

**TRIGON BALTIC FUND****FINANCIAL STATEMENTS FOR THE 1<sup>st</sup> HALF YEAR of 2017**

(Translation of the Estonian original)

## Table of Contents

Short Description and Contact Details of Trigon Baltic Fund.....	3
Signatures of the Management Board of the Fund Management Company .....	4
FINANCIAL STATEMENTS FOR THE 1 <sup>st</sup> HALF YEAR of 2017 .....	5
Statement of financial positions .....	5
Statement of comprehensive income.....	6
Statement of changes in Fund's net asset value .....	7
Statement of cash flows .....	8
Notes to the financial statements for the 1 <sup>st</sup> half year of 2017.....	9
NOTE 1. General information.....	9
NOTE 2. Basis of preparation .....	9
NOTE 3. Financial assets at fair value through profit or loss .....	9
NOTE 4. Other receivables .....	9
NOTE 5. Other payables .....	10
NOTE 6. Interest income .....	10
NOTE 7. Net gain/loss on financial assets at fair value through profit or loss.....	10
NOTE 8. Comparative analysis of the net asset value.....	10
NOTE 9. Related parties .....	11
STATEMENT OF INVESTMENTS .....	12
STATEMENT OF TRANSACTION AND COMMISSION FEES .....	16

## Short Description and Contact Details of Trigon Baltic Fund

### Name

Investment fund Trigon Baltic Fund

### Legal address

Viru Väljak 2  
10111 Tallinn  
Estonia

Phone: + 372 6 679 200

Fax: + 372 6 679 221

### Main Activities

Trigon Baltic Fund invests primarily in companies that are operating or are listed in the Baltic States (Estonia, Latvia, and Lithuania) and companies who have substantial business interests in the Baltic countries. The Fund's objective is the long-term growth of assets.

### Fund Management Company

AS Trigon Asset Management

### Fund Manager

Veiko Visnapuu

### Depositary

Swedbank AS

### Auditor

AS PricewaterhouseCoopers  
Pärnu road 15  
10141 Tallinn  
Estonia

Phone: + 372 6 141 800

Fax: + 372 6 141 900

### Beginning and end of report period

1 January 2017 – 31 December 2017

## Signatures of the Management Board of the Fund Management Company

/signed/

Mehis Raud  
AS Trigon Asset Management  
Member of the Management Board

/signed/

Aivar Kempfi  
AS Trigon Asset Management  
Member of the Management Board

Tallinn, August 31, 2017

## FINANCIAL STATEMENTS FOR THE 1<sup>st</sup> HALF YEAR of 2017

### Statement of financial positions

In euros

<b>ASSETS</b>	<b>Note</b>	<b>30.06.2017</b>	<b>31.12.2016</b>
Cash and cash equivalents		68 635	69 309
Financial assets at fair value through profit or loss	Note 3	1 487 456	1 689 981
Receivables and prepayments	Note 4	9 323	0
<b>TOTAL ASSETS</b>		<b>1 565 414</b>	<b>1 759 291</b>
<b>LIABILITIES</b>			
Other financial liabilities	Note 5	3 370	4 299
<b>Fund's net assets attributable to holders of redeemable units</b>	<b>Note 8</b>	<b>1 562 045</b>	<b>1 754 991</b>
<b>TOTAL LIABILITIES</b>		<b>1 565 414</b>	<b>1 759 291</b>

The accompanying notes on pages 9 to 11 are an integral part of these financial statements.

## Statement of comprehensive income

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In euros

<b>INCOME</b>	<b>Note</b>	<b>01.01-30.06.2017</b>	<b>01.01-30.06.2016</b>
Interest income	Note 6	1 202	1 735
Dividend income		38 285	36 167
Net profit/loss from financial assets at fair value through profit or loss	Note 7	110 007	60 765
Net foreign currency gains or losses		0	-1 023
<b>TOTAL INCOME</b>		<b>149 495</b>	<b>97 645</b>
<b>OPERATING EXPENSES</b>			
Management fees	Note 9	15 572	15 798
Depositary fees		3 540	3 562
Transaction fees		405	444
Other expenses		3 926	3 041
<b>TOTAL OPERATING EXPENSES</b>		<b>23 443</b>	<b>22 845</b>
<b>NET RESULT OF THE FUND</b>		<b>126 052</b>	<b>74 800</b>

The accompanying notes on pages 9 to 11 are an integral part of these financial statements.

## Statement of changes in Fund's net asset value

In euros

	01.01-30.06.2017	01.01-30.06.2016
<b>Fund's net assets at the beginning of the reporting period</b>	<b>1 754 991</b>	<b>1 577 876</b>
Proceeds from redeemable units issued	142 686	534 679
Redemption of redeemable units	-461 684	-566 838
Net result of the Fund	126 052	74 800
<b>Fund's net assets at the end of the reporting period</b>	<b>1 562 045</b>	<b>1 620 517</b>
<b>Fund's Net Asset Value per unit at the end of the reporting period</b>		
Class 1	6.3727	5.3530
Class 2 (eQ Baltia unit)	10.0414	8.4347
Class 3	5.7563	4.7989
Class 4	20.7387	17.4202
<b>Number of units outstanding</b>	<b>141 909.169</b>	<b>170 074.814</b>
incl. Class 1	81 404.023	95 054.658
Class 2 (eQ Baltia unit)	18 504.715	20 449.376
Class 3	905.546	905.546
Class 4	41 094.885	53 665.234

The accompanying notes on pages 9 to 11 are an integral part of these financial statements.

## Statement of cash flows

In euros

<b>Cash flows from operating activities</b>	<b>01.01-30.06.2017</b>	<b>01.01-30.06.2016</b>
Interest received	1 802	1 165
Interest paid	-6	-21
Dividends received	28 962	30 035
Investment securities sold	579 836	402 782
Investment securities purchased	-267 903	-373 629
Operating expenses paid	-24 367	-22 918
<b>Total cash flows from operating activities</b>	<b>318 325</b>	<b>37 414</b>
<b>Cash flows from financing activities</b>		
Proceeds from the subscription of units	142 686	537 577
Paid for the redemption of units	-461 684	-565 022
<b>Total cash flows used in financing activities</b>	<b>-318 999</b>	<b>-27 445</b>
<b>Total cash flows</b>	<b>-674</b>	<b>9 969</b>
<b>Cash and cash equivalents</b>		
at the beginning of the accounting period	69 309	16 723
effects of changes in foreign currency rates	0	0
<b>at the end of the accounting period</b>	<b>68 635</b>	<b>26 693</b>

The accompanying notes on pages 9 to 11 are an integral part of these financial statements.



## Notes to the financial statements for the 1<sup>st</sup> half year of 2017

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### NOTE 1. General information

Trigon Baltic Fund is a public open-end common investment fund registered in the Republic of Estonia.

Since the 1<sup>st</sup> of November 2016 the Fund is managed by AS Trigon Asset Management, with its registered office at Viru Väljak 2, 10111 Tallinn. The sole owner of AS Trigon Asset Management is AS Trigon Capital.

The Fund is under supervision of Estonian Financial Supervisory Authority.

The objective of Fund is a long-term capital growth of the Fund's assets. The Fund is investing its assets into different securities and other financial instruments abiding by the investment limits set out by the law and the Fund's rules.

### NOTE 2. Basis of preparation

The financial statements of the Fund have been prepared in accordance with the requirements of International Accounting Standards as adopted by the European Union (IFRS EU) taking into account principles set out by the Investment Funds Act, Accounting Act and Regulation of Minister of Finance No. 8 of 18 January 2017 „Requirements on disclosure reports of funds”.

The financial statements of the Fund have been prepared in accordance with IFRS in the extent that complies with the requirements of the Investment Funds Act and Regulation no. 8 of the Minister of Finance. In case of non-compliance, the Fund has taken into account the requirements provided in the Investment Funds Act and in the Regulation no. 8 of the Minister of Finance.

The interim report includes condensed financial statements prepared in accordance with the same accounting policies as in the annual financial statements for the year ended on 31 December 2016. The financial statements should be read in conjunction with the Fund's annual financial statements as at 31 December 2016. There are no new or revised standards or interpretations that would be expected to have a material impact on the Fund financial statements.

The interim financial statements have been prepared in euros (EUR).

### NOTE 3. Financial assets at fair value through profit or loss

In euros

	<u>30.06.2017</u>	<u>31.12.2016</u>
Equity and fund units investments	1 467 456	1 669 381
Debt securities	20 000	20 600
<b>Total</b>	<b>1 487 456</b>	<b>1 689 981</b>

### NOTE 4. Other receivables

In euros

	<u>30.06.2017</u>	<u>31.12.2016</u>
Dividend receivable	9 323	0
<b>Total</b>	<b>9 323</b>	<b>0</b>

## NOTE 5. Other payables

In euros

	<u>30.06.2017</u>	<u>31.12.2016</u>
Payables to management company	2 488	2 872
Payables to depositary bank	827	1 343
Other liabilities	54	84
<b>Total</b>	<b>3 370</b>	<b>4 299</b>

## NOTE 6. Interest income

In euros

	<u>01.01-30.06.2017</u>	<u>01.01-30.06.2016</u>
Deposits	2	5
Debt securities	1 200	1 730
<b>Total</b>	<b>1 202</b>	<b>1 735</b>

## NOTE 7. Net gain/loss on financial assets at fair value through profit or loss

In euros

	<u>01.01-30.06.2017</u>	<u>01.01-30.06.2016</u>
Equity and fund units investments		
Realised profit	139 091	15 516
Change in unrealised gain/loss	-29 083	45 250
<b>Total</b>	<b>110 007</b>	<b>60 765</b>

## NOTE 8. Comparative analysis of the net asset value

In euros

Year	Fund's net asset value	Fund share net asset value			
		Class 1	Class 2 (eQ Baltia unit)	Class 3	Class 4
31.12.2005	44 494 045	6.9696	10.9142	-	-
31.12.2006	71 018 558	8.6818	13.7129	7.1437	-
31.12.2007	48 732 938	8.9077	14.0283	7.4606	-
31.12.2008	6 698 515	3.0858	4.8597	2.6090	-
31.12.2009	9 565 935	4.5339	7.1406	3.8630	15.1348
31.12.2010	9 076 134	4.9734	7.8334	4.2701	16.1897
31.12.2011	1 682 060	3.3231	5.2357	2.8752	10.8160
31.12.2012	1 844 385	3.9637	6.2453	3.4559	12.9015
31.12.2013	1 678 240	4.2876	6.7556	3.7711	13.9560
31.12.2014	1 898 184	4.4026	6.9369	3.9018	14.3282
31.12.2015	1 577 876	5.0770	7.9998	4.5337	16.5231
30.06.2016	1 620 517	5.3530	8.4347	4.7989	17.4202
30.06.2017	1 562 045	6.3727	10.0414	5.7563	20.7387

## NOTE 9. Related parties

For the preparation of these financial statements, related parties are considered to be AS Trigon Asset Management (Fund Management Company), AS Trigon Capital (parent of the Fund Management Company), companies belonging to the same group with the Fund Management Company and other funds managed by AS Trigon Asset Management.

During the 1<sup>st</sup> half year of 2017 Trigon Baltic Fund paid to the Fund Management Company management fees in total amount of 15 572 (01.01-30.06.2016: 15 798) euros. As at June 30, 2017, the amount payable for the Fund Management Company totalled 2 488 (31.12.2016: 2 872) euros. During the 1<sup>st</sup> half year of 2017 Trigon Baltic Fund performed transactions with the other funds managed by AS Trigon Asset Management in total amount of 6 765 (01.01-30.06.2016: 0) euros.

## STATEMENT OF INVESTMENTS

In euros as at 30 June 2017

Name	Rating (Moody's)	Country	ISIN-code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>EQUITIES</b>											
<b>LISTED ON REGULATED MARKETS:</b>											
ARCO VARA		EE	EE3100034653	7.00	EUR	31 208	0.92	28 620	1.27	39 634	2.54%
EKSPRESS GRUPP		EE	EE3100016965	0.60	EUR	44 657	1.06	47 553	1.35	60 287	3.86%
LHV GROUP COMMON		EE	EE3100073644	1.00	EUR	4 180	7.24	30 284	10.00	41 800	2.68%
LINDA NEKTAR COMMON		EE	EE3100060344	1.00	EUR	4 799	5.60	26 874	8.79	42 159	2.70%
MERKO EHITUS AS		EE	EE3100098328	0.45	EUR	6 129	7.91	48 487	9.20	56 387	3.61%
NORDECON INTERNATIONAL		EE	EE3100039496	0.00	EUR	41 747	1.04	43 417	1.26	52 601	3.37%
OLYMPIC ENTERTAINMENT GROUP		EE	EE3100084021	0.40	EUR	77 768	1.86	144 336	1.73	134 539	8.61%
SILVANO FASHION GROUP		EE	EE3100001751	0.30	EUR	24 545	1.53	37 565	2.79	68 481	4.38%
TALLINK GRUPP		EE	EE3100004466	0.54	EUR	158 833	0.91	144 357	0.91	144 538	9.25%
TALLINNA KAUBAMAJA AS		EE	EE0000001105	0.40	EUR	5 742	5.67	32 544	9.20	52 826	3.38%
AB LINAS AGRO GROUP		LT	LT0000128092	0.29	EUR	90 024	0.65	58 634	0.66	59 416	3.80%
AB PIENO ZVAIGZDES		LT	LT0000111676	0.29	EUR	27 485	1.30	35 784	1.42	39 029	2.50%
EAST WEST AGRO UAB		LT	LT0000132060	0.00	EUR	2 084	24.00	50 016	24.30	50 641	3.24%
GRIGISKES		LT	LT0000102030	0.29	EUR	59 009	0.93	55 169	1.13	66 680	4.27%
SIAULIU BANKAS PVA	Ba1	LT	LT0000102253	0.29	EUR	135 727	0.20	27 791	0.49	66 778	4.28%
GRINDEKS AS		LV	LV0000100659	1.00	EUR	4 600	6.75	31 069	7.60	34 960	2.24%
HANSAMATRIX		LV	LV0000101590	1.00	EUR	8 887	7.26	64 531	7.50	66 653	4.27%
OLAINFARM AS		LV	LV0000100501	1.40	EUR	10 102	6.49	65 586	10.90	110 112	7.05%
SAF TEHNIKA		LV	LV0000101129	1.40	EUR	6 895	2.20	15 152	4.85	33 441	2.14%
VALMIERA GLASS FIBRE		LV	LV0000100485	1.40	EUR	25 935	3.39	87 805	3.28	85 067	5.45%
<b>TOTAL EQUITIES</b>								<b>1 075 577</b>		<b>1 306 027</b>	<b>83.61%</b>

Name/Fund Management Company	Rating (Moody's)	Country	ISIN-code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
LUKA ADRIATIC PROPERTY KINNISVARAFOND I /Trigon Asset Management AS		EE	EE3500096534	10.00	EUR	30 812	1.51	46 588	3.26	100 447	6.43%
BALTIC HORIZON FUND /Northern Horizon Capital AS		EE	EE3500110244	1.00	EUR	45 851	1.31	60 001	1.33	60 982	3.90%
<b>TOTAL EQUITY FUNDS</b>								<b>106 588</b>		<b>161 429</b>	<b>10.33%</b>

Name/Due date	Rating (Moody's)	Country	ISIN-code	Nominal value	Coupon rate	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>DEBT SECURITIES</b>												
ARCO VARA /06.01.2018		EE	EE3300110824	10 000.00	12%	EUR	20 000	100	20 000	100	20 000	1.28%
<b>TOTAL DEBT SECURITIES</b>									<b>20 000</b>		<b>20 000</b>	<b>1.28%</b>
<b>TOTAL SECURITIES</b>									<b>1 202 166</b>		<b>1 487 456</b>	<b>95.22%</b>
<b>CASH</b>												
BANK ACCOUNT									68 635		68 635	4.39%
<b>TOTAL INVESTMENTS</b>									<b>1 270 801</b>		<b>1 556 091</b>	<b>99.62%</b>
<b>Other assets</b>												
Dividend receivable											9 323	0.60%
<b>Total other assets</b>											<b>9 323</b>	<b>0.60%</b>
<b>TOTAL FUND ASSETS</b>									<b>1 270 801</b>		<b>1 565 414</b>	<b>100.22%</b>
<b>NET ASSET VALUE</b>											<b>1 562 045</b>	<b>100.00%</b>

In euros as at 31 December 2016

Name	Rating (Moody's)	Country	ISIN-code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>EQUITIES</b>											
<b>LISTED ON REGULATED MARKETS:</b>											
ARCO VARA		EE	EE3100034653	7.00	EUR	51 708	0.95	49 120	1.24	64 118	3.65%
EKSPRESS GRUPP		EE	EE3100016965	0.60	EUR	57 200	1.07	61 120	1.32	75 504	4.30%
LHV GROUP		EE	EE3100073644	1.00	EUR	4 180	7.24	30 284	9.74	40 713	2.32%
LINDA NEKTAR		EE	EE3100060344	1.00	EUR	6 333	5.60	35 465	7.87	49 809	2.84%
MERKO EHITUS AS		EE	EE3100098328	0.45	EUR	8 919	7.63	68 012	9.05	80 717	4.60%
NORDECON INTERNATIONAL		EE	EE3100039496	0.00	EUR	59 455	1.06	62 918	1.33	79 075	4.51%
OLYMPIC ENTERTAINMENT GROUP		EE	EE3100084021	0.40	EUR	83 170	1.84	153 363	1.78	148 043	8.44%
SILVANO FASHION GROUP		EE	EE3100001751	0.30	EUR	27 845	1.51	41 991	2.96	82 421	4.70%
TALLINK GRUPP		EE	EE3100004466	0.54	EUR	172 102	0.82	141 016	0.91	157 129	8.95%
TALLINNA KAUBAMAJA AS		EE	EE0000001105	0.40	EUR	8 792	5.58	49 074	8.23	72 358	4.12%
AB LINAS AGRO GROUP		LT	LT0000128092	0.29	EUR	116 224	0.62	72 030	0.64	74 093	4.22%
ENERGIJOS SKIRSTYMO OPERATOR		LT	LT0000130023	0.29	EUR	36 662	0.85	31 238	0.86	31 603	1.80%
GRIGISKES		LT	LT0000102030	0.29	EUR	65 009	0.92	59 498	1.13	73 460	4.19%
PREKYBOS AB APRANGA PVA		LT	LT0000102337	0.29	EUR	13 380	2.65	35 415	2.57	34 387	1.96%
SIAULIU BANKAS PVA	Ba1	LT	LT0000102253	0.29	EUR	187 320	0.24	44 700	0.45	84 107	4.79%
HANSAMATRIX		LV	LV0000101590	1.00	EUR	9 300	7.21	67 060	7.95	73 935	4.21%
LATVIAN SHIPPING COMPANY		LV	LV0000101103	0.30	EUR	134 758	0.50	67 798	0.48	64 280	3.66%
OLAINFARM AS		LV	LV0000100501	1.40	EUR	8 852	5.55	49 121	8.51	75 331	4.29%
SAF TEHNIKA		LV	LV0000101129	1.40	EUR	17 600	2.06	36 243	3.51	61 776	3.52%
VALMIERA GLASS FIBRE		LV	LV0000100485	1.40	EUR	27 325	3.40	92 955	3.11	84 981	4.84%
<b>TOTAL EQUITIES</b>								<b>1 248 419</b>		<b>1 507 838</b>	<b>85.92%</b>

Name/Fund Management Company	Rating (Moody's)	Country	ISIN-code	Nominal value	Currency	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>EQUITY FUNDS</b>											
BALTIC HORIZON FOND /Northern Horizon Capital AS		EE	EE3500110244	1.00	EUR	45 851	1.31	60 001	1.33	61 096	3.48%
LUKA ADRIATIC PROPERTY REAL ESTATE FUND I /Trigon Asset Management AS		EE	EE3500096534	10.00	EUR	30 812	1.51	46 588	3.26	100 447	5.72%
<b>TOTAL EQUITY FUNDS</b>								<b>106 589</b>		<b>161 543</b>	<b>9.20%</b>

Name/Due date	Rating (Moody's)	Country	ISIN-code	Nominal value	Coup on rate	Curr enc y	Quantity	Average acquisition cost per unit	Total average acquisition cost	Market value per unit	Total market value	Weight of Fund's net assets value
<b>DEBT SECURITIES</b>												
ARCO VARA/06.01.2018		EE	EE3300110824	10 000.00	12%	EUR	20 000.00	100	20 000	100	20 600	1.17%
<b>TOTAL DEBT SECURITIES</b>									<b>20 000</b>		<b>20 600</b>	<b>1.17%</b>
<i>* In the debt securities the accrued interest in the amount of EUR 600 has been added</i>												
<b>TOTAL SECURITIES</b>									<b>1 375 008</b>		<b>1 689 981</b>	<b>96.30%</b>
<b>CASH</b>												
BANK ACCOUNT									69 309		69 309	3.95%
<b>INVESTMENTS TOTAL</b>									<b>1 444 317</b>		<b>1 759 291</b>	<b>100.24%</b>
<b>TOTAL FUND ASSETS</b>									<b>1 444 317</b>		<b>1 759 291</b>	<b>100.24%</b>
<b>NET ASSET VALUE</b>											<b>1 754 991</b>	<b>100.00%</b>

## STATEMENT OF TRANSACTION AND COMMISSION FEES

In euros

Commissions are fees paid to the intermediaries of securities transactions. Transaction costs consist of the fees charged by the depositary bank for making transactions, fees for sub-depositaries or correspondent banks and fees charged for executing payment orders.

### 01.01-30.06.2017

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average Fee
<i>Securities traded on stock exchange</i>				
AS LHV PANK	2	11 194	28	0.25%
AS SEB Pank	38	531 798	798	0.15%
AS Swedbank	41	247 966	372	0.15%
AS Trigon Asset Management clients	1	6 765	0	0.00%
UAB FMI Orion Securities	1	50 016	0	0.00%
<b>Total</b>	<b>83</b>	<b>847 739</b>	<b>1199</b>	<b>0.14%</b>

Additionally, transaction costs in the amount of 405 euros were paid to Swedbank AS, which was 0.05% of the total transactions volume.

### 01.01-30.06.2016

Intermediary	Number of transactions	Volume of transactions	Total commissions paid	Weighted average Fee
<i>Securities traded on stock exchange</i>				
AS LHV PANK	16	63 368	56	0.09%
SEB Pank AS	55	273 173	410	0.15%
AS Swedbank	28	296 490	379	0.13%
Swiss Capital	2	85 896	258	0.30%
WOOD & CO Financial Services	2	137 811	413	0.30%
<b>Total</b>	<b>103</b>	<b>856 737</b>	<b>1 516</b>	<b>0.18%</b>

Additionally, transaction costs in the amount of 444 euros were paid to Swedbank AS, which was 0.05% of the total transactions volume.