 1,396,919.25         | 5.125 | 2022.10.29 | 3.1417       |
| Lithuania 7.375% 02/11/20      | LT | XS0485991417 | 305           | 865,803.50   | 1,039,323.01         | 1,070,679.27         | 7.375 | 2020.02.11 | 2.408        |
| Romania 4.875% 2019/11/07      | RO | XS0852474336 | 50            | 172,640.00   | 197,500.16           | 201,751.49           | 4.875 | 2019.11.07 | 0.4537       |
| Croatia 5.875% 07/09/2018      | HR | XS0645940288 | 310           | 1,070,368.00 | 1,226,834.39         | 1,216,006.55         | 5.875 | 2018.07.09 | 2.7348       |
| Croatia 6.25% 04/27/2017       | HR | XS0776179656 | 542           | 1,538,575.40 | 1,629,909.61         | 1,654,993.61         | 6.25  | 2017.04.27 | 3.7221       |
| Slovenia 4.75% 05/10/18        | SI | XS0927637495 | 185           | 525,159.50   | 558,940.30           | 565,124.99           | 4.75  | 2018.05.10 | 1.271        |
| Gazprom 5.44% 2017/11/02       | RU | XS0290581569 | 265           | 914,992.00   | 873,908.86           | 872,822.85           | 5.44  | 2017.11.02 | 1.963        |
| <b>Total</b>                   |    |              | <b>12,346</b> |              | <b>40,056,894.92</b> | <b>40,255,272.13</b> |       |            | <b>90.53</b> |

Non-equity securities traded on other regulated markets

| Issuer's name                             | Country | ISIN code | Quantity, items | Total face value | Total acquisition value | Total market value   | Interest rate | Date of redemption/<br>conversion | Share in net assets, % |
|---|---------|-----------|-----------------|------------------|-------------------------|----------------------|---------------|-----------------------------------|------------------------|
| <b>Total</b>                              | -       | -         | -               | -                | -                       | -                    | -             | -                                 | -                      |
| <b>Newly issued non-equity securities</b> |         |           |                 |                  |                         |                      |               |                                   |                        |
|   | -       | -         | -               | -                | -                       | -                    | -             | -                                 | -                      |
| <b>Total</b>                              | -       | -         | -               | -                | -                       | -                    | -             | -                                 | -                      |
| <b>Total non-equity securities</b>        |         |           | <b>12,709</b>   |                  | <b>41,353,339.52</b>    | <b>41,554,657.62</b> | -             | -                                 | <b>93.46</b>           |

| Name of collective investment undertaking (CIU)   | Country | ISIN code | Quantity, items | Manager | Total acquisition value | Total market value | Market of reference for determining the market value (website address) | CIU type* | Share in net assets, % |
|---|---------|-----------|-----------------|---------|-------------------------|--------------------|--|-----------|------------------------|
| <b>Units (shares) of collective investment undertakings (CIU) that meet the requirements of Art. 61.1 of the Lithuanian Law on Collective Investment Undertakings</b> |         |           |                 |         |                         |                    |  |           |                        |
| <b>Total</b>  | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Units (shares) of other collective investment undertakings</b>   |         |           |                 |         |                         |                    |  |           |                        |
|   | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Total</b>  | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Total CIU units (shares):</b>  |         |           |                 |         |                         |                    |  |           |                        |

\* 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.).

Note 3. Structure of investment portfolio (continued)

| Issuer's name  | Country | Name of the instrument | Quantity, items | Currency                          | Total market value              | Interest rate         | Maturity date                        | Share in net assets, % |
|--|---------|------------------------|-----------------|-----------------------------------|---------------------------------|-----------------------|--------------------------------------|------------------------|
| Money market instruments traded on the regulated markets         |         |                        |                 |                                   |                                 |                       |                                      |                        |
| Total  | -       | -                      | -               | -                                 | -                               | -                     | -                                    | -                      |
| Other money market instruments                                   |         |                        |                 |                                   |                                 |                       |                                      |                        |
| JSC Bank of Georgia 6  |         |                        |                 | EUR                               | 1,077,389.34                    |                       | 2015.03.18                           | 2.42                   |
| Total  | -       | -                      | -               | -                                 | 1,077,389.34                    | -                     | -                                    | 2.42                   |
| Total money market instruments                                   |         |                        |                 |                                   | 1,077,389.34                    |                       |                                      | 2.42                   |
| Deposits held in credit institutions                             |         |                        |                 |                                   |                                 |                       |                                      |                        |
| Name of the credit institution                                   |         | Country                | Currency        | Total market value                | Interest rate                   | Deposit maturity date | Share in net assets, %               |                        |
| Deposits held in credit institutions                             |         |                        |                 |                                   |                                 |                       |                                      |                        |
|  |         | -                      | -               | -                                 | -                               | -                     | -                                    | -                      |
| Total deposits held in credit institutions                       |         |                        |                 |                                   |                                 |                       |                                      |                        |
|  |         |                        | -               | -                                 | -                               | -                     | -                                    | -                      |
| Derivative financial instruments traded on the regulated markets |         |                        |                 |                                   |                                 |                       |                                      |                        |
| Name of the instrument   | Country | Counterparty           | Currency        | Investment transaction (position) | Value of transaction (position) | Total market value    | Name of the market (website address) | Share in net assets, % |
| Derivative financial instruments traded on the regulated markets |         |                        |                 |                                   |                                 |                       |                                      |                        |
| -  | -       | -                      | -               | -                                 | -                               | -                     | -                                    | -                      |
| Total  | -       | -                      | -               | -                                 | -                               | -                     | -                                    | -                      |
| Other derivative financial instruments                           |         |                        |                 |                                   |                                 |                       |                                      |                        |
|  |         |                        |                 |                                   |                                 |                       |                                      |                        |
| FX1265228  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 1,372,319.69                    | (255,019.22)          | www.reuters.com                      | 2015.04.17 (0.57)      |
| FX1268669  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 3,512,770.14                    | (558,692.22)          | www.reuters.com                      | 2015.01.26 (1.26)      |
| FX1270955  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 227,454.11                      | (23,236.20)           | www.reuters.com                      | 2015.04.17 (0.05)      |
| FX1273756  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 301,810.87                      | (22,302.36)           | www.reuters.com                      | 2015.01.26 (0.05)      |
| FW_141201_2  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 632,000.00                      | (59,185.90)           | www.reuters.com                      | 2015.04.17 (0.13)      |
| FW_141204_1  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 68,819.78                       | (3,538.36)            | www.reuters.com                      | 2015.01.26 (0.01)      |
| FW1412151  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 254,372.02                      | (29,262.89)           | www.reuters.com                      | 2015.04.17 (0.07)      |
| FW_141223_2  | LT      | AB bankas Finasta      | USD             | USD/EUR                           | 155,854.75                      | (3,574.06)            | www.reuters.com                      | 2015.01.26 (0.01)      |
| Total  |         |                        |                 |                                   |                                 | (954,811.21)          |                                      | (2.15)                 |

Note 3. Structure of investment portfolio (continued)

| Name of the bank  | Currency | Total market value  | Interest rate | Share in net assets, % |
|-------------------|----------|---------------------|---------------|------------------------|
| <b>Cash</b>       |          |                     |               |                        |
| AB SEB bankas     | EUR      | 580,488.78          |               | 1.31                   |
| AB SEB bankas     | LTL      | 728,945.54          |               | 1.64                   |
| <b>Total cash</b> |          | <b>1,309,434.31</b> |               | <b>2.94</b>            |

| Name  | Brief description  | Total value         | Intended purpose | Share in net assets, % |
|---|--|---------------------|------------------|------------------------|
| <b>Other instruments not defined in Art. 57.1 of the Lithuanian Law on Collective Investment Undertakings</b> |  |                     |                  |                        |
| Amounts receivable  | Amount receivable on redeemed position of Gorenje                    | 1,533,043.20        |                  | 3.45                   |
| Amounts payable   | Accrued but unpaid fees to the management company and the depository | (55,600.01)         |                  | (0.13)                 |
| <b>Total</b>  |  | <b>1,477,443.19</b> |                  | <b>3.32</b>            |

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

The fund's assets are invested in CEE government and corporate debt securities and money market instruments.

At the end of the reporting period, the major portion of assets was invested in Lithuanian, Slovenian, Romanian, Croatian government debt securities and Russian, Georgian, Hungarian and other emerging Europe corporate debt securities.

The market prices of financial instruments had the major impact on the change in the value of the fund's investment portfolio.



| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Market of reference for determining the market value (website address) | Share of votes held in the issuer, % | Share in net assets, % |
|---|---------|--------------|-----------------|------------------|-------------------------|--------------------|--|--------------------------------------|------------------------|
| <b>Equity securities listed on the Main List of Stock Exchange or its equivalent</b>          |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Equity securities listed on the Secondary List of Stock Exchange or its equivalent</b>     |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>ITotal</b>   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Equity securities traded on other regulated markets</b>                                    |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Newly issued equity securities</b>   |         |              |                 |                  |                         |                    |  |                                      |                        |
|   | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total</b>  | -       | -            | -               | -                | -                       | -                  | -  | -                                    | -                      |
| <b>Total equity securities</b>  |         |              |                 |                  |                         |                    |  |                                      |                        |
| <b>Non-equity securities listed on the Main List of Stock Exchange or its equivalent</b>      |         |              |                 |                  |                         |                    |  |                                      |                        |
| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Interest rate  | Date of redemption/ conversion       | Share in net assets, % |
| Lithuania 5,2% 2018/03/28   | LT      | LT0000607053 | 20,581          | 7,106,208        | 2,217,994.67            | 2,388,894.16       | 5.2  | 2018.03.28                           | 5.68                   |
| Lithuania 5,5% 2022/05/17   | LT      | LT0000610057 | 7,000           | 2,416,960        | 763,653.29              | 826,754.56         | 5.5  | 2022.05.17                           | 1.97                   |
| <b>Total</b>  | -       | -            | 27,581          |                  | 2,981,647.96            | 3,215,648.71       | -  | -                                    | 7.65                   |
| <b>Non-equity securities listed on the Secondary List of Stock Exchange or its equivalent</b> |         |              |                 |                  |                         |                    |  |                                      |                        |
| Issuer's name   | Country | ISIN code    | Quantity, items | Total face value | Total acquisition value | Total market value | Interest rate  | Date of redemption/ conversion       | Share in net assets, % |
| Croatia 6,5% 2015/01/05   | HR      | XS0431967230 | 727             | 8,667,168.84     | 2,713,155.84            | 2,782,710.68       | 6.5  | 2015.01.05                           | 6.62                   |
| Romania 5,25% 2016/06/17  | RO      | XS0638742485 | 706             | 8,416,810.46     | 2,579,442.93            | 2,695,412.61       | 5.25   | 2016.06.17                           | 6.41                   |
| Q-Vara 2009/01/12   | EE      | EE3300079987 | 10              | 1,192,182.78     | 345,583.16              | -                  | -  | 2009.01.12                           | -                      |
| OTP Bank 5,27% 2016/09/19   | HU      | XS0268320800 | 652             | 7,773,031.75     | 2,145,465.16            | 2,341,011.90       | 5.27   | 2016.09.19                           | 5.57                   |
| Vimpelcom 6,493 2016/02/02  | IE      | XS0587030957 | 300             | 2,599,751.23     | 846,182.31              | 825,933.03         | 6.49   | 2016.02.02                           | 1.96                   |
| MOL 3,875% 2015/10/05   | HU      | XS0231264275 | 677             | 8,071,077.45     | 2,283,108.78            | 2,411,386.80       | 3.86   | 2015.10.05                           | 5.74                   |
| Avangard 10% 2015/10/29   | CY      | XS0553088708 | 496             | 4,298,255.37     | 1,255,792.04            | 1,266,181.61       | 10   | 2015.10.29                           | 3.01                   |
| SINEK 7,7% 2015/08/03   | LU      | XS0225785962 | 585             | 5,069,514.90     | 1,637,973.84            | 1,610,504.80       | 7.7  | 2015.08.03                           | 3.83                   |
| Zhalkmunai 10,5% 2015/10/19   | KZ      | USN97708AA49 | 895             | 7,755,924.51     | 2,518,044.45            | 2,413,817.71       | 10.5   | 2015.10.19                           | 5.74                   |
| Agrokor 10% 2016/12/07  | HR      | XS0471612076 | 440             | 5,245,604.25     | 2,019,352.02            | 1,619,444.34       | 10   | 2016.12.07                           | 3.85                   |

Note 3. Structure of investment portfolio (continued)

|  |    |              |                  |              |                      |                      |      |            |              |
|--|----|--------------|------------------|--------------|----------------------|----------------------|------|------------|--------------|
| Gaz Capital Via Gaz Capital SA bonds 8.146% 2018.04.11         | RU | XS0357281558 | 560              | 4,852,868.97 | 1,748,633.76         | 1,689,566.05         | 8.15 | 2018.04.11 | 4.02         |
| VTB Bank 5.01% 2015/09/29                                      | LU | XS0230683111 | 1,029            | 8,917,146.73 | 2,787,181.58         | 2,688,944.41         | 5.01 | 2015.09.29 | 6.40         |
| Telekom Slovenije 4.875% 2016/12/21                            | SI | XS0473928371 | 460              | 5,484,040.81 | 1,681,690.08         | 1,630,961.02         | 4.88 | 2016.12.21 | 3.88         |
| Vimpelcom 8.25% 2016/05/23                                     | RU | XS0253861834 | 380              | 3,293,018.23 | 1,104,686.51         | 1,069,672.23         | 8.25 | 2016.05.23 | 2.54         |
| Lithuania 4.85% 2018/02/07                                     | LT | XS0327304001 | 246              | 2,932,769.65 | 934,327.68           | 974,231.62           | 4.85 | 2018.02.07 | 2.32         |
| Slovenia 4.375% 2014/04/02                                     | SI | SI0002102935 | 552              | 6,580,848.97 | 1,655,085.87         | 1,982,554.70         | 4.38 | 2014.04.02 | 4.72         |
| Slovenia 2.75% 2015/03/17                                      | SI | SI0002103065 | 470              | 5,603,259.08 | 1,658,404.35         | 1,679,878.11         | 2.75 | 2015.03.17 | 4.00         |
| GRAIL 07/22/2015   | GE | XS0523947751 | 424              | 3,674,315.07 | 1,218,651.19         | 1,201,936.36         | 9.88 | 2015.07.22 | 2.86         |
| Bank St Petersburg 7.63% 07/25/17                              | RU | XS0312572984 | 406              | 3,518,330    | 1,050,174.18         | 1,034,130.04         | 7.63 | 2017.07.25 | 2.46         |
| Romania Government Bonds 6.5% 2018.06.18                       | RO | XS0371163600 | 183              | 2,181,694.49 | 744,321.27           | 744,276.04           | 6.5  | 2018.06.18 | 1.77         |
| <b>Total</b>   |    |              | <b>10,198</b>    |              | <b>32,927,256.99</b> | <b>32,662,554.05</b> |      |            | <b>77.69</b> |
| <b>Non-equity securities traded on other regulated markets</b> |    |              |                  |              |                      |                      |      |            |              |
| <b>Newly issued non-equity securities</b>                      |    |              |                  |              |                      |                      |      |            |              |
|  | -  | -            | -                | -            | -                    | -                    | -    | -          | -            |
| <b>Total</b>   | -  | -            | -                | -            | -                    | -                    | -    | -          | -            |
| <b>Total non-equity securities</b>                             | -  | -            | <b>37,779.00</b> | -            | <b>35,908,904.95</b> | <b>35,878,202.77</b> | -    | -          | <b>85.34</b> |

| Name of collective investment undertaking (CIU)   | Country | ISIN code | Quantity, items | Manager | Total acquisition value | Total market value | Market of reference for determining the market value (website address) | CIU type* | Share in net assets, % |
|---|---------|-----------|-----------------|---------|-------------------------|--------------------|--|-----------|------------------------|
| <b>Units (shares) of collective investment undertakings (CIU) that meet the requirements of Art. 61.1 of the Lithuanian Law on Collective Investment Undertakings</b> |         |           |                 |         |                         |                    |  |           |                        |
| <b>Total</b>  | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Units (shares) of other collective investment undertakings</b>   |         |           |                 |         |                         |                    |  |           |                        |
|   | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Total</b>  | -       | -         | -               | -       | -                       | -                  | -  | -         | -                      |
| <b>Total CIU units (shares)</b>   |         |           |                 |         |                         |                    |  |           |                        |

\* 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.).

Note 3. Structure of investment portfolio (continued)

| Issuer's name   | Country | Name of the instrument | Quantity, items | Currency | Total market value | Interest rate | Maturity date | Share in net assets, % |
|---|---------|------------------------|-----------------|----------|--------------------|---------------|---------------|------------------------|
| <b>Money market instruments traded on the regulated markets</b> |         |                        |                 |          |                    |               |               |                        |
| Total   | -       | -                      | -               | -        | -                  | -             | -             | -                      |
| <b>Other money market instruments</b>                           |         |                        |                 |          |                    |               |               |                        |
| JSC Bank of Georgia 4   |         |                        |                 | EUR      | 1,048,625.34       |               | 2014.10.16    | 2.49                   |
| JSC Bank of Georgia 2   |         |                        |                 | EUR      | 1,072,441.27       |               | 2014.04.03    | 2.55                   |
| JSC Bank of Georgia 3   |         |                        |                 | EUR      | 765,230.05         |               | 2014.05.08    | 1.82                   |
| Total   | -       | -                      | -               | -        | 2,886,296.65       | -             | -             | 6.86                   |
| Total money market instruments                                  |         |                        |                 |          | 2,886,296.65       |               |               | 6.86                   |

| Name of the credit institution                  | Country | Currency | Total market value | Interest rate | Deposit maturity date | Share in net assets, % |
|---|---------|----------|--------------------|---------------|-----------------------|------------------------|
| <b>Deposits held in the credit institutions</b> |         |          |                    |               |                       |                        |
| Total deposits held in the credit institutions  | -       | -        | -                  | -             | -                     | -                      |

| Name of the instrument  | Issuer | Country | Counterparty      | Currency | Investment transaction (position) | Value of transactions (position) | Total market value | Name of the market (website address) | Maturity date | Share in net assets, % |
|---|--------|---------|-------------------|----------|-----------------------------------|----------------------------------|--------------------|--------------------------------------|---------------|------------------------|
| <b>Derivative financial instruments traded on the regulated markets</b> |        |         |                   |          |                                   |                                  |                    |                                      |               |                        |
| Total   | -      | -       | -                 | -        | -                                 | -                                | -                  | -                                    | -             | -                      |
| <b>Other derivative financial instruments</b>                           |        |         |                   |          |                                   |                                  |                    |                                      |               |                        |
| FWD14273  |        | LT      | AB SEB bankas     | USD      | USD/EUR                           | 1,246,506.01                     | 162,654.54         | www.reuters.com                      | 2014.01.24    | 0.39                   |
| FW1310251   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 715,162.90                       | (15,696.29)        | www.reuters.com                      | 2014.04.25    | (0.04)                 |
| FW1308262   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 1,213,048.30                     | 33,342.17          | www.reuters.com                      | 2014.02.28    | 0.08                   |
| FW1309161   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 2,864,644.59                     | 78,467.85          | www.reuters.com                      | 2014.03.18    | 0.19                   |
| FW1311041   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 192,208.18                       | 11,056.04          | www.reuters.com                      | 2014.03.19    | 0.03                   |
| FW1311222   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 168,751.39                       | 10,384.23          | www.reuters.com                      | 2014.03.20    | 0.02                   |
| FW1311261   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 90,647.80                        | 4,258.96           | www.reuters.com                      | 2014.03.21    | 0.01                   |
| FW1312053   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 293,793.61                       | 10,349.01          | www.reuters.com                      | 2014.04.25    | 0.02                   |
| FW1312313   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 166,654.59                       | (1,902.53)         | www.reuters.com                      | 2014.04.25    | -                      |
| FW1312161   |        | LT      | AB bankas Finasta | USD      | USD/EUR                           | 166,655.59                       | (213.66)           | www.reuters.com                      | 2014.04.26    | -                      |
| Total   |        |         |                   |          |                                   |                                  | 292,700.32         |                                      |               | 0.70                   |

Note 3. Structure of investment portfolio (continued)

|             | Name of the bank  | Currency | Total market value  | Interest rate | Share in net assets, % |
|-------------|-------------------|----------|---------------------|---------------|------------------------|
| <b>Cash</b> |                   |          |                     |               |                        |
|             | AB SEB bankas     | EUR      | 3,030,664.89        |               | 7.21                   |
|             | AB SEB bankas     | LTL      | 2,018.65            |               | -                      |
|             | AB SEB bankas     | USD      | 3,978.59            |               | 0.01                   |
|             | <b>Total cash</b> |          | <b>3,036,662.12</b> |               | <b>7.22</b>            |

|   | Name            | Brief description  | Total value        | Intended purpose | Share in net assets, % |
|---|-----------------|--|--------------------|------------------|------------------------|
| <b>Other instruments not defined in Art. 57.1 of the Lithuanian Law on Collective Investment Undertakings</b> |                 |  |                    |                  |                        |
|   | Amounts payable | Accrued but unpaid fees to the management company and the depository | (53,486.36)        |                  | (0.13)                 |
|   | Amounts payable | Other amounts payable  | (598.89 )          |                  | 0.00                   |
|   | <b>Total</b>    |  | <b>(53,486.36)</b> |                  | <b>(0.13)</b>          |

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

The fund's assets are invested in CEE government and corporate debt securities and money market instruments.

At the end of the reporting period, the major portion of assets was invested in Lithuanian, Slovenian, Romanian, Croatian government debt securities and Russian, Georgian, Hungarian and other emerging Europe corporate debt securities.

The market prices of financial instruments had the major impact on the change in the value of the fund's investment portfolio.

**Note 4. Breakdown of investments by the criteria that meet the investment strategy**

**By investment object**

| Breakdown of investments          | Market value         | Share in assets,<br>% | Market value at<br>January 1 | Share in assets<br>at 1 January, % |
|-----------------------------------|----------------------|-----------------------|------------------------------|------------------------------------|
| <b>By investment object</b>       |                      |                       |                              |                                    |
| Shares                            | -                    | -                     | -                            | -                                  |
| Government debt securities        | 12,328,562.71        | 27.73                 | 14,074,712.48                | 33.48                              |
| Corporate debt securities         | 29,226,094.91        | 65.73                 | 21,803,490.28                | 51.86                              |
| Collective investment instruments | -                    | -                     | -                            | -                                  |
| Money market instruments          | 1,077,389.34         | 2.42                  | 2,886,296.65                 | 6.87                               |
| Deposits                          | -                    | -                     | -                            | -                                  |
| Derivative financial instruments  | (954,811.21)         | (2.15)                | 292,700.31                   | 0.70                               |
| Cash held in credit institutions  | 1,309,434.31         | 2.94                  | 3,036,662.12                 | 7.22                               |
| Other instruments                 | -                    | -                     | -                            | -                                  |
| <b>Total</b>                      | <b>42,986,670.06</b> | <b>96.68</b>          | <b>42,093,861.85</b>         | <b>100.13</b>                      |

**By industry sector**

| Breakdown of investments          | Market value         | Share in assets,<br>% | Market value at<br>January 1 | Share in assets<br>at 1 January, % |
|-----------------------------------|----------------------|-----------------------|------------------------------|------------------------------------|
| Telecommunications                | 7,762,250.11         | 17.46                 | 3,526,566.28                 | 8.39                               |
| Health care                       | -                    | -                     | -                            | -                                  |
| Emergency goods and services      | -                    | -                     | -                            | -                                  |
| Convenience goods and services    | -                    | -                     | 2,885,625.95                 | 6.86                               |
| Financial services                | 9,296,724.98         | 20.91                 | 6,064,086.35                 | 14.42                              |
| Information technology            | -                    | -                     | -                            | -                                  |
| Industrial materials              | -                    | -                     | -                            | -                                  |
| Utility goods and services        | 5,694,279.86         | 12.81                 | -                            | -                                  |
| Energy                            | 4,971,311.95         | 11.18                 | 8,125,275.36                 | 19.33                              |
| Transportation                    | 1,501,528.01         | 3.38                  | 1,201,936.36                 | 2.86                               |
| Derivative financial instruments  | (954,811.21)         | (2.15)                | 292,700.31                   | 0.70                               |
| Government securities             | 12,328,562.71        | 27.73                 | 14,074,712.48                | 33.48                              |
| Collective investment instruments | -                    | -                     | -                            | -                                  |
| <b>Total</b>                      | <b>40,599,846.41</b> | <b>91.31</b>          | <b>36,170,903.08</b>         | <b>86.04</b>                       |

**By currency**

| Breakdown of investments | Market value         | Share in assets,<br>% | Market value at<br>January 1 | Share in assets<br>at 1 January, % |
|--------------------------|----------------------|-----------------------|------------------------------|------------------------------------|
| LTL                      | (225,865.67)         | (0.51)                | 3,510,367.67                 | 8.35                               |
| EUR                      | 19,768,705.07        | 44.46                 | 24,778,829.37                | 58.94                              |
| USD                      | 23,443,830.66        | 52.73                 | 13,804,664.82                | 32.84                              |
| <b>Total</b>             | <b>42,986,670.06</b> | <b>96.68</b>          | <b>42,093,861.85</b>         | <b>100.13</b>                      |

**Note 4. Breakdown of investments by criteria that meet the investment strategy (continued)**

**By geographical area**

| Breakdown of investments | Market value         | Share in assets,<br>% | Market value at<br>January 1 | Share in assets<br>at 1 January, % |
|--------------------------|----------------------|-----------------------|------------------------------|------------------------------------|
| Lithuania                | 2,878,211.47         | 6.47                  | 7,519,242.77                 | 17.89                              |
| Ireland                  | -                    | -                     | 825,933.03                   | 1.96                               |
| Georgia                  | 4,245,820.01         | 9.55                  | 4,088,233.01                 | 9.72                               |
| Kazakhstan               | -                    | -                     | 2,413,817.71                 | 5.74                               |
| Cyprus                   | -                    | -                     | 1,266,181.61                 | 3.01                               |
| Croatia                  | 4,963,333.71         | 11.16                 | 4,402,155.03                 | 10.47                              |
| Luxemburg                | 5,149,482.79         | 11.58                 | 4,299,449.21                 | 10.23                              |
| Bulgaria                 | 4,044,018.49         | 9.10                  | -                            | -                                  |
| Romania                  | 2,850,215.13         | 6.41                  | 3,439,688.65                 | 8.18                               |
| Slovenia                 | 2,784,373.55         | 6.26                  | 5,293,393.83                 | 12.59                              |
| Russia                   | 7,745,499.02         | 17.42                 | -                            | 9.02                               |
| Turkey                   | 3,021,304.79         | 6.79                  | 3,793,368.31                 | -                                  |
| Hungary                  | 4,005,025.61         | 9.01                  | 4,752,398.70                 | 11.30                              |
| Latvia                   | 1,299,385.49         | 2.92                  | -                            | -                                  |
| <b>Total</b>             | <b>42,986,670.06</b> | <b>96.68</b>          | <b>42,093,861.85</b>         | <b>100.11</b>                      |

**By type of issuer**

| Breakdown of investments  | Market value         | Share in assets,<br>% | Market value at<br>January 1 | Share in assets<br>at 1 January, % |
|---|----------------------|-----------------------|------------------------------|------------------------------------|
| Government of the Republic of Lithuania   | 2,523,588.37         | 5.68                  | 4,189,880.33                 | 9.97                               |
| Governments of other countries  | 9,804,974.34         | 22.05                 | 9,884,832.15                 | 23.51                              |
| Companies registered in the Republic of Lithuania                               | -                    | -                     | 292,700.31                   | 0.70                               |
| Companies registered outside the Republic of Lithuania                          | 29,226,094.91        | 65.73                 | 21,803,490.28                | 51.86                              |
| Collective investment undertakings registered in the Republic of Lithuania      | -                    | -                     | -                            | -                                  |
| Collective investment undertakings registered outside the Republic of Lithuania | -                    | -                     | -                            | -                                  |
| Other   | (954,811.21)         | (2.15)                | -                            | -                                  |
| <b>Total</b>  | <b>40,599,846.41</b> | <b>91.31</b>          | <b>36,170,903.08</b>         | <b>86.04</b>                       |

**Note 5. Change in value of investments**

**2014**

| Items reported in the statement of net assets                         | Change                      |                          |                                 |                      |                     | Balance at 31 December 2014 |
|---|-----------------------------|--------------------------|---------------------------------|----------------------|---------------------|-----------------------------|
|   | Balance at 31 December 2013 | Acquired over the period | Sold (redeemed) over the period | Increase in value    | Decrease in value   |                             |
| Time deposits   | -                           | -                        | -                               | -                    | -                   | -                           |
| Money market instruments  | 2,886,296.65                | 3,775,523.65             | 5,746,902.19                    | 162,471.23           | -                   | 1,077,389.34                |
| Debt securities <sup>2</sup>  | 35,878,202.77               | 59,682,759.97            | 56,870,582.71                   | 10,445,214.47        | 7,580,936.88        | 41,554,657.62               |
| Debt securities issued or guaranteed by governments and central banks | 14,074,712.48               | 28,912,487.17            | 31,609,634.09                   | 1,780,361.92         | 829,364.77          | 12,328,562.71               |
| Other debt securities   | 21,803,490.28               | 30,770,272.80            | 25,260,948.63                   | 8,664,852.55         | 6,751,572.10        | 29,226,094.91               |
| Equity securities   | -                           | -                        | -                               | -                    | -                   | -                           |
| Units and shares of collective investment undertakings                | -                           | -                        | -                               | -                    | -                   | -                           |
| Derivative financial instruments <sup>1</sup>                         | 292,700.31                  | -                        | (1,093,395.34)                  | -                    | 2,340,906.87        | (954,811.21)                |
| <b>Total</b>  | <b>39,057,199.73</b>        | <b>63,458,283.62</b>     | <b>61,524,089.57</b>            | <b>10,607,685.70</b> | <b>9,921,843.74</b> | <b>41,677,235.75</b>        |

<sup>1</sup> Balance at 31 December 2013 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.

<sup>2</sup> Balance at 31 December 2013 reflects the fair value of debt 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.

**2013**

| Items reported in the statement of net assets                         | Change                      |                          |                                 |                     |                     | Balance at 31 December 2013 |
|---|-----------------------------|--------------------------|---------------------------------|---------------------|---------------------|-----------------------------|
|   | Balance at 31 December 2012 | Acquired over the period | Sold (redeemed) over the period | Increase in value   | Decrease in value   |                             |
| Time deposits   | -                           | -                        | -                               | -                   | -                   | -                           |
| Money market instruments  | 2.038.308,00                | 2.827.539,35             | 2.085.589,12                    | 106.038,42          | -                   | 2.886.296,65                |
| Debt securities <sup>2</sup>  | 31.108.693,60               | 20.262.658,15            | 16.728.481,48                   | 7.244.558,74        | 6.009.226,25        | 35.878.202,77               |
| Debt securities issued or guaranteed by governments and central banks | 16.211.252,05               | 8.880.834,84             | 11.606.523,43                   | 1.413.424,00        | 824.274,98          | 14.074.712,48               |
| Other debt securities   | 14.897.441,55               | 11.381.823,31            | 5.121.958,05                    | 5.831.134,74        | 5.184.951,27        | 21.803.490,28               |
| Equity securities   | -                           | -                        | -                               | -                   | -                   | -                           |
| Units and shares of collective investment undertakings                | -                           | -                        | -                               | -                   | -                   | -                           |
| Derivative financial instruments <sup>1</sup>                         | 153.200,49                  | -                        | 263.987,38                      | 403.487,20          | -                   | 292.700,31                  |
| <b>Total</b>  | <b>33.300.202,09</b>        | <b>23.090.197,50</b>     | <b>19.078.057,98</b>            | <b>7.754.084,36</b> | <b>6.009.226,25</b> | <b>39.057.199,73</b>        |

<sup>1</sup> Balance at 31 December 2012 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.

<sup>2</sup> Balance at 31 December 2012 reflects the fair value of debt 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 6. Results of sale of investments

During 2014, the undertaking had no sale transactions involving financial instruments other than those measured at fair value.

#### Note 7. Derivative financial instruments

The following transactions involving derivative financial instruments were conducted over the reporting period:

| Category of instrument | Settlement date | Gain/loss             | Currency   | Intended purpose of the derivative | Comments                        |
|------------------------|-----------------|-----------------------|------------|------------------------------------|---------------------------------|
| Currency forwards*     | 2014.01.24      | 140,591.90            | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.02.28      | 30,065.36             | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.02.28      | 8,792.20              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.02.28      | 9,240.28              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.02.28      | 3,399.56              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.02.28      | (472.76)              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.03.18      | (11,255.26)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.03.18      | 107,967.60            | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.04.25      | 1,082.00              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.04.25      | (2,857.36)            | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.04.25      | 15,553.28             | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (1,199.92)            | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (42,925.83)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (41,609.04)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (11,313.38)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (16,773.91)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | 7,795.52              | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.18      | (72,433.81)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.24      | (39,378.91)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.29      | (31,928.70)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.07.30      | (25,999.58)           | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.10.17      | (220,753.73)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.10.27      | (359,321.54)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.10.27      | (177,298.52)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.10.27      | (167,292.41)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2014.10.27      | (195,068.42)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| <b>Total</b>           |                 | <b>(1,093,395.34)</b> | <b>LTL</b> |                                    |                                 |

\*transaction with AB SEB bank. All other transactions with AB bankas Finasta



Transactions that expired over the reporting period:

| Number of transactions | Purchase |                      | Sale     |                      | Gain (loss) as at 31 December 2014, LTL |
|------------------------|----------|----------------------|----------|----------------------|---|
|                        | Currency | Amount, LTL          | Currency | Amount, LTL          |   |
| 2                      | USD      | 2,757,793.53         | EUR      | 2,757,793.53         | (75,693.56)                             |
| 23                     | EUR      | 69,103,203.79        | USD      | 69,103,203.79        | (1,017,701.78)                          |
| <b>Total</b>           |          | <b>71,860,997.32</b> |          | <b>71,860,997.32</b> | <b>(1,093,395.34)</b>                   |

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

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

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

| Category of instrument | Value of liabilities at 31 December 2014 | Currency   | Comments                        |
|------------------------|--|------------|---------------------------------|
| Currency forwards      | (954,811.21)                             | LTL        | Not traded on regulated markets |
| <b>Total</b>           | <b>(954,811.21)</b>                      | <b>LTL</b> |                                 |

| Category of instrument | Settlement date | Gain/loss           | Currency   | Intended purpose of the derivative | Comments                        |
|------------------------|-----------------|---------------------|------------|------------------------------------|---------------------------------|
| Currency forwards      | 2015.04.17      | (255,019.22)        | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.01.26      | (558,692.22)        | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.04.17      | (23,236.20)         | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.01.26      | (22,302.36)         | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.04.17      | (59,185.89)         | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.04.17      | (3,538.36)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards is   | 2015.06.17      | (29,262.89)         | LTL        | Currency risk hedging              | Not traded on regulated markets |
| Currency forwards      | 2015.06.17      | (3,574.06)          | LTL        | Currency risk hedging              | Not traded on regulated markets |
| <b>Total</b>           |                 | <b>(954,811.21)</b> | <b>LTL</b> |                                    |                                 |

Unexpired transactions involving derivative financial instruments:

| Number of transactions | Purchase |                      | Sale     |                      | Gain (loss) as at 31 December 2014, LTL |
|------------------------|----------|----------------------|----------|----------------------|---|
|                        | Currency | Amount, LTL          | Currency | Amount, LTL          |   |
| 8                      | EUR      | 22,530,905.82        | USD      | 22,530,905.82        | (954,811.21)                            |
| <b>Total</b>           |          | <b>22,530,905.82</b> |          | <b>22,530,905.82</b> | <b>(954,811.21)</b>                     |

Note 8. Costs of intermediary fees

| Name of the intermediary | Description of services rendered  | Fee for the services at 31 December 2014, LTL | Fee for the services at 31 December 2013, LTL | Relationship of the intermediary to the management company              |
|--------------------------|---|---|---|---|
| Finasta Bankas AB        | Commission fee for intermediation services in transactions involving securities | 1,488.53                                      | 178.27  | The management company and Finasta bankas AB are part of the same group |
| <b>Total</b>             |   | <b>1,488.53</b>                               | <b>178.27</b>                                 |   |

Note 9. Dividends and other benefits assessed and/or paid to the participants that do not result in changes in units

The subfund did not pay and did not account for any dividends payable to its clients over the reporting period.

Note 10. Borrowings and loans granted

The subfund had no borrowings for its own needs as at the end and over the reporting period.

Note 11. 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 12. Related-party transactions over the financial year and previous financial year

Transactions with Finasta Bankas AB have been disclosed in Notes 7 and 8, and transactions with the management company and year-end balances arising on these transactions have been disclosed in Notes 3 and 19.

Note 13. 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 to 31 December 2014 the subfund applied accounting policies consistent with those applied in the previous financial year.

Upon notice of an error, the type of GRAIL 07/22/2015 non-equity securities was changed from government bonds to corporate bonds. Accordingly, the relevant line items were reclassified in comparative statements for 2013 (statement of changes in net assets, Notes 4 and 5) as follows: the line item 'Non-equity securities issued or guaranteed by governments or central banks' was reduced by LTL 1,201,936.36 (2.86% of net asset value), and the line item 'Other non-equity securities' was reduced by the same amount. This error had no impact on net asset value.

Note 14. 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

Changes in the position of Director General and company name:

- With effect from 24 January 2015, Mr Darius Šulnis became Director General of the management company.
- On 27 March 2015, the management company registered its new name with the Register of Legal Entities and currently continues its activities under the name of INVLT Asset Management UAB.

Note 15. 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 16. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking

There is no other significant information on the subfund's financial position.

## Note 17. Financial risk and risk management methods

### Description of risks that affect the subfund

The subfund incurs the following risk factors: interest rate risk, credit risk, inflation risk, market liquidity risk, foreign exchange risk, counterparty and settlement risk, political and legal risk, subfund's investment objective and investment policy risk.

### Liquidity risk

At the end of 2014, the subfund had no significant financial debts. Liabilities under currency forward contracts accounted for only 2.15% of the fund's assets (the relevant tables contained in these financial statements disclose maturity dates of these contracts), consequently, the fund's assets significantly exceeded these liabilities.

This risk is managed on the basis of exposure limits: exposure limit per single counterparty or issuer may not exceed 20% of net asset value.

### Sensitivity analysis – share and bond market risk

*Beta* ratio is the best measure of the subfund's sensitivity to market risk (calculated using the subfund's data and the subfund's benchmark index data).

At the end of 2014, the fund's *Beta* ratio was 0.48 (for 12 months). This implies that a 1% change in the fund's benchmark index will result in average 0.48% change in the fund's value.

The sensitivity analysis is based on the following assumptions:

- historical correlation that existed between the fund's investments and their benchmark index will still be relevant in the future;
- there is a linear correlation between the fund's value and the values of benchmark index over time.

The best measure of the fund's sensitivity to bond market risk is a ratio of average modified duration of the fund's debt securities. At the end of the reporting period, this ratio was 2.44.

This implies that a 0.01 p.p. increase (decrease) in the interest rate will result in 0.0244% decrease (increase) in the value of the fund's debt securities.

## Note 18. Return on investments and benchmarks for investments:

### *18.1 Benchmark index (if selected) and brief description:*

The subfund uses the following composite benchmark index:

As from 29 October 2010:  $0.5 * \text{JP Morgan Euro Emerging Markets Bond Index Diversified Europe (JP Morgan Euro EMBI Diversified Europe)} + 0.4 * \text{JP Morgan Corporate Emerging Markets Bond Index Broad Europe (CEMBI Broad Europe)} + 0.1 * \text{VILIBOR 1 Month}$ .

JP Morgan Euro Emerging Markets Bond Index Diversified Europe – Emerging Europe bond index, EUR.

JP Morgan Corporate Emerging Markets Bond Index Broad Europe – Emerging Europe corporate bond index, USD.

VILIBOR 1M is an average interbank interest rate at which the banks are willing (ready) to lend funds in LTL to other banks for the term of 1 month.

**Note 18. Return on investments and benchmarks for investments (continued)**

**18.2. Change in value of unit, change in annual gross and annual net return on investments, change in value of benchmark index (%):**

|  | Over the reporting period | 1 year ago | 2 years ago | 10 years ago |
|--|---------------------------|------------|-------------|--------------|
| Change in value of unit (share) <sup>1</sup>   | 0.35                      | 3.67       | 15.72       | -            |
| Change in value of benchmark index   | (0.91)                    | 1.78       | 17.87       | -            |
| Annual net return on investments <sup>2</sup>  | 0.39                      | 3.74       | 15.82       | -            |
| Annual gross return on investments <sup>3</sup>  | 1.56                      | 4.90       | 17.22       | -            |
| Standard deviation of change in value of unit (share) <sup>4</sup>                         | 2.07                      | 1.13       | 1.69        | -            |
| Standard deviation of change in value of benchmark index <sup>5</sup>                      | 5.43                      | 3.61       | 2.44        | -            |
| Correlation factor between value of unit (share) and value of benchmark index <sup>6</sup> | 94.64                     | 84.07      | 87.45       | -            |
| Index tracking error <sup>7</sup>  | 3.02                      | 4.75       | 1.63        | -            |
| Alfa ratio <sup>8</sup>  | 0.76                      | 3.21       | 1.31        | -            |
| Beta ratio <sup>9</sup>  | 0.48                      | 0.24       | 0.81        | -            |

<sup>1</sup> Change in value of unit (share) does not take into account the distribution fee.

<sup>2</sup> Annual net return on investments is return on investments of investment instrument portfolio, which takes into account investment management fees charged by the fund and trading costs.

<sup>3</sup> Annual gross return on investments is return on investments of investment instrument portfolio, which takes into account only the trading costs.

<sup>4</sup> Standard deviation of change in value of unit (share) is a standard risk indicator, which shows how far the changes in value of unit (share) are spread above and below the mean change.

<sup>5</sup> Standard deviation of change in value of benchmark index is a statistical risk indicator, which shows how far the changes in value of benchmark index are spread above and below the mean change.

<sup>6</sup> Correlation factor between value of unit (share) and value of benchmark index is a ratio, which shows statistical dependence between the values of unit and the values of benchmark index.

<sup>7</sup> Index tracking error is a ratio, which shows how closely the changes in value of unit match (or follow) the changes in value of benchmark index.

<sup>8</sup> Alfa ratio is a ratio, which shows the difference between the change in value of unit of pension fund or collective investment undertaking and the change in value of benchmark index, given a comparable risk level.

<sup>9</sup> Beta ratio is a ratio, which shows the scope of change in value of unit of the pension fund or collective investment undertaking as compared to the change in the value of benchmark index.

**18.3. Average return on investments, average change in value of unit and average change in value of benchmark index(%):**

|  | Over the last 3 years | Over the last 5 years | Over the last 10 years | Since start of operations* |
|--|-----------------------|-----------------------|------------------------|----------------------------|
| Average change in value of unit <sup>1</sup>                               | 6.38                  | 4.51                  | -                      | 4.51                       |
| Average change in value of benchmark index <sup>2</sup>                    | 5.93                  | 3.87                  | -                      | 3.87                       |
| Average net return on investments <sup>3</sup>                             | 6.45                  | 4.02                  | -                      | 4.02                       |
| Average gross return on investments <sup>4</sup>                           | 7.69                  | 3.07                  | -                      | 3.07                       |
| Average standard deviation of change in value of unit (share) <sup>5</sup> | 1.71                  | 1.98                  | -                      | 1.98                       |

<sup>1</sup> Average change in value of unit is calculated as a geometric mean of annual changes in value of accounting unit.

<sup>2</sup> Average change in value of benchmark index is calculated as a geometric mean of annual changes in value of accounting unit.

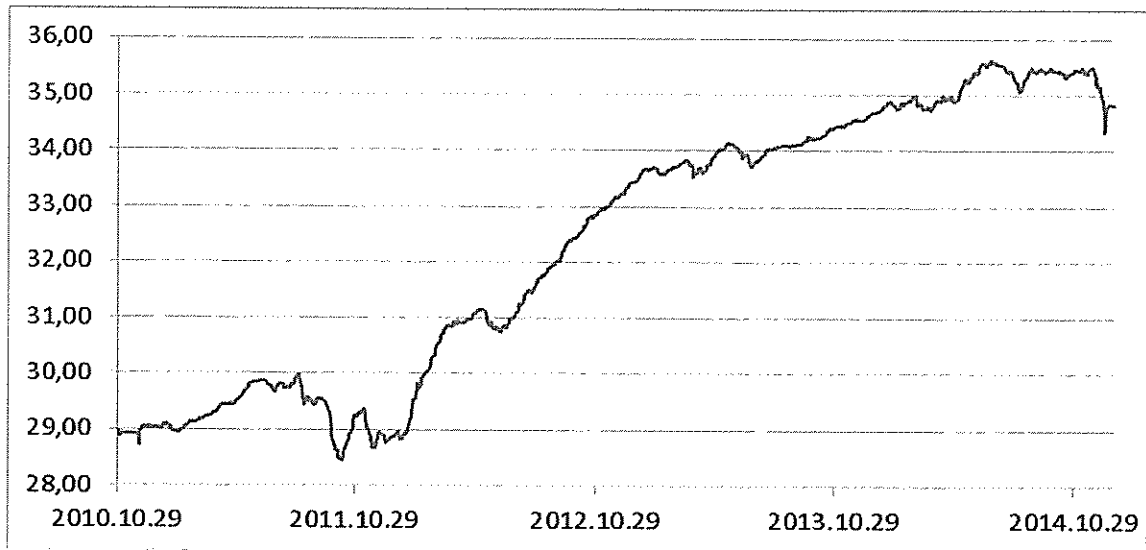
<sup>3</sup> Average net return on investments is calculated as a geometric mean of annual changes in net return on investments.

<sup>4</sup> Average gross return on investments is calculated as a geometric mean of annual changes in gross return on investments.

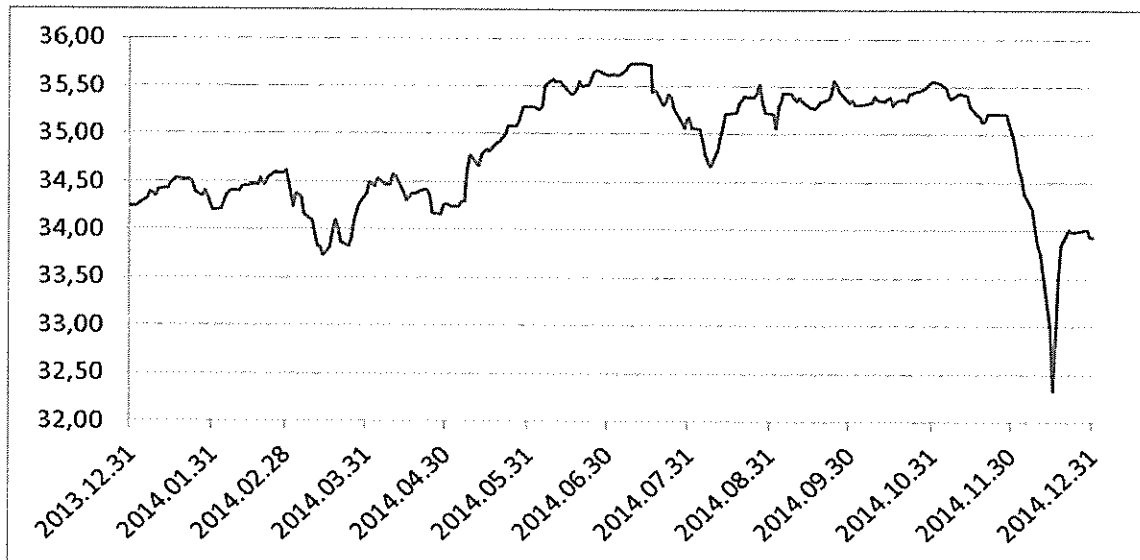
<sup>5</sup> Average standard deviation of change in value of unit (share) is a standard annual deviation of change in value of accounting unit over the specified period.

Note 18. Return on investments and benchmarks for investments (continued)

Change in value of unit since start of the subfund's operations



Change in value of benchmark index over the period from 31 December 2013 to 31 December 2014



**Note 19. Expense ratios and turnover rates**

**2014**

| Types of deductions<br>(fees/charges)  | Rates of deductions (fees/charges)   |  | Amount of<br>deductions<br>charged for the<br>reporting period,<br>LTL | % of average net<br>asset value for the<br>reporting period |
|--|--|--|--|---|
|  | Maximum rates as per<br>foundation documents   | Rates applied during the<br>reporting period   |  |   |
| Management fee:  |  |  |  |   |
| Fixed rate   | 1% of the subfund's<br>average annual net asset<br>value   | 1% of the subfund's<br>average annual net<br>asset value   | 420,279.49   | 0.99  |
| Performance fee  | Non-applicable   | Non-applicable   | -  | -   |
| Depository fee   | No more than 0.5% of<br>average annual net asset<br>value  | No more than 0.5% of<br>average annual net<br>asset value  | 68,235.85  | 0.16  |
| Transaction fee  | No more than 1% of the<br>value of transactions<br>executed  | No more than 1% of the<br>value of transactions<br>executed  | 1,488.53   | 0.00  |
| Other operating costs<br>(distribution fee)  | 2% of the value of the<br>subfund's unit   | 2% of the value of the<br>subfund's unit   | 22,083.97  | 0.05  |
| Other operating costs<br>(subfund change fee)  | 0.25% of the value of the<br>subfund's units changed   | 0.25% of the value of the<br>subfund's units changed   | 10,467.75  | 0.02  |
| Audit fee  | Fee payable to audit firm<br>and financial institutions for<br>services rendered - no<br>more than 1% of the fund's<br>average annual net asset<br>value | Fee payable to audit firm<br>and financial institutions<br>for services rendered -<br>no more than 1% of the<br>fund's average annual<br>net asset value | 13,411.47  | 0.03  |
| Other operating costs<br>(bank charges)  | No more than 1% of the<br>subfund's average annual<br>net asset value  | No more than 1% of the<br>subfund's average<br>annual net asset value  | 2,598.58   | 0.01  |
| Fee charged by the bank<br>for keeping records of<br>participants                                      |  |  | 21,847.66  | 0.05  |
| Other operating costs<br>(fees charged by the<br>market maker,<br>quotation costs and<br>one-off fees) |  |  | 36,905.94  | 0.09  |
| Other operating costs<br>(legal costs)   | No more than 1% of the<br>umbrella fund's average<br>annual net asset value  | No more than 1% of<br>the umbrella fund's<br>average annual net<br>asset value   | -  | -   |
| Total expenses included in TER*  |  |  |  | 563,278.99  |
| TER as % of NAV  |  |  |  | 1.33  |
| Total expenses   |  |  |  | 59,7319.25  |
| PTR (if calculated)* * (%)   |  |  |  | 185.22  |

\*Total expense ratio (TER) is a percentage value, which shows what part of average net assets of an undertaking is used to cover its management costs. These costs are directly deducted from the investor's return on investments. It is important to note that TER does not take into account the transaction costs.

\*\*Portfolio turnover rate (PTR) is a rate, which shows the level of trading activity in instruments that form the portfolio of the collective investment undertaking. The undertakings with high PTR rate incur higher transaction costs.

Note 19. Expense ratios and turnover rates (continued)

2013

| Types of deductions (fees/charges)         | Rates of deductions (fees/charges)   |  | Amount of deductions charged for the reporting period, LTL | % of average net asset value for the reporting period |
|--|--|--|--|---|
|  | Maximum rates as per foundation documents  | Rates applied during the reporting period  |  |   |
| Management fee:                            |  |  |  |   |
| Fixed rate                                 | No more than 1% of average annual net asset value  | 1% of average annual net asset value   | 359,788.33   | 0.99  |
| Performance fee                            | Non-applicable   | Non-applicable   | -  | -   |
| Depository fee                             | No more than 0.5% of average annual net asset value  | No more than 0.5% of average annual net asset value  | 41,242.77  | 0.11  |
| Transaction fee                            | No more than 1% of the value of transactions executed  | No more than 1% of the value of transactions executed  | 178.27   | -   |
| Distribution fee                           | No more than 2% of the value of the subfund's unit   | No more than 2% of the value of the subfund's unit   | 62,870.43  | 0.17  |
| Other operating costs (subfund change fee) | 0.25% of the value of the subfund's units changed  | 0.25% of the value of the subfund's units changed  | 20,103.65  | 0.06  |
| Audit fee                                  | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the subfund's average annual net asset value | Fee payable to audit firm and financial institutions for services rendered - no more than 1% of the subfund's average annual net asset value | 13,310.00  | 0.04  |
| Other operating costs (third party fees)   |  |  | -  | -   |
| Other operating costs (bank charges)       |  |  | 22,670.12  | 0.06  |
| Total expenses included in TER*            |  |  |  | 437,011.23  |
| TER as % of NAV                            |  |  |  | 1.21  |
| Total expenses                             |  |  |  | 520,163.57  |
| PTR (if calculated)* * (%)                 |  |  |  | (32.65)   |

\*Total expense ratio (TER) is a percentage value, which shows what part of average net assets of an undertaking is used to cover its management costs. These costs are directly deducted from the investor's return on investments. It is important to note that TER does not take into account the transaction costs.

\*\*Portfolio turnover rate (PTR) is a rate, which shows the level of trading activity in instruments that form the portfolio of the collective investment undertaking. The undertakings with high PTR rate incur higher transaction costs.

Note 20. Cash flows

|             | Items of cash flows  | Financial year        | Previous financial year |
|-------------|--|-----------------------|-------------------------|
| <b>I.</b>   | <b>Cash flows from operating activities</b>  |                       |                         |
| I.1.        | Cash inflows over the reporting period   | 61,084,441.70         | 18,814,070.59           |
| I.1.1.      | Proceeds on disposal of financial assets and investment assets                                 | 59,259,986.74         | 16,988,113.54           |
| I.1.2.      | Interest received  | 1,824,454.96          | 1,825,957.05            |
| I.1.3.      | Dividends received   | -                     | -                       |
| I.1.4.      | Deposit repayments received  | -                     | -                       |
| I.2.        | Cash outflows over the reporting period  | 64,053,489.22         | 23,591,660.22           |
| I.2.1.      | Payments on acquisition of financial assets and investment assets, and liabilities settled     | 63,458,283.62         | 23,090,197.51           |
| I.2.2.      | Management-related payments  | 536,452.00            | 501,462.71              |
| I.2.3.      | Other payments   | 58,753.60             | -                       |
| I.2.4.      | Deposits placed  | -                     | -                       |
|             | Net cash flows from (used in) operating activities (I.1-I.2)                                   | (2,969,047.52)        | (4,777,589.63)          |
| <b>II.</b>  | <b>Cash flows from financing activities</b>  | -                     | -                       |
| II.1.       | Cash inflows over the reporting period. Sales of investment units                              | 20,809,883.03         | 26,690,072.76           |
| II.2.       | Cash outflows over the reporting period. Redemption of investment units                        | 18,488,314.92         | 19,532,735.71           |
| II.3.       | Dividends paid   | -                     | -                       |
| II.4.       | Proceeds of borrowings   | -                     | -                       |
| II.5.       | Repayments of borrowings   | -                     | -                       |
| II.6.       | Interest paid  | -                     | -                       |
| II.7.       | Cash flows relating to other finance sources (+/-)   | (1,093,395.34)        | 263,987.38              |
| II.8.       | Increase (decrease) in other liabilities (+/-)   | -                     | -                       |
|             | Net cash flows from financing activities ((II.1- II.2- II.3 + II.4-II.5 - II.6 + II.7 + II.8)) | 1,228,172.77          | 7,421,324.43            |
| <b>III.</b> | <b>Foreign exchange effect on the balance of cash and cash equivalents (+/-)</b>               | <b>13,646.94</b>      | <b>(262.06)</b>         |
| <b>IV.</b>  | <b>Net increase (decrease) in cash flows (+/-)</b>   | <b>(1,727,227.81)</b> | <b>2,643,472.74</b>     |
| <b>V.</b>   | <b>Cash at the beginning of the period</b>   | <b>3,036,662.12</b>   | <b>393,189.38</b>       |
| <b>VI.</b>  | <b>Cash at the end of the period</b>   | <b>1,309,434.31</b>   | <b>3,036,662.12</b>     |



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

|      |   |                |
|------|---|----------------|
| I.   | Income from investing activities                    |                |
| 1.   | Interest income                                     | -              |
| 2.   | Realised gain on investment in:                     | 2,492,389.41   |
| 2.1. | equity securities                                   | -              |
| 2.2. | government non-equity securities                    | 90,108.53      |
| 2.3. | corporate non-equity securities                     | 194,503.12     |
| 2.4. | financial instruments                               | -              |
| 2.5. | derivative financial instruments                    | -              |
| 2.6. | units of other collective investment undertaking    | -              |
| 2.7. | other (dividends, coupon, currency)                 | 2,207,777.76   |
| 3.   | Unrealised gain (loss) on:                          | (1,792,900.50) |
| 3.1. | equity securities                                   | -              |
| 3.2. | government non-equity securities                    | 323,650.84     |
| 3.3. | corporate non-equity securities                     | 224,350.00     |
| 3.4. | financial instruments                               | -              |
| 3.5. | derivative financial instruments                    | (2,340,906.87) |
| 3.6. | units of other collective investment undertaking    | -              |
| 3.7. | other   | 5.52           |
|      | Total income  | 699,488.91     |
| II.  | Expenses of investing activities                    |                |
| 1.   | Operating expenses:                                 | 597,319.26     |
| 1.1. | deductions of management fee                        | 452,831.21     |
| 1.2. | deductions of depository fee                        | 68,235.84      |
| 1.3. | intermediary fee                                    | 1,488.53       |
| 1.4. | audit fee   | 13,411.46      |
| 1.5. | deductions of other fees and charges                | 61,352.18      |
| 2.   | Other expenses                                      | -              |
|      | Total expenses                                      | 597,319.26     |
| III. | Net income  | 102,169.65     |
| IV.  | Payments (dividends) to holders of investment units |                |
| V.   | Re-invested earnings                                | 102,169.65     |

24. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking:

There is no other significant information on the subfund's financial position.

#### VII. INFORMATION ON PAYMENT OF DIVIDENDS

25. Information on dividends declared and/or paid:

Information is provided in Note 9.

#### VIII. INFORMATION ON COLLECTIVE INVESTMENT UNDERTAKING'S BORROWINGS FOR ITS OWN NEEDS

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

Information is provided in Note 10.

## IX. OTHER INFORMATION

27. 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:

Information is provided in Note 18.

## X. ACCOUNTABLE PERSONS

28. 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.

29. 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.

30. Statement made by the management company's head of administration, chief financier, persons who prepared the financial statements and consultants to confirm that information contained in the financial statements is true and fair and that there are no omissions of facts that might substantially affect the values of reported items:

I, Darius Šulnis, Director General of Finasta 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 values of reported items.

(signature)

I, Edita Muralytė, Accountant of Finasta 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 values of reported items.

(signature)

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

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

|                  |                           |                            |
|------------------|---------------------------|----------------------------|
| Full name        | Darius Šulnis             | Edita Muralytė             |
| Job position     | Director General          | Accountant                 |
| Telephone number | (8~5) 236 18 56           | (8~5) 203 22 89            |
| Fax number       | (8~5) 273 22 44           | (8~5) 273 22 44            |
| Email address    | darius.sulnis@finasta.com | edita.muralyte@finasta.com |

31.2. When the financial statements have been prepared by or with assistance of consultants, please specify their full names, telephone and fax numbers, email addresses (if a consultant is a legal entity, please specify its name, telephone and fax numbers, email address and full name(s) of a consultant's representative(s)); please indicate, which specific sections have been prepared by or with assistance of consultants and the scope of their liability.

No services of consultants were used in the preparation of these financial statements.