

UAB CONSILIUM OPTIMUM

(legal entity number 300049915, registered address: L. Giros g. 50, Vilnius, Lithuania)

SUPPLEMENT TO THE INFORMATION DOCUMENT FOR THE BOND OFFERING (UP TO EUR 8,000,000) DATED 29 APRIL 2024

Date of the Supplement: 28 November 2024

1. Introduction

This document constitutes a supplement (the **Supplement**) to the Information Document for the Bond Offering (up to EUR 8,000,000) dated 29 April 2024 (the **Information Document**).

This Supplement is prepared in connection with the proposed additional tranche of Bonds in the amount of up to EUR 3,000,000 by UAB Consilium Optimum (the **Issuer** or **the Company**) under the same base structure outlined in the Information Document, unless otherwise indicated in this Supplement (the **Additional Tranche** or **Second Tranche**). The first tranche of Bonds in the amount of EUR 5,000,000 under the Information Document was issued on 20 May 2024 (the **First Tranche**).

This Supplement updates certain material information and should be read in conjunction with the original Information Document.

This Supplement does not require approval by the Bank of Lithuania. The offering of the Additional Tranche remains exempt from the requirement to prepare a prospectus as per Article 3(2) of the Prospectus Regulation and Article 5(2) of the Law on Securities of the Republic of Lithuania.

In this Supplement the words in capital letters shall have the same meaning as given to them in the Information Document, unless indicated otherwise.

2. Purpose of the Supplement

This Supplement has been prepared to:

- (a) introduce changes to the Information Document which would provide for the flexibility regarding interest rates and ISIN numbers for different tranches of Bonds to be issued under the Information Document, as well as to amend / clarify certain other terms of the Information Document;
- (b) update the financial information of the Issuer by providing information for 9 months of the year 2024;
- (c) provide details regarding the Additional Tranche of the Bonds to be issued under the Information Document, as supplemented by this Supplement;
- (d) address any material developments or events affecting the Issuer since the publication of the original Information Document.

3. Changes to the Information Document

Section 6.1 "Basic information about the Bonds to be issued" shall be amended as follows:

- (a) The row "ISIN" is amended as follows:
"ISIN: The ISIN code for each Tranche will be specified in the relevant Final Terms Document".
- (b) The row "Interest rate" is amended as follows:

“Interest rate: The Interest rate for each Tranche will be specified in the relevant Final Terms Document”.

(c) The row “Listing” is amended as follows:

“Listing: It is expected that the Bonds will be entered in the list of debt securities of the alternative securities market “First North” in Lithuania administered by AB Nasdaq Vilnius (hereinafter – **Nasdaq Vilnius** or **Nasdaq**), no later than within 6 months from the Date of Issue of the relevant Tranche of the Bonds placement, unless specified otherwise in the relevant Final Terms document.”

Section 1.1 “Basic information on the Bonds” in the Summary shall be amended in the same manner as specified above.

With respect to Additional Tranche, the early redemption provision specified in Section 6.1 of the Information Documents shall be amended as follows:

“Early redemption at the Issuer’s request: Issuer has the right to redeem all or part of the Bonds after 1 and 2 years from the start of validity by paying an early redemption premium of 1.5% and 0.75% respectively, calculated from the nominal value of the Bonds.”

In order to properly reflect all information related to the Additional Tranche, the Final Terms document may include additional sections or information, even if such sections are not provided for in the Final Terms template set out in Annex 1 of the Information Document.

4. Use of the Proceeds of the First Tranche

(a) *Renewed trademark*



(b) *Breakdown of Investment Expenditure:*

- Fiber optic network expansion – EUR 1.8 million;
- Server capacity and IT equipment upgrade – EUR 0.8 million;
- Process automation and AI solutions implementation – EUR 0.7 million;
- Further development of existing and new services – EUR 0.6 million.

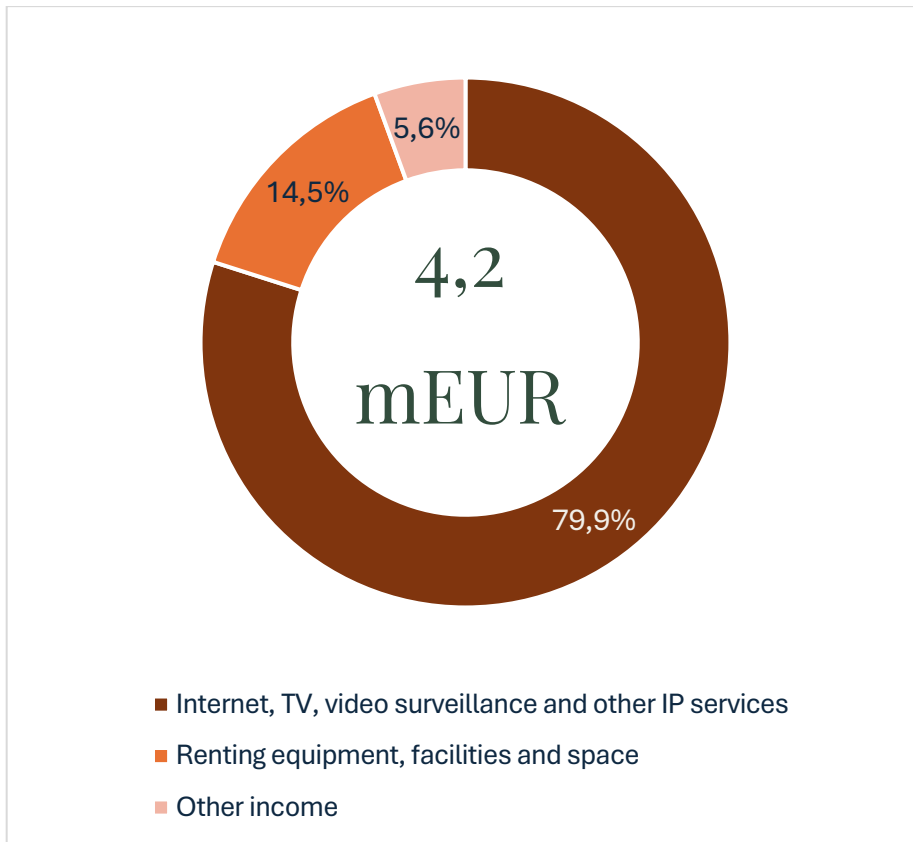
5. Updated Information on the Company’s Operations

(a) *Key Information about the Issuer’s Operations*

- As of the date of this Supplement, the Company employs 53 people: 2 in senior management; 6 middle management; 6 in IT department; 13 in sales and customer service; 14 engineers; 12 in other departments.
- For the period of 9 months of the year 2024 (Q1-Q3 2024 revenue – EUR 4.2 million), the Company’s main revenue consisted of:
 - Internet, TV, video surveillance and other IP services: 79.9% of total revenue;
 - Equipment, facilities and space rental: 5.6% of total revenue;

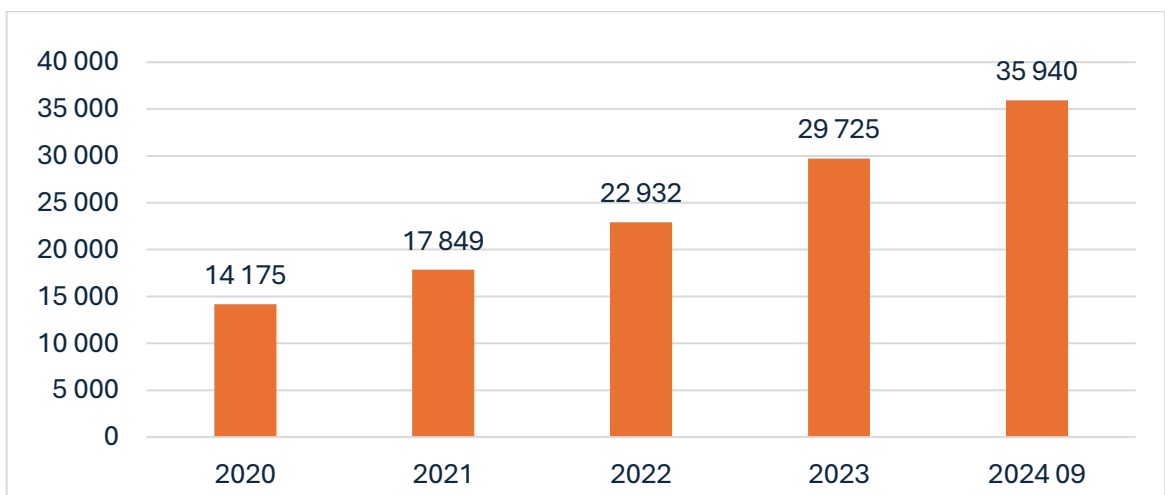
- Other revenue: 14.5% of total revenue

A graphical representation of the Company's revenue for first 9 months of 2024 is provided below:



(b) *Company's Customers*

- In Q1-Q3 2024, the Company had 35,940 customers.
- Average annual value per contract (i.e., average receivable amount per contract within one year) – EUR 154.
- Number of Company's customers: Q1-Q3 2024 - 35,940, 2023 - 29,725, 2022 - 22,932, 2021 - 17,849, 2020 - 14,175.



(c) *Company's Partners*

- Avitelos prekyba, UAB
- Kerista, UAB
- Light Conversion, UAB

(d) *Company's Development Strategy Results achieved through 2024 investments:*

- Own fiber optic network coverage in Vilnius will reach ~27% (currently - 22%)
- Fiber optic network infrastructure ready for 10 Gbps Internet service (currently - *partially ready for 10 Gbps*)
- Server capacity prepared to serve ~85,000 customers (currently ~63,000 and expanding)
- Created capability for customers to conclude contracts independently online (project implementation started)
- Artificial Intelligence (AI) implementation (customer service bot development initiated)
- TV application upgrade (application has been updated, future regular/periodic updates planned)
- Process automation (project initiated and ongoing)

(e) *Company's Development Strategy Results achieved through 2024 investments:*

According to the CRA's Electronic Communications Market Report Q2 2024, Fastlink is the fastest growing provider in the fibre market, comparing Q2 2024 and Q1 2024, and comparing year-on-year change.

Structure of service providers by fibre users, % and changes in % points:

Service providers	2022 II	2022 III	2022 IV	2023 I	2023 II	2023 III	2023 IV	2024 I	2024 II	Change per quarter	Change per year
„Telia Lietuva“, AB	49,2	49,4	49,3	49,4	49,6	49,5	49,5	49,4	49,3	-0,1	-0,3
UAB „Cgates“	17,7	17,6	17,6	17,6	17,6	17,6	17,6	17,5	17,5	-0,1	-0,1
UAB „Splus“	6,2	6,3	6,2	6,2	6,2	6,3	6,3	6,4	6,4	0,0	0,1
UAB „Init“	4,7	4,7	4,7	4,7	4,7	4,7	4,7	4,7	4,7	0,0	0,0
UAB „Balticum TV“	4,7	4,7	4,7	4,7	4,7	4,7	4,6	4,6	4,6	0,0	-0,1
UAB „Penkių kontinentų komunikacijų centras“	4,1	4,0	4,1	4,0	3,8	3,8	3,8	3,8	3,8	0,0	0,0
UAB „Consilium Optimum“	-	-	-	2,0	2,1	2,2	2,2	2,3	2,4	0,1	0,3

UAB „Kauno interneto sistemos“	2,1	2,1	2,0	-	-	-	-	-	-	-	-	-
Other providers	11,2	11,2	11,3	11,3	11,2	11,2	11,2	11,2	11,2	11,3	0,0	0,1

Source: The Communications Regulatory Authority of the Republic of Lithuania (CRA)

6. Updated Financial Information

The following financial statements are incorporated by reference: unaudited financial statements for 9 months period ending 30 September 2024.

Key financial information from the unaudited financial statements for the 9 months period ending 30 September 2024 are presented below:

(a) Profit and loss account

Profit and loss account	2021	2022	2023 1-3Q	2023	2024 1-3Q
Sales revenue	3 004 231	3 691 215	3 009 565	4 733 473	4 245 520
Cost of sales	-861 806	-1 078 206	-884 218	-1 508 829	-1 123 052
GROSS PROFIT (LOSS)	2 142 425	2 613 009	2 125 347	3 224 644	3 122 468
Cost of sales	-556 892	-470 057	-467 016	-493 143	-511 146
General and administrative costs	-937 810	-1 229 591	-1 197 454	-1 618 598	-1 365 093
Results of other activities	4 627	9 536	65 238	77 460	31 449
Other interest and similar income	1 653	70 159	54 154	77 746	75 977
Interest and other similar charges	-46 663	-60 969	-120 118	-195 586	-419 327
PROFIT (LOSS) BEFORE TAX	607 340	932 087	460 151	1 072 523	934 328
Corporate income tax	0	0	0	0	0
NET PROFIT (LOSS)	607 340	932 087	460 151	1 072 523	934 328
EBITDA	1 344 411	1 939 888	1 412 441	2 485 026	2 340 559

Additional notes:

- Profitability indicators:
 - Gross profit margin remained at a similar level of 74%;
 - EBITDA margin remained at a similar level of 55%;
 - Net profit margin remained at a high level of 22%.
- Growth compared to the first 9 months of 2023:
 - Sales revenue increased by 41%;
 - EBITDA grew by nearly 66% compared to the same period last year;
 - Net profit margin increased by 7 percentage points, from 15% to 22%.

(b) *Balance sheet statement*

Balance sheet statement	2021	2022	2023 1-3Q	2023	2024 1-3Q
FIXED ASSETS	3 422 219	4 721 839	5 410 546	5 585 967	7 773 260
INTANGIBLE ASSETS	44 733	18 483	81 162	73 366	227 162
Software	14 616	1 641	443	427	174 397
Concessions, patents, licences, trademarks and similar rights	4 325	2 058	1 594	1 594	109
Other intangible assets	25 792	14 784	79 125	71 345	52 656
TANGIBLE ASSETS	3 377 486	4 703 356	5 329 384	5 544 446	7 546 098
Land	52 970	52 970	52 970	52 970	52 970
Buildings and structures	143 869	136 319	130 657	128 770	123 107
Machinery and equipment	26 559	20 275	28 283	25 773	28 350
Vehicles		52 725	48 450	47 025	42 750
Other equipment, appliances and tools	2 784 566	4 434 319	5 062 462	5 283 346	7 292 359
Advances paid and construction/production of tangible assets in progress	369 522	6 748	6 562	6 562	6 562
FINANCIAL ASSETS	0	0	0	0	0
OTHER FIXED ASSETS	0	0	0	0	0
SHORT-TERM ASSETS	1 425 309	1 357 414	1 761 150	1 881 170	4 727 352
INVENTORIES	186 384	257 058	654 945	600 815	973 327
Raw materials, supplies and assemblies	826	8 038	7 475	7 351	
Purchased goods for resale	146 105	86 644	402 994	414 882	365 409
Advances paid	39 453	162 376	244 476	178 582	607 918
AMOUNTS RECEIVABLE WITHIN ONE YEAR	1 228 768	1 078 294	1 012 710	1 121 928	2 256 418
SHORT-TERM INVESTMENTS	0	0	0	0	0
CASH AND CASH EQUIVALENTS	10 157	22 062	93 495	158 427	1 497 607
DEFERRED CHARGES AND ACCRUED INCOME	122 820	125 177	127 943	83 073	85 351
TOTAL ASSETS	4 970 348	6 204 430	7 299 639	7 582 055	12 585 963

Additional notes:

- The Company's real estate consists of an administrative building and a warehouse;
- The largest part of the Company's tangible assets consists of network infrastructure equipment;
- Receivables within one year – the Company maintains a 1-month payment term policy for customer invoices;
- Cash balance has significantly increased due to the bond issuance (First Tranche).

(c) *Equity and liabilities*

EQUITY AND LIABILITIES	2021	2022	2023 1-3Q	2023	2024 1-3Q
EQUITY	1 524 645	2 517 916	2 978 067	3 590 439	4 524 767

CAPITAL	60 000	60 000	60 000	60 000	60 000
Authorised (subscribed) or share capital	60 000	60 000	60 000	60 000	60 000
Subscribed capital outstanding (-)	0	0	0	0	0
BOOKINGS	6 000	6 000	6 000	6 000	6 000
Compulsory reserve or reserve capital	6 000	6 000	6 000	6 000	6 000
RETAINED EARNINGS (LOSSES)	1 458 645	2 451 916	2 912 067	3 524 439	4 458 767
Profit (loss) for the year under review	607 340	932 087	460 151	1 072 523	934 328
Profit (loss) from previous years	851 305	1 519 829	2 451 916	2 451 916	3 524 439
GRANTS, SUBSIDIES	0	0	0	0	0
REFERENCES	0	0	0	0	0
ACCOUNTS PAYABLE AND OTHER LIABILITIES	3 445 703	3 634 432	4 268 920	3 970 780	8 060 971
PAYABLES AND OTHER NON-CURRENT LIABILITIES DUE AFTER ONE YEAR	2 065 364	2 379 183	3 136 949	2 273 872	7 250 589
Debt obligations	114 109	0	0	0	5 000 000
Debts to credit institutions	1 361 851	1 811 733	2 598 497	1 747 708	1 747 708
Advances received	0	0	0	0	0
Other payables and long-term liabilities	589 404	567 450	538 452	526 164	502 881
PAYABLES AND OTHER CURRENT LIABILITIES DUE WITHIN ONE YEAR	1 380 339	1 255 249	1 131 971	1 696 908	810 382
Debt obligations	65 053	15 955	0	24 613	0
Debts to credit institutions	407 369	391 059	95 487	862 990	228 192
Advances received	155 050	144 137	347 638	148 870	158 260
Debts to suppliers	416 653	420 367	466 552	352 526	205 713
Income tax liabilities	11 844	0	0	0	0
Employment-related liabilities	164 800	171 550	190 150	190 271	203 935
Other payables and current liabilities	159 570	112 181	32 144	117 638	14 282
ACCRUED EXPENSES AND DEFERRED INCOME	0	52 082	52 652	20 836	225
TOTAL EQUITY AND TOTAL LIABILITIES	4 970 348	6 204 430	7 299 639	7 582 055	12 585 963

Additional notes:

- The Company maintains a significant equity capital;
- Debt to credit institutions consists of a bank loan from Luminor Bank AS;
- First Tranche in the amount of EUR 5,000,000 (issued in the first half of the year 2024) is reflected in the debt obligations;
- The Issuer has not historically paid dividends – all profits have been used to finance the Company's further development.

7. Updated Risk Factors

In addition to the risk factors specified in the Information Document, the following additional aspect applies to the Additional Tranche:

The Additional Tranche is secured not only by the pledge but also by a guarantee issued by ILTE (National Development Bank) in the amount of EUR 1,500,000. The ILTE guarantee applies only to the Additional Tranche Bondholders and may be paid out in the event of the Issuer's bankruptcy and in accordance with ILTE's guarantee terms and conditions. The payment of the ILTE guarantee does not ensure that in case of the Issuer's default, all claims of the Additional Tranche Bondholders could be fully satisfied.

8. Details of the Additional Tranche

The Additional Tranche of the Bonds will be offered on the following terms and conditions, which will be set out in the Final Terms Document:

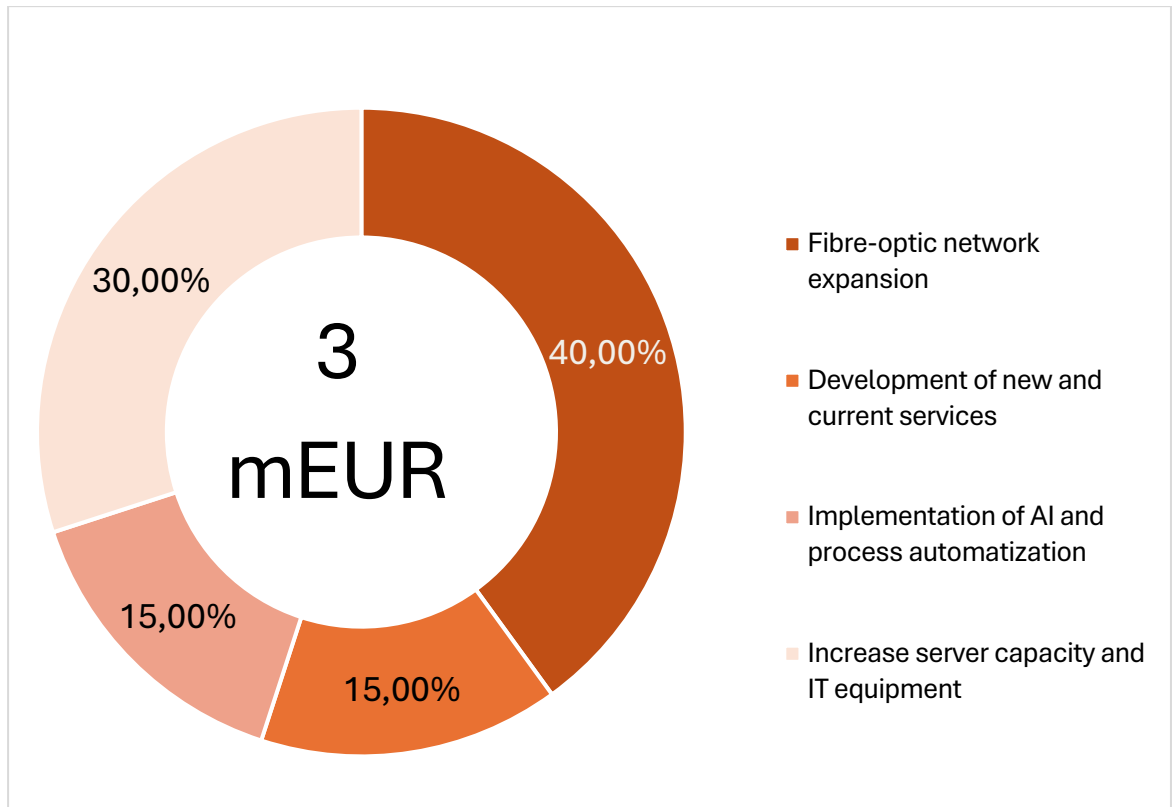
- (a) **Additional Tranche size:** The maximum aggregate nominal value for the Additional Tranche is EUR 3,000,000.
- (b) **Bond terms:**
 - (i) **Nominal value per Bond:** EUR 1,000.
 - (ii) **Issue price per Bond:** EUR 1,000.
 - (iii) **Final redemption term:** 20 December 2027.
 - (iv) **Interest Rate:** 9% (quarterly payments).
 - (v) **Subscription Period:** 29 November 2024 – 18 December 2024.
 - (vi) **Date of Issue:** 20 December 2024.
 - (vii) **Interest Payment Dates:** 20 March, 20 June, 20 September and 20 December of each year. If any interest payment day is not a business day, the interest payment will be postponed until the next business day.
 - (viii) **Interest Calculation Method:** Where interest is to be calculated for a period that is equal to or shorter than an interest payment period, the day-count fraction used will be the Actual/Actual-ICMA method. This method involves dividing the number of calendar days in the relevant period, from and including the date interest begins to accrue to but excluding the date on which it falls due, by the number of calendar days in the interest payment period in which the relevant period falls (including the first day but excluding the last day).
 - (ix) **Placement:** The Bonds will be publicly offered in the Republic of Lithuania, Republic of Latvia, and Republic of Estonia, in accordance with the terms outlined in this Supplement.
 - (x) **Pledge:** Due performance of the obligations to the Bondholders shall be secured by a first ranking maximum pledge over the Company's assets as a property complex comprised of the Company's claim right arising from contracts concluded with the Company's customers (pledge agreement signed on 4 June 2024. Not later than within 30 business days as of the issue date of the Additional Tranche, the Issuer shall execute amendments to the pledge agreement to increase the value of pledge assets and secured obligation and reflect other related changes (to the extent required).
 - (xi) **Additional security:** Due performance of the obligations to the Bondholders of the Additional Tranche shall be secured by the guarantee issued by ILTE (the National Promotional Bank) in the amount of EUR 1,500,000 which may be paid out in the event of the Issuer's bankruptcy and in accordance with the procedure set out in ILTE's guarantee terms.

The Final Terms Document for the Additional Tranche will be prepared in accordance with the form set out in Appendix 1 to the Information Document and will be published in the Lithuanian and English

languages on the Issuer's website www.fastlink.lt no later than the first day of subscription period of the Additional Tranche.

9. Use of Proceeds of the Additional Tranche

The net proceeds from the issuance of the Additional Tranche will be used for the following purposes: business segment expansion, systems enhancement and new services development.



10. Declaration of Responsibility

The Issuer confirms that, to the best of its knowledge, the information contained in this Supplement is accurate as of the date of its publication.

Signature

Vitalijus Romualdas Andrijauskas
Managing Director

/signed with a qualified electronic signature/