



UAB "Vanagas Asset Management"

(incorporated in Lithuania with private limited liability, corporate ID code 305025569)

Information Document for the offering of bonds of UAB "Vanagas Asset Management" in the amount of up to EUR 8,000,000 and admission thereof to trading on the alternative market First North, administered by Nasdaq Vilnius AB

Information Document for the offering of bonds in amount of up to EUR 8,000,000 and admission thereof to trading on the alternative market First North, administered by Nasdaq Vilnius AB (the "**Information Document**") has been drawn up by UAB "Vanagas Asset Management" (the "**Company**" or the "**Issuer**") in connection with the public offering of bonds of the Company (the "**Bonds**") in the amount of up to EUR 8,000,000 in the Republic of Lithuania, the Republic of Latvia and the Republic of Estonia (the "**Offering**") and admission thereof (the "**Admission**") to trading on the First North in Lithuania (the "First North"), a multilateral trading facility (alternative market in Lithuania) administered by the regulated market operator Nasdaq Vilnius AB (the "**Nasdaq**").

This Information Document is not a prospectus within the meaning of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**") and the Law on Securities of the Republic of Lithuania (the "**Law on Securities**") and was not approved by the Bank of Lithuania (the "**LB**"). The prospectus for the Offering and Admission is not prepared following Article 3(2) of the Prospectus Regulation and Article 5(2) of the Law on Securities.

Following Article 78(2) of the Law on Companies of the Republic of Lithuania (the "**Law on Companies**") this Information Document was prepared pursuant to the requirements of the Decision of the Board of the LB No. 03-185 on Approval of Description of Requirements for the Preparation of the Information Document, dated 7 December 2023 (the "**Decision of LB**") from the Lithuanian law perspective and following Article 16¹ of the Financial Instrument Market Law of the Republic of Latvia (the "**Financial Instrument Law**") and Bank of Latvia Regulation No. 261 "Regulations on the preparation and publication of the information document for a public offer", dated 18 December 2023 (the "**Regulation on Offering Information Documents**") from Latvian law perspective. In addition to that, the Information Document was also supplemented with information, which is required under the Rules of First North in Lithuania, approved by the decision of the Board of Nasdaq No. 18-60, dated 12 December 2018 as further amended by the decision of the Board of Nasdaq No. 20-31, dated 31 March 2020 (the "**Rules of First North in Lithuania**").

This Information Document does not constitute an offer to sell or a solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Furthermore, the distribution of this Information Document in certain jurisdictions may be restricted by law. Thus, persons in possession of this Information Document are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The information contained herein is current as of the date of this Information Document. Neither the delivery of this Information Document, nor the offer, sale or delivery of the Bonds shall, under any circumstances, create any implication that there have been no adverse changes occurred or events have happened, which may or could result in an adverse effect on the Company's or its Subsidiaries (collectively the "**Group**") business, financial condition or results of operations and/or the market price of the Bonds. Nothing contained in this Information Document constitutes, or shall be relied upon, a promise or representation by the Issuer or the Lead Manager as to the future.

Although the whole text of this Information Document should be read, the attention of persons receiving this Information Document is drawn, in particular, to the Section headed *Risk Factors* contained in Section II of this Information Document. All statements regarding the Company's and the Group's business, financial position and prospects as well as the Offering should be viewed in light of the risk factors set out in Section II of this Information Document.

FMJ "Orion securities" (the "**Lead Manager**", or the "**Dealer**") is the lead manager in Lithuania for the purposes of Offering of the Bonds and Admission thereof to trading on First North. Law Firm TGS Baltic is the certified

advisor for the purposes of Offering of the Bonds and Admission thereof to trading on First North (the “**Certified Advisor**”).

Lead Manager



The date of this Information Document is 28 March, 2025

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I. INTRODUCTION

Information Document. This Information Document has been prepared by the Company in connection with the Offering and the Admission, solely for the purpose of enabling any prospective Investor to consider an investment in the Bonds. The information contained in the Information Document has been provided by the Issuer and other sources identified herein. This Information Document has been prepared in accordance with Article 5(2) of the Law on Securities, Article 78(2) of the Law on Companies and provisions of the Decision of LB, Article 16¹ of the Financial Instrument Law and provisions of the Regulation on Offering Information Documents. In addition to that, the Information Document was also supplemented with information, which is required under the Rules of First North in Lithuania.

This Information Document should be read and constructed together with any updates, supplement hereto (if any) and with any other Information Documents attached herein and/or incorporated by reference (if any).

1.1 Responsibility for this Information Document

Persons responsible. The person responsible for the information provided in this Information Document is UAB "Vanagas Asset Management", corporate ID code 305025569, with the registered office at Lvivo str. 25-701, Vilnius, Lithuania. The Company accepts responsibility for the information contained in this Information Document. To the best of the knowledge and belief of the Company, Manager Mindaugas Vanagas hereby certifies that, the information contained in this Information Document is true, in accordance with the facts, no important information that could affect its meaning is omitted and that all reasonable steps have been taken to ensure it.

Mindaugas Vanagas
Manager (CEO)

Mykolas Navickas
CFO

Limitations of liability. The Lead Manager and the Certified Advisor expressly disclaim any liability based on the information contained in this Information Document or any individual parts hereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Information Document or disseminated by the Company in connection with the Offering and/or the Admission may be construed to constitute a warranty or representation, whether express or implied, made by the Lead Manager or the Certified Advisor.

Neither the Company nor the Lead Manager or the Certified Advisor will accept any responsibility for the information pertaining to the Offering, Admission, the Group or its operations, where such information is disseminated or otherwise made public by third parties either in connection with this Offering or otherwise.

By participating in the Offering, investors agree that they are relying on their own examination and analysis of this Information Document (including the financial statements of the Group which form an indispensable part of this Information Document) and any information on the Company, the Group that is available in the public domain. Investors should also acknowledge the risk factors that may affect the outcome of such investment decision (as presented in Section II *Risk Factors*).

Investors should not assume that the information in this Information Document is accurate as of any other date than the date of this Information Document. The delivery of this Information Document at any time after the conclusion of it will not, under any circumstances, create any implication that there has been no change in the Company's (its Group's) affairs since the date hereof or that the information set forth in this Information Document is correct as of any time since its date.

In the case of a dispute related to this Information Document or the Offering, the plaintiff may have to resort to the jurisdiction of the Lithuanian courts and consequently a need may arise for the plaintiff to cover relevant state fees and translation costs in respect of this Information Document or other relevant Information Documents.

1.2 Notice to prospective investors and selling restrictions

The Offering under this Information Document will be made in one or several Tranches as public offering in Lithuania, Latvia and Estonia pursuant to exemption under Article 3(2)(b) of the Prospectus Regulation (for additional information please see Section V *Subscription and Sale of the Bonds*).

The distribution of this Information Document in certain jurisdictions may be restricted by law. Any person residing outside the Republic of Lithuania, the Republic of Latvia or the Republic of Estonia may receive this Information Document only within limits of applicable special provisions or restrictions. The Issuer requires persons into whose possession this Information Document comes to inform themselves of and observe all such restrictions. This Information Document may not be distributed or published in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws. This Information Document does not constitute an offer to sell or a solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The Issuer, the Lead Manager or their representatives and/or legal advisers do not accept any legal responsibility whatsoever for any such violations, whether or not a prospective investor is aware of such restrictions.

In addition to that this Information Document may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Bonds offered hereby in any jurisdiction in which such offer or invitation would be unlawful. Persons in possession of this Information Document are required to inform themselves about and to observe any such restrictions, including those set out in this Section. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

As a condition for the subscription/purchase of any Bonds in the Offering, each subscriber/purchaser will be deemed to have made, or in some cases be required to make, certain representations and warranties, which will be relied upon by the Company, the Lead Manager and others. The Company reserves the right, at its sole and absolute discretion, to reject any subscription/purchase of Bonds that the Company, the Lead Manager or any agents believe may give rise to a breach or a violation of any law, rule or regulation.

1.3 Certain provisions, related to presentation of information

Approximation of numbers. Numerical and quantitative values in this Information Documents (e.g., monetary values, percentage values, etc.) are presented with such precision which the Company deems sufficient in order to convey adequate and appropriate information on the relevant matter. From time to time, quantitative values have been rounded up to the nearest reasonable decimal or whole value in order to avoid excessive level of detail. As a result, certain values presented do not add up to total due to the effects of approximation. Exact numbers may be derived from the financial statements of the Group to the extent that the relevant information is reflected therein.

Third party information and market information. With respect to certain portions of this Information Document, some information may have been sourced from third parties, in such cases indicating the source of such information in the Information Document. Such information has been accurately reproduced as far as the Company is aware and is able to ascertain from the information published by such other third parties that no facts have been omitted, which would render the reproduced information inaccurate or misleading. Certain information with respect to the markets, on which the Company and its Subsidiaries are operating, is based on the best assessment made by the Management. With respect to the industry, in which the Group is active, and certain jurisdictions, in which its operations are being conducted, reliable market information might be unavailable or incomplete. While every reasonable care was taken to provide the best possible estimate of the relevant market situation and the information on the relevant industry, such information may not be relied upon as final and conclusive. Investors are encouraged to conduct their own investigation into the relevant market or seek professional advice. Information on market shares represents the Management's views, unless specifically indicated otherwise.

Forward looking statements. This Information Document includes forward-looking statements. Such forward-looking statements are based on current expectations and projections about future events, which are in turn made on the basis of the best judgment of the Management. Certain statements are based on the belief of the Management as well as assumptions made by and information currently available to the Management. Any forward-looking statements included in this Information Document are subject to risks, uncertainties and assumptions about the future operations of the Group, the macro-economic environment and other similar factors.

In particular, such forward-looking statements may be identified by use of words such as strategy, expect, forecast, plan, anticipate, believe, will, continue, estimate, intend, project, goals, targets, would, likely,

anticipate and other words and expressions of similar meaning. Forward-looking statements can also be identified by the fact that they do not relate strictly to historical or current facts. As with any projection or forecast, they are inherently susceptible to uncertainty and changes in circumstances, and the Company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements contained in this Information Document whether as a result of such changes, new information, subsequent events or otherwise.

The validity and accuracy of any forward-looking statements is affected by the fact that the Group operates in a competitive business. This business is affected by changes in domestic and foreign laws and regulations, taxes, developments in competition, economic, strategic, political and social conditions and other factors. The Group's actual results may differ materially from the Management's expectations because of the changes in such factors. Other factors and risks could adversely affect the operations, business or financial results of the Group (please see Section II *Risk Factors* for a discussion of the risks which are identifiable and deemed material at the date hereof). However, the risk factors described in the Information Document do not necessarily include all risk and new risk may surface. If one or more of the risk factors described in this Information Document or any other risk factors or uncertainties would materialise or any of the assumptions made would turn out to be erroneous, the Group's actual business result and/or financial position may differ materially from that anticipated, believed, expected or estimated. It is not the Group's intention, and it will not accept responsibility for updating any forward-looking statements contained in this Information Document, unless required by applicable legislation.

1.4 Information incorporated by Reference

No documents or content of any website are incorporated by reference in this Information Document in accordance with Item 7 of the Decision of the Board of the LB, except:

- i) for the currently valid wording of the Articles of Association of the Company (the "**Articles of Association**");
- ii) the audited consolidated financial statements of the Issuer and its subsidiaries (the "**Group**") for the financial year ended 31 December 2023 together with the annual reports and independent auditor's reports on the financial statements;
- iii) the unaudited stand-alone financial statements of the Issuer for the financial year ended 31 December 2023;
- iv) the unaudited stand-alone and consolidated financial statements of the Issuer and of the Group for the financial year ended 31 December 2024;

(the "**Financial Statements**"), which are available on the website of the Company.

The Issuer does not have an obligation to prepare audited financial statements, therefore the stand-alone financial statements of the Issuer for the financial year ended 31 December 2023 are unaudited. Nonetheless, the Issuer shall prepare audited stand-alone and consolidated financial statements of the Issuer and of the Group for the financial year ended 31 December 2024 and publish them on the Issuer's website not later than until 31 May 2025.

Documents on Display. Throughout the lifetime of this Information Document, the Articles of Association and the Financial Statements may also be inspected at the head office of the Company located at Lvivo str. 25-701, Vilnius, Lithuania, on business hours of the Company. Any interested party may obtain copies of these documents from the Company without charge.

Preparation and publication of supplements to the Information Document

If, after the publication of this Information Document but prior to the closing of the Bonds offering, the Issuer becomes aware of any significant new factor, material mistake or material inaccuracy relating to the information included in this Information Document which is capable of affecting the assessment of the Bonds, the Issuer shall prepare a supplement to this Information Document. The Issuer shall also amend the summary of the Information Document as necessary to reflect such changes.

Any supplement to the Information Document shall be published in the same manner as this Information Document and shall form an integral part thereof.

II. RISK FACTORS

The following is a disclosure of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the risks associated with the Bonds are described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to the Issuer or which it may not currently be able to anticipate. Prospective Investors should also read the detailed information set out elsewhere in this Information Document and reach their own views prior to making any investment decision.

Before deciding to purchase/subscribe the Bonds, Investors should carefully review and consider the following risk factors and other information contained in this Information Document. Should one or more of the risks described below materialise, this may have a material adverse effect on the business, prospects, shareholders' equity, net assets, financial position and financial performance of the Issuer or the Group. Moreover, if any of these risks occur, the market value of the Bonds and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Bonds may decrease, in which case the Bondholders could lose all or part of their investments. Additional risks and uncertainties, which are not currently known to the Issuer or which the Issuer currently believes are immaterial, could likewise impair the business operations of the Issuer and/or the Group and have a material adverse effect on their cash flows, financial performance and financial condition. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the cash flows, financial performance and financial condition of the Issuer and/or the Group.

2.1 General business risk factors

Real estate market risk

Adverse developments in the Lithuanian real estate market could negatively impact property prices and transaction volumes. The ongoing geopolitical tensions in the region remain a potential threat to the market's stability. However, the Company's Management believes that current risk of any geopolitical escalation is minimal.

As of the date of this document, additional factors, such as economic fluctuations, and changes in consumer demand, may adversely affect the real estate sector in Lithuania. A decline in property values and market activity could impact the Issuer's financial position. The Company manages this risk by diversifying its real estate investments, retaining, compared to the market, relatively low unsold apartments quantity, relative to its sales. Additionally, the Company conducts continuous market analysis and maintains additional reserves.

Risks associated with the legal and regulatory environment

Legal and political developments can significantly affect real estate activities. The Company must comply with various laws and regulations, including those related to taxation, environmental protection and other standards. To manage these risks, the Company closely monitors legal changes, consults with external, industry leading legal experts, and adjusts its long-term strategies as necessary. Despite these efforts, there is no assurance that future legislative amendments or judicial decisions will not adversely impact the Company's operations.

Competition risk

The residential real estate market is highly competitive, and the Company faces constant competition in the market. To maintain and improve its market position, the Company emphasizes ongoing innovation and swift responsiveness to customer preferences. Quickly adapting to shifts in the competitive landscape is essential for maintaining the appeal of its real estate projects. In reaction to competitors' actions, the Company might implement strategies, such as dynamic pricing or amplifying promotional efforts. However, these measures could lead to unforeseen expenses, potentially impacting the Company's financial condition and future cash flows.

Interest rate risk

The Company's uses various debt financing, which is regular market practice, thus leading to potential impact of changes in interest rates. Shifts in interest rates and financing terms can have a considerable impact on the Company's financial performance. To mitigate this risk, the Company collaborates with more than five financing partners, secures long-term funding agreements, and utilizes majority of loans with fixed interest rates. However, if there is a significant increase in the interest rates at which the Company can borrow, its profitability could suffer. Since interest rates are affected by numerous external factors beyond the Company's control — such as economic conditions, inflation rates, and central bank policies — unexpected changes may negatively influence the Company's business, financial health, and operational outcomes. However, Management of the

Company believes that current market conditions should lead to a further decrease of interest rates in upcoming years, rather than an increase.

Management and human resources risks

The performance of the Company does depend, to a large extent, on its sole shareholder and the Group's team of employees, the decisions they make, and the experience and skills of the individuals who make up the team. There can be no assurance that the Company and Group will be able to retain all current key individuals crucial for their successful management, or successfully recruit new professional staff members. The loss of sole shareholder and other individuals could be crucial to the successful management of the Company and the Group, their potential recruitment by competitors of the Company, and challenges in attracting new qualified personnel could significantly impact the Group's and Company's management, business operations, financial results, and overall financial condition and, consequently, could have an adverse effect on the Company's ability to redeem the Bonds when due.

Operational risk

The success of Company's business activities depends on timely and orderly execution of various managerial tasks by the employees. The Company may incur unexpected loss due to inadequate or unenforceable internal process control procedures, as well as due to errors or unsanctioned activities performed by Company's employees which could negatively impacts Company's financial condition and possible future cash flows.

2.2 Group specific risk factors

The Issuer is a holding company and its ability to serve its payment obligations under the Bonds depends on the receipt of funds from its Subsidiaries and Participating companies

The Issuer is a holding company with generally no significant assets other than its interests in its Subsidiaries. The Issuer's ability to serve its payment obligations under the Bonds mainly depends on the receipt of sufficient funds from its Subsidiaries which in turn depends on the business, financial condition and the financial performance of these Subsidiaries. Furthermore, the transfer of funds from Subsidiaries may be or become subject to legal and contractual restrictions entered into by the Subsidiaries (limitations could arise from financing agreements). The realization of any of these risks could have a material adverse effect on the Group's cash flows, financial condition and financial performance.

Dependence on external financing

The Group's operations are partially financed by issued long term bonds. As of 31 December 2024, the Group's accounts payable and other liabilities constituted EUR 4 772 thousand (meaning capital ratio stands at 87% as of 31 December 2024). The existing credit facilities and security agreements of the Group contain financial covenants (such as inter-company loans subordination, restrictions on change of ownership) and provide for certain other obligations and representations, the violation of which may lead to an event of default and acceleration of the loans payback. In addition, the majority of Group liabilities constitute to UAB "Victory SPV 1" (residential apartments for long-term lease) bank loans, which are secured with pledge of its assets. Also, the Group companies as the borrower must comply with non-financial covenants for any external financing received, and any breaches of these covenants require immediate corrective actions.

The Group's ability to comply with covenants and restrictions contained in the loan agreements may be affected by events beyond its control, including, without limitation, prevailing economic, financial, legal and industry conditions. In the event that these obligations were to be breached, the creditors would be able to declare an event of default pursuant to the relevant agreements and require repayment of the entire outstanding amounts. Such events may cause interruptions in regular business activities, loss of collateral or, in extreme cases, a financial distress for the Issuer.

Liquidity risk

The Company manages this risk by maintaining adequate reserve and securing financing alternatives. It continuously monitors actual and projected cash flows and aligns the maturities of its financial assets and liabilities. The Company's policy is to maintain sufficient cash and cash equivalents or secure necessary funding through appropriate credit lines to fulfil its strategic commitments. Nevertheless, any reduction in liquidity or inability to refinance debt on favorable terms could materially affect the Company's business, financial condition, operational results, and its capacity to meet bond redemption obligations at maturity.

Success of previous, current, and future investment projects

The Group has implemented and may implement in the future investment projects of a large scope. Though the Group and its employees invoke all available information and analytical resources when planning investments, there is no guarantee, that all information on which the investments planned were based was true and exhaustive. Furthermore, there is no guarantee that the investment plans and the investments made will generate anticipated or planned return on investment; there is no guarantee that investment will not cost more than it was anticipated.

Though The Company has never had the project with negative cashflows, nevertheless failure of already implemented or anticipated investment projects, where return on investment from these projects is lower than

it was expected or prices of such investments are higher than it was planned, may have a significant adverse effect on the Group's activities, its financial situation and business results.

Risks related to counterparty risk and the use of related service providers

The Company relies heavily on external service providers, with related company Citus Group being the primary partner for various stages of projects development. Citus Group, through its subsidiaries "Citus" and "Citus Construction", delivers essential services such as construction management, technical supervision, marketing, sales, market analysis and other services. The performance, cost, availability, and reliability of these services are critical to the Group's success and reputation. For example, Citus Group manages the maintenance of properties, ensuring that projects like the "Mūnai" or "Kaip Niujorke" are properly maintained and operated efficiently. Should these services be inadequate, the Group could face financial consequences, including unplanned repairs, additional investment in properties, and a negative impact on future cash flows. To mitigate such risks, the Company closely monitors Citus Group's service performance.

While the Group actively manages the risks associated with external service providers, any failure in their performance could impact project timelines, service quality, and reputation. Despite ongoing risk management, these challenges are considered to be of medium relevance to the Group's overall risk profile, due to the fact that Citus Group is one of the leading real estate management service providers in the market with over 10 years of experience.

2.3 Risk factors related to the Bonds

The Bonds may be not a suitable investment for all investors

Each potential Investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential Investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Information Document;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- understand thoroughly the terms of the Bonds; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential Investor should not invest in the Bonds unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of such Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Credit and Issuer's default risk

Any person who purchases the Bonds is relying on the financial status of the Issuer, but the respective persons shall have no rights against any other person. Thus, Credit risk should be evaluated as a possibility that the Issuer might become insolvent, go bankrupt, its business being suspended or terminated, and as a result, it would be impossible to redeem the Bonds and/or pay the accrued interest to the Bondholders. Moreover, should the Issuer become insolvent, legal protection proceedings or out-of-court legal protection proceedings of the Issuer are initiated during the term of the Bonds, an investor may forfeit interest payable on, and the principal amount of, the Bonds in whole or in part. An investor is always solely responsible for the economic consequences of its investment decisions. The Bonds constitute direct, unconditional, and unsubordinated obligations of the Issuer, which will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. In addition to that no any state guarantee (insurance) is applicable in case of non-redemption of the Bonds.

In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Bonds when they fall due actually has not decreased, the market participants could nevertheless be of that opinion. In particular, the market participants may in particular be of such opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely change. If any of these risks occur, the third parties would only be willing to purchase Bonds for a lower price than before the materialization of said risk. The market value of the Bonds may therefore decrease.

Interest rate risk

If interest rates in general or particularly with regard to obligations of corporate debtors or corporate debtors with activities in the industries sector for durations equal to the remaining term of the Bonds increase, the market value of the Bonds may decrease. The longer the remaining term of a debt instrument, the stronger is its market value affected by changes of the interest rate level. There are further factors which may affect the market value of the Bonds, including, but not limited to global or national economic factors and crises in the global or national financial or corporate sector. Bondholders should be aware that movements of the market interest rate can adversely affect the market price of the Bonds and can lead to losses for the Bondholders if they sell their Bonds.

Inflation risk

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

An active secondary market for the Bonds may not develop

The Bonds constitute a new issue of securities by the Issuer. Prior to Admission to trading on First North, which is an alternative market in Lithuania, there is no public market for the Bonds and other securities of the Issuer. Although application(s) will be made for the Bonds to be admitted to trading on First North, there is no assurance that such application(s) will be accepted, and the Bonds will be admitted to trading. In addition, Admission to trading the Bonds on an alternative market will not guarantee that a liquid public market for the Bonds will develop or, if such market develops, that it will be maintained, and neither the Issuer, nor the Lead Manager is under any obligation to maintain such market. If an active market for the Bonds does not develop or is not maintained, it may result in a material decline in the market price of the Bonds, and the liquidity of the Bonds may be adversely affected. In addition, the liquidity and the market price of the Bonds can be expected to vary with changes in market and economic conditions, the financial condition and the prospects of the Issuer, as well as many other factors that generally influence the market price for securities. Accordingly, due to such factors the Bonds may trade at a discount to the price at which the Bondholders purchased/subscribed the Bonds. Therefore, investors may not be able to sell their Bonds at all or at a price that will provide them with a yield comparable to similar financial instruments that are traded on a developed and functioning secondary market. Further, if additional and competing financial instruments are introduced on the markets, this may also result in a material decline in the market price and value of the Bonds.

Amendments to the Bonds bind all Bondholders

The Law on Protection of Interests of Bondholders requires and the terms of the Bonds contain provisions for calling Bondholders' Meetings to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant Bondholders' Meetings and Bondholders who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Bondholders, including such Bondholders who did not attend and vote at the relevant Bondholders' Meetings and Bondholders who voted in a manner contrary to the majority.

Taxation of Bonds

Potential purchasers/subscribers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Bonds. Potential investors are advised to ask for their tax advisers' advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Refinancing risk

The Issuer may be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt is dependent on the conditions of the debt capital markets and its financial condition at such time. Even if the debt capital markets improve, the Issuer's access to financing sources at a particular time may not be available on favorable terms, or at all. The Issuer's inability to refinance its debt obligations on favorable terms, or at all, could have a negative impact on the Group's operations, financial condition, earnings and on the Bondholders' recovery under the Bonds.

The Bonds contain several covenants governing the Issuer's operations and generally do not limit its ability to merge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Bonds and the Bondholders

The Bonds contain several provisions designed to protect the Bondholders from a reduction in the creditworthiness of the Issuer. In particular, the terms of the Bonds do not, except for the Events of Default conditions, restrict the Issuer's ability to increase or decrease its share capital, to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organization or regulatory regime and/or its composition and business. In addition, the Issuer is not prohibited from issuing

further debt as long as the financial covenants are followed. If the Issuer incurs significant additional debt ranking equally with the Bonds, it will increase the number of claims that would be entitled to share with the Bondholders the proceeds distributed in connection with an insolvency of the Issuer. Further, neither the Issuer nor any Subsidiary is limited to provide pledge or mortgage over its assets, therefore those creditors would be in a preferred position vis-a-vis the claims of the Bondholders. As a result, generally none of the covenants, which the Company undertakes to follow guarantees that the creditworthiness of the Issuer will not be reduced. Therefore, in the event that the Issuer enters into any of the above transactions, Bondholders could be materially adversely affected.

Risk of insufficient value of the Collateral

The Bonds will be secured by the first ranking pledge of shares of certain Participating companies or Subsidiaries (see Clause 3(c) *Collateral* of the General Terms and Conditions of the Bonds Section 4.2 below). Apart from the Pledged Shares, there are no other collateral of the Issuer or guarantees issued by third parties. Nonetheless, in the event of the insolvency of the Subsidiaries and Participating companies, their assets will be used primarily to satisfy the claims of those creditors whose claims are secured by the pledge and (or) mortgages of the Subsidiaries and Participating companies. Furthermore, in case of enforcement on the Collateral, the costs of enforcement, including the expenses of the Trustee, will have to be covered from the proceeds of the sale of the Collateral prior to claims of the Bondholders. The procedure of enforcement on Collateral may also delay settlement with the Bondholders. Therefore, the provided Collateral does not guarantee that in the event of a default by the Issuer, the Collateral will be capable of being realised in such manner or that the liquidation value of the Collateral will be sufficiently high to satisfy in full all the claims of the Bondholders

Early redemption risk

According to the Conditions of the Bonds, the Bonds may be redeemed prematurely on the initiative of the Issuer, after 4 years from the issue of the Bonds as described in the Conditions of the Bonds. The Issuer may choose to redeem the Bonds, subject to certain regulatory conditions and approvals, at times when prevailing interest rates may be relatively low. In such circumstances a Bondholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Bonds and may only be able to do so at a significantly lower rate. Therefore, if this early redemption right is exercised by the Issuer, the rate of return from an investment into the Bonds may be lower than initially anticipated.

In addition, this optional redemption feature is likely to limit the market value of the Bonds. During any period when the Issuer may, or is perceived to be able to, elect to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

Unaudited Financial Statements

The stand-alone and consolidated financial information regarding financial year ended 31 December 2024 in the Information document is originated from unaudited stand-alone and unaudited consolidated financial statements of the Issuer and of the Group. The Issuer took an obligation to prepare annual audited consolidated and annual audited stand-alone Financial Reports of the Issuer for the financial year ended 2024 and publish them on the Issuer's website not later than until 31 May 2025. Nonetheless, there is a risk that after audit is completed some discrepancies or mistakes could be identified by the auditors or a conditional audit report or audit report with note could be issued.

2.4 Legal Risk Factors

Compliance with legal acts

The Group is required to comply with large number of laws and regulations in numerous countries relating, but not limited to operational procedures and quality standards. Any failure to comply with the applicable laws and regulations may expose the Group to administrative penalties and civil remedies including fines or injunctions, as well as in certain cases even minor infringement proceedings can be started. Although the Group has policies in place throughout its entire organization to protect against such non-compliance, the risk of failure to comply with all legal requirements may not be totally excluded. Should any material non-compliance be established by competent authorities and not rectified in due time, it may have serious financial consequences for the Group and negative impact on Group's reputation.

Litigation risks

In the course of their ordinary business operations, companies of the Group might be involved in several court and official proceedings, as plaintiffs or defendants, the outcome of which cannot currently be predicted with any certainty. The Group may be required under a court order or settlement agreement to pay considerable amounts, which may also exceed any provisions set up for this purpose. In addition to these amounts, the

legal costs incurred by the Group and in some cases of its opponent would also have to be borne. This could have a material adverse effect on the net assets, financial position and financial performance of the Group.

III. INFORMATION ABOUT THE ISSUER

3.1 General information about the Issuer, Shareholder and structure of the Group

General information of the Issuer

Legal and commercial name of the Issuer	UAB "Vanagas Asset Management"
Place of registration of the Issuer (registered office)	Lvivo str. 25-701, Vilnius, Lithuania
Corporate ID code of the Issuer	305025569
Authorized capital	EUR 11,758,500 divided into 470,340 ordinary registered shares with a nominal value of EUR 25 per share.
Legal form of the Issuer	Private limited liability company
Legislation under which the Issuer operates	Lithuanian
Country of incorporation of the Issuer	Republic of Lithuania
Date of incorporation of the Issuer	14 February 2019
Telephone number	+37063894425
Email	info@vanagasgroup.lt
Internet address	https://vanagasassetmanagement.lt/
Auditors of the Issuer	UAB "ROSK Consulting"

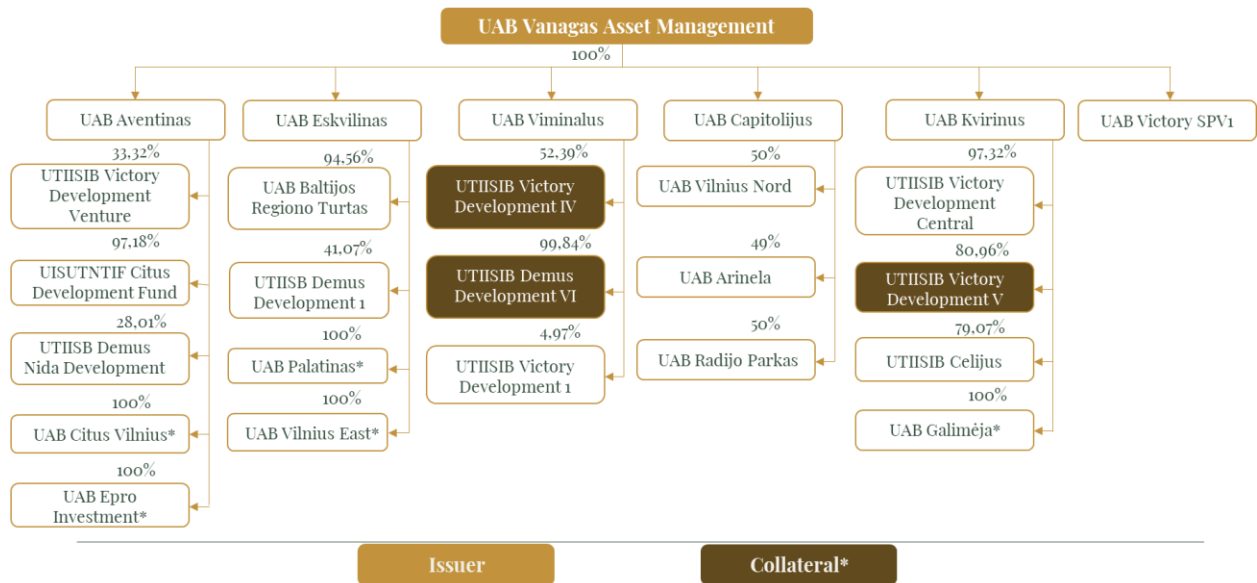
Organization structure of the "Vanagas Asset Management" Group

"Vanagas Asset Management" Group (the **Group**) consist of the Issuer and its Subsidiaries, where "**Subsidiary**" means, in relation to the Issuer, any legal entity, in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than 50 (fifty) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than 50 (fifty) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the applicable accounting principles.

Also, the Issuer has various investments into Participating companies, where "**Participating company**" means, in relation to the Issuer, any legal entity, in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing less than 50 (fifty) per cent. of the total number of votes held by the owners. Nonetheless, Participating companies are not included into consolidated financial statements of the Group in accordance with the applicable accounting principles.

Group structure is presented in figure below.

Figure 1. Structure of the “Vanagas Asset Management” Group, together with Participating companies, as of the date of the Information document



**Notarized acquisitions already made and entries in Lithuanian Registry Center will be done during first half of April.
Disclaimer: pledged ownership to bondholders could be different from actual ownership*

The list of Subsidiaries and Participating companies are indicated in the tables below.

Table 1. Subsidiaries controlled by the Company, as of the date of the Information document

Country	Company	Company code	Registration address	Shareholder(s)
Lithuania	UAB "Aventinas"	303276487	Lvivo str. 25-701, Vilnius	The Issuer, 100%
Lithuania	UAB "Eskvilinas"	303318897	Lvivo str. 25-701, Vilnius	The Issuer, 100%
Lithuania	UAB "Viminalus"	305618256	Lvivo str. 25-701, Vilnius	The Issuer, 100%
Lithuania	UAB "Capitolijus"	305480054	Lvivo str. 25-701, Vilnius	The Issuer, 100%
Lithuania	UAB "Kvirinus"	305524465	Lvivo str. 25-701, Vilnius	The Issuer, 100%
Lithuania	UAB Victory SPV 1	306178781	Kareiviu str. 5, Vilnius	The Issuer, 100%
Lithuania	UAB "Citus Vilnius"	303194086	Lvivo g. 25-701, LT-09320 Vilnius	UAB Aventinas, 100%
Lithuania	UAB "Epro Investment"	304628863	Lvivo g. 25-701, LT-09320 Vilnius	UAB Aventinas, 100%
Lithuania	UAB "Baltijos regiono turtas"	304069146	Lvivo str. 25-701, Vilnius	UAB Eskvilinas, 94.56%
Lithuania	UAB "Palatinas"	302626269	Lvivo str. 25-701, Vilnius	UAB Eskvilinas, 100%
Lithuania	UAB "Vilnius East"	305730522	Lvivo str. 25-701, Vilnius	UAB Eskvilinas, 100%
Lithuania	UAB "Galimėja"	306376119	Lvivo g. 25-701, LT-09320 Vilnius	UAB Kvirinus, 100%

Table 2. Participating companies, as of the date of the Information document

Country	Company	Company code	Registration address	Shareholder(s)
Lithuania	A close-end investment company intended for informed investors UAB Victory Development Venture	306136483	Konstitucijos pr. 18B, Vilnius	UAB Aventinas, 33.32%
Lithuania	A close-end type real estate investment fund intended for informed investors Citus Development fund	-	Lvivo g. 25-701, LT-09320 Vilnius	UAB Aventinas, 97.18%
Lithuania	A close-end investment company intended for informed investors UAB Demus Nida Development	306972425	Konstitucijos pr. 18B, Vilnius	UAB Aventinas, 28.01%
Lithuania	A close-end investment company intended for informed investors UAB Demus Development I	306696254	Konstitucijos pr. 18B, Vilnius	UAB Eskvilinas, 41.07%
Lithuania	A close-end investment company intended for informed investors UAB Victory Development IV	305944736	Vilnius, Lvivo g. 101, LT-08104	UAB Viminalus, 52.39%
Lithuania	A close-end investment company intended for informed investors UAB Demus Development VI	306178315	Konstitucijos pr. 18B, Vilnius	UAB Viminalus, 99.84%
Lithuania	A close-end investment company intended for informed investors UAB Victory Development I	305399022	Konstitucijos pr. 18B, Vilnius	UAB Viminalus, 4.97%
Lithuania	UAB "Vilnius Nord"	305512406	Lvivo str. 25-701, Vilnius	UAB Capitolijus, 50%
Lithuania	UAB "Arinela"	305683161	Lvivo str. 25-701, Vilnius	UAB Capitolijus, 49%
Lithuania	UAB "Radijo parkas"	304912372	Žemaičių str. 31-103, Kaunas	UAB Capitolijus, 50%
Lithuania	A close-end investment company intended for informed investors UAB Victory Development Central	306136608	Konstitucijos pr. 18B, Vilnius	UAB Kvirinus, 97.32%
Lithuania	A close-end investment company intended for informed investors UAB Victory Development V	306026108	Konstitucijos pr. 18B, Vilnius	UAB Kvirinus, 80.96%
Lithuania	A close-end investment company intended for informed investors UAB "Celijus"	304452194	Vilnius, Lvivo g. 101, LT-08104	UAB Kvirinus, 79.07%

Organization structure of Vanagas Group

The Sole Shareholder of the Company is UAB "Vanagas Group", a holding company registered in Lithuania under code 302440955, address Lvivo str. 25-701, Vilnius, the Republic of Lithuania, holding 100% of shares of the Company and voting rights in the General Meeting and the final beneficial owner thereof is Mindaugas Vanagas, holding 100% of shares and votes in the above Sole Shareholder of the Company.

The Company is a holding company that is a part of a wider group companies under Vanagas Group. Below there is a simplified structure of Vanagas Group and its main associated companies.

Figure 2. Structure of Vanagas Group



The structure of Vanagas Group companies has been designed to differentiate them according to three main areas of activity. This comprehensive structure enables the Vanagas Group to efficiently manage risk while capitalizing on market opportunities in various sectors:

- **UAB "Vanagas Asset Management" (Company / Issuer):** Investment holding, which main activity is investments in selected, well-defined, and relatively low-risk opportunities, including funds* and project-based SPV companies involved in real estate development and long-term property renting.
- **UAB "Citus Group":** An associated company managing UAB "Citus", UAB "Citus Construction", and other companies that have accumulated over 10 years of experience in construction management, sales management, marketing, market analysis, and other services related to real estate development.
- **UAB "Vanagas Invest":** An associated company that makes longer-term or relatively higher-risk investments in new business sectors operating in different industries, such as real estate development with higher uncertainty, accommodation, ventilation systems (Oxygen Group), asset management (Demus Asset Management), crowdfunding (Profitus), and others.

*Closed-end investment companies intended for informed investors (hereinafter referred to as "**funds**").

The Company and its Subsidiaries outsource construction management, marketing, sales management, accounting, and other management services from long-established associated Vanagas Group companies, including UAB "Citus", UAB "Citus Construction", and UAB "Vanagas Hub".

3.2 Management

Management structure of the Issuer

The Company is managed by the Manager Mindaugas Vanagas. Neither the Management Board nor the Supervisory Board are formed in the Company. Funds and project SPV's under the Company are managed by different managers, with substantial experience in real estate and financial management. Below in the table we are providing education and experience of the Manager and Key Persons of funds and project SPV's.

Table 3. Education and experience of the Manager and other Key Persons of the Group

Mindaugas Vanagas Founder, Sole Shareholder and Manager of the Company	
<p><i>Education</i> 2006 – 2010 ISM University of Management and Economics Bachelor's degree in Business Management and Administration</p> <p>2015 – 2019 ISM University of Management and Economics Executive Master's degree</p>	<p><i>Current positions</i> Founder & CEO: "Vanagas Group" (2009 - present); "Vanagas Asset Management" (2019 – present); "Vanagas Invest" (2020 - present);</p> <p>Founder: "Citus", "Citus Construction" (2012-present), CEO (2012-2020); Head of Strategic development (2020 – present)</p> <p>Founder & Head of Investments: "Demus Asset Management" (2020 - present); Board Member (2025 - present)</p> <p>Board Member: "Lithuanian Real Estate Development Association" (2020 - present)</p> <p>CEO of other Vanagas Group companies: UAB "Vanagas Invest"; UAB "Citus Group"; UAB "Vanagas Hub"; UAB "Viminalus"; UAB "Kvirinus"; UAB "Aventinas"; UAB "Eskvilinas"; UAB "Capitolijus"; UAB "Baltijos Regiono Turtas"; UAB "Tiberis"; UAB "Vėjų Vartai"; UAB "Autenis".</p> <p>Investment committee member: Participating companies.</p>
Mykolas Navickas CFO of the Company	
<p><i>Education</i> 2011 – 2015 ISM University of Management and Economics Bachelor's degree in Economics</p> <p>2016 – 2018 Vilnius University Master's degree in Finance</p>	<p><i>Current positions</i> CFO: "Vanagas Asset Management" and "Vanagas Group" (2023 - present) CEO: "Victory SPV1" & "Victory Residential", long term residential real estate rent (2024 – present) CEO: "Citus Kaunas" (related company; 2024 – present) Management Board member: "Profitus Crowdfunding" (2025 – present)</p> <p><i>Former experience</i> CEO & CFO: "Maxima International Sourcing" (2021 - 2023) Head of Planning and Analysis: "Maxima Grupė" (2016 - 2021)</p>
Šarūnas Tarutis	
<p><i>Education</i> 2007 – 2011 ISM University of Management and Economics Bachelor's degree in Economics</p> <p>2019 – 2021</p>	<p><i>Current positions</i> Head of Investments and Analysis: "Citus" (2017 - present) CEO & Management Board member: "Vilnius Nord", "Pajustis" project (2020 – present) CEO: "Epro Investment", "Klevų Namai" project</p>

ISM University of Management and Economics Executive Master's degree	(2018 - present) CEO of other UAB "Vanagas Group" companies: UAB "Palatinas"; UAB "Citius Vilnius"; UAB "Citius Namai"; UAB "Galimėja"; UAB "Vilnius East"; UAB "Vilnius South"; UAB "Project 19". <i>Former experience</i> Head of Analysis & Consulting department: "Solid Real Advisors" (acquired by Colliers) (2011 – 2017)
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Vilius Pažereckas	
<i>Education</i> 2010 – 2013 University of Westminster Bachelor's degree in Business with property	<i>Current positions</i> Fund Manager: "Demus Asset Management". Current funds: "Victory Development IV"; "Victory Development V" and others (2021 - present) Investment committee member of part of the Participating companies <i>Former experience</i> Head of Real Estate Baltics & Alternative Investments: "Intrum" (2017 - 2021) Various other roles in real estate management (2012 – 2017)

Laura Skiparė	
<i>Education</i> 2015 – 2019 ISM University of Management and Economics Bachelor's degree in Finance 2021 – 2023 ISM University of Management and Economics Executive Master's degree	<i>Current positions</i> Fund Manager: "Demus Asset Management". Current funds: "Celijus", "Victory Development I" and others (2023 - present) Investment committee member of part of the Participating companies <i>Former experience</i> Real Estate Analyst: "Citius" (2018 - 2023)

Principal activities of the Manager and other key personnel of the Group outside the Group

As of the date of this Information Document, the Manager and other key personnel of the Company do not engage in any additional activities, which have or may have significant effect on the Company, competence of management and experience.

The tables above describe principal activities of the Manager and Key Persons of the Group outside the Group. In addition, the Manager and Key Persons do have holding positions in Vanagas Group companies as well.

Litigation statement of the Manager and other key personnel of the Group

Within the last 2 (two) years the Manager and other key personnel of the Company has not been liable for violations of legal acts, regulating the markets in financial instruments. In addition, the Manager and other key personnel of the Company of the Issuer: (i) has not been already convicted of fraud or other economic offences; (ii) has not held an executive function in the form of a senior manager or a member of the administrative management or supervisory bodies, of any company, or a partner in any partnership, at the time of or preceding any bankruptcy, receivership or forced liquidation; (iii) have not ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Conflicts of interest of the Manager

Mindaugas Vanagas is the sole shareholder and CEO of UAB "Vanagas Group" companies, meaning he is the CEO of all three Vanagas Group subsidiaries: the Issuer (UAB "Vanagas Asset Management"); UAB "Citius Group" and UAB "Vanagas Invest". Thus, situations could arise where conflicts of interest of the Manager might arise.

The Company is not aware of any other potential conflict of interests regarding the duties of the Manager of the Company.

Moreover, there are no arrangements or understandings with the customers, suppliers or others, pursuant to which the Manager was selected as a member of the administrative management.

3.3 Business Description

Principal activities of the Issuer

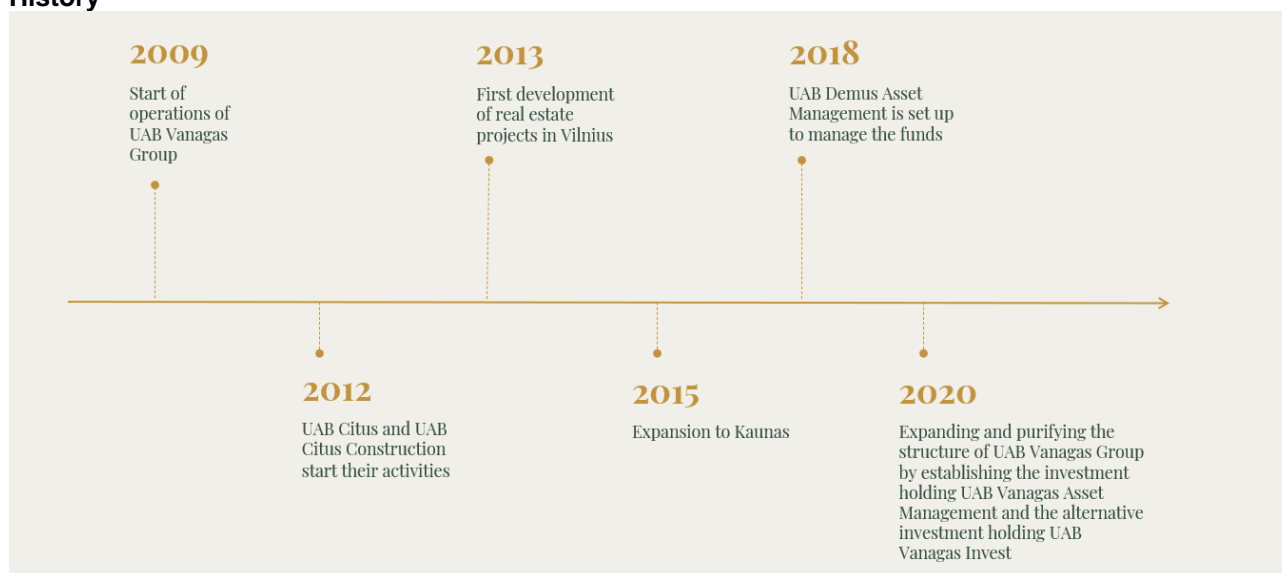
The Company sets itself apart due to strong focus on maximizing returns for investors, risk management and operational efficiency. The Company continuously analyses market trends, capital allocation, and regulatory landscapes to ensure it remains ahead of industry shifts. Moreover, it collaborates closely with sister company UAB Citus Group for project execution, relying on their expertise to bring projects to life on time and within budget. By doing so, it ensures that the value of its investments is fully realized.

Mindaugas Vanagas, the sole shareholder of the Company, started developing residential housing projects more than 10 years ago, while the Company as an investment holding branch for selected lower-risk investments has been established in 2019.

Key numbers:


- Total developed area in square meters exceeds 180 000
- Total developed residential units exceeds 3000.
- 25 finished or currently in construction number of real estate projects in Vilnius, Kaunas, Druskininkai.
- 10+ upcoming projects in 2025-2026, as Company continues to expand its portfolio across residential and mixed-use developments.
- Planned to invest in projects in 2025: 66,5 mEUR




History









Through its disciplined investment approach and comprehensive asset management capabilities, the Company has established itself as a one of the key players in the Lithuanian real estate market, continuously seeking new opportunities.

The list of current ongoing investment projects of the Group

Company	Title of the project	Project link	Additional information
UTIISIB „Victory Development IV“	„Mūnai“	https://www.munaiyecitus.lt/ 	In the first quarter of 2024, the building permit was obtained, construction was started. During 2025 first quarter, the second phase of construction already started and large part of residential units in first phase has been sold. Planned investments: Phase I – 9.4 mEUR; Phase II – 11.6 mEUR Investments in this project will exceed EUR 60 million, and the total construction area will be more than 30,000 sqm.

			<p>Address: Kareivių str. 5, Vilnius</p> <p>Size: Phase I – 73 flats, 8 commercial premises Phase II – 118 flats, 1 commercial premise</p> <p>Area for sale: Phase I – 3,532.2 sqm of flats, 903.6 sqm of commercial space Phase II – 4,464.5 sqm of flats, 81.1 sqm of commercial space</p> <p>Funds from the project execution would be used in the redemption of Bonds: 100% registration date planned: Q1 2026 (Phases II); 44% of apartments sold (Phases I, II); Planned Issuer's proceeds – up to 2,5 mEUR</p>
UTIISIB „Victory Development V“	„Kaip Niujorke“	https://www.kaipniujorkebycitus.lt/ 	<p>During 2024 larger part of the first phase sales has been completed, and during 2025 the second phase of construction and sales will begin, while some of the dividends will be paid to shareholders, arising from development of first phase. Planned investments: Phase I – 8.6 mEUR; Phase II – 9.4 mEUR</p> <p>Address: Kareivių str. 2E, Vilnius</p> <p>Size: Phase I – 81 flats, 5 commercial premises Phase II – 93 flats, 6 commercial premises</p> <p>Area for sale: Phase I – 3,620.9 sqm of flats, 2,511 sqm of commercial space Phase II – 4,236.7 sqm of flats, 430.1 sqm of commercial space</p> <p>Preliminary sales value: Phase I – 11.22 mEUR (excl. VAT) Phase II – 13.77 mEUR (excl. VAT)</p> <p>Funds from the project execution would be used in the redemption of Bonds: 100% registration date planned: Q1 2026; 58% of apartments sold; Planned Issuer's proceeds – 5,5 mEUR</p>
UAB „Arinela“	„Nemunas“	https://www.nemunasbycitus.lt/ 	<p>Notary sales began of the first phase in 2024, while during 2025 it is planned to start construction and sales of second phase.</p> <p>Address: Liepų str. 1, Druskininkai</p> <p>Planned investment: 25.7 mEUR Size: 176 apartments, 2 commercial premises (Phase I)</p> <p>Total – 372 apartments, 11 commercial premises</p> <p>Area for sale: 13,538.7 sqm of apartments 1,882.5 sqm of commercial space (Phases I and II)</p>
UTIISIB „Victory Development Venture“	„Ežero Takais“	https://www.ezerotakaisbycitus.lt/ 	<p>In 2024, investment was made for real estate development at Sidaronių str. 37, Vilnius. The project is under successful development and is expected to finish</p>

			<p>during 2025 and dividends paid out to its shareholders.</p> <p>Address: Sidaronių str. 37, Vilnius Planned investment: 8.1 mEUR Size: 78 flats Area for sale: 3 957 sq.m.</p> <p>Funds from the project execution would be used in the redemption of Bonds: 100% registration date planned: Q3 2025; 76% of apartments sold; Planned Issuer's proceeds – 1,3 mEUR</p>
UAB „Demus Development I“	„Senamiesčio Link“	https://www.senamiesciolinkbycitus.lt/ 	<p>In 2024, investment in the development of 'Senamiesčio Link' project in Naujininkai district, Vilnius, commenced, including launch of sales.</p> <p>Address: Panevėžio str. 20, Vilnius</p> <p>Planned investment: 5.6 mEUR Size: 45 flats, 4 commercial premises Area for sale: 2 016 sq. m of flats and 218 sq. m of commercial space</p> <p>Funds from the project execution would be used in the redemption of Bonds: 100% registration date planned: Q4 2025; 39% of apartments sold; Planned Issuer's proceeds – 0,6 mEUR</p>
UTIISIB „Victory Development I“; UAB „Radijo Parkas“	Radio city I; Radio city II	https://www.radiocity.lt/ 	<p>In 2024, part of 'Radio city I' was under development by UAB 'Radijo parkas'. Additionally, preparation works if 'Radio City II' has started and construction is scheduled to begin in 2025 Q2.</p> <p>Address: Žemaičių str. 31, Kaunas</p> <p>Size: 234 apartments (lofts), 4 commercial premises; Area for sale: 10 850 sq. m of lofts and 1 303 sq. m of commercial space</p>
UAB „Palatinas“	N/A	N/A	<p>Panerių str. 49, Vilnius Address: Panerių str. 49, Vilnius Planned investment: 34.5 mEUR Size: 251 flats and apartments, 15 commercial premises; Area for sale: 11 882 sq. m of flats and 2 583 sq. m of commercial space</p>
UTIISIB UAB Demus Nida Development	„Nidos Bangos“	https://nidosbangosbycitus.lt/ 	<p>Address: Skruzdynės str. 2, Nida Construction will start soon Phase I under development under related company.</p>
UTIISIB „Victory Development Central“	„Tyzenhauz“	https://www.citus.lt/projektas/tyzenhauz 	<p>In 2024 preparatory work continued before start of construction and sales, which are scheduled to begin in 2025.</p>
UAB „Demus Development VI“	N/A	N/A	<p>In 2024, investment into fund was made for a residential project development in Justiniškės district, Vilnius.</p>
UTIISIB „Celijus“	„Miško arдай“; „Klevų namai“	https://www.miskoardai.lt/ 	<p>During 2024, 'Miško Arдай' has neared the end of the project, as most of the works and sales were completed. Fund will finish its operations in 2025 and will distribute final payments to its shareholders.</p>
UAB „Vilnius Nord“	„PaJustis“	https://www.pajustis.lt/ 	<p>Final landscaping and environment improvement works were finished in 2024, after which the project was closed.</p>

UISUTNTIF „Citrus Development Fund“	N/A	N/A	Remaining residential balances have been sold and fund will be prepared for closure.
UAB „Baltijos Regiono Turtas“	N/A	N/A	Company is not planning to undertake new projects and upcoming focus is on preparation for closure.
UAB „Victory SPV1“	„Go Life“; „Skvero Namai“; „Prie Vilnelės“	N/A	Company owns apartments for long term rental. During 2024, the asset portfolio has been reviewed with some apartments sold and new acquisition opportunities are currently under evaluation.

Some other examples of projects developed by the Group:

- Vilnius: “Karaliaučiaus slėnis”; 750 apartments and townhouses; 10 phases (2014–2019); Recognized as the best residential estate in Lithuania.
- Vilnius: “Visi savi”; 125 apartments; 4 commercial premises; Phase 1 (2022–2023)
- One of the first projects to comply with the 10 architectural rules of Vilnius City.
- Kaunas: “Radio City”, Phase I; 384 lofts; 62 commercial premises; Total 2 phases (2020–2023)
- Sustainable building conversion and prestigious location in the center of Žaliakalnis.
- Kaunas: “Old Town Apartments”; 54 apartments and commercial premises; 2 phases (2016–2020)
- Recognized as the best future project in Lithuania.

The Issuer has already acquired project for development in Naujamiestis district (Panerių str. 49) and additionally made one advance payment for another project in Naujamiestis for development.

Planned investment projects:

District	End of construction (all phases)
Karoliniškės	2029 Q1
Rasos	2027 Q3
Naujamiestis	2028 Q2
Naujamiestis (Panerių str. 49)	2028 Q3
Fabijoniškės / Visoriai	2032 Q1
Lazdynai	2028 Q1
Žirmūnai	2026 Q2

Overview of the Collateral

Pledged shares of funds owned by the Issuer. All shares of the funds owned by the Issuer to be pledged:

- UTIISIB Victory Development V (project Kaip Niujorke):
 - The fund is developing the project „Kaip Niujorke“ in Vilnius, Žirmūnai district
 - Contributes to the regeneration and modernization of the industrial area around Šiaurės miestelis
 - The first phase of the project has been completed and most of the apartments have been sold and the construction of the second phase has started
 - NAV – 1.8 mEUR
 - Percentage owned by the Issuer – 80.96%
- UTIISIB Demus Development VI (project Pumpėnų g. Vilnius)
 - The fund is planning to develop the project in Vilnius, Pašilaičiai district
 - Area for sale: 7 052.6 sq.m. of flats (Phase I);
 - Timeframe (Phase I): planned start of sales in Q2 2025; planned start of signing of notarial deeds in Q1 2026; planned 100% registration date in Q1 2026
 - NAV – 1.7 mEUR
 - Percentage owned by the Issuer – 99.84%
- UTIISIB Victory Development IV (project Mūnai)
 - The fund that is developing the largest project of the year, "Mūnai", in Vilnius
 - This is a five-phase project on an area of almost 2 hectares, which will offer 477 mid-segment apartments of various sizes.
 - Most of the work on Phase 1 has been completed and construction of Phase 2 has started.

- NAV – 11.2 mEUR
- Percentage owned by the Issuer – 52.39%

Net Asset Value is calculated and confirmed by three layers:

- 1) calculated by accountants, responsible for funds (close-end investment companies intended for informed investors) accounting;
- 2) confirmed by funds management company “Demus Asset Management”;
- 3) Net Asset Value calculations and validity is also confirmed by independent auditors during funds audits.

3.4 Overview of the Financial Information

Financial statements

The following tables set forth summary of consolidated financial information of the Issuer as of and for the period ended 31 December 2023 and 31 December 2024 respectively.

2024.12.31 Financial statements

Consolidated statement of financial position

	At 2024.12.31 (unaudited)	At 2023.12.31 (audited)
ASSETS		
A. FIXED ASSETS	25 735 817	25 806 673
1. INTANGIBLE ASSETS		
1.1. Assets arising from development		
1.2. Goodwill		
1.3. Software		
1.4. Concessions, patent, licenses trademarks and similar		
1.5. Other intangible assets		
1.6. Advance payments		
2. TANGIBLE ASSETS	4 573 295	6 823 703
2.1. Land		
2.2. Buildings and structures		
2.3. Machinery and plant		
2.4. Vehicles		
2.5. Other equipment, fittings and tools	293 725	550 286
2.6. Investment property	4 279 570	6 273 417
2.6.1. Land		
2.6.2. Buildings	4 279 570	6 273 417
2.7. Advance payments and tangible assets under construction		
3. FINANCIAL ASSETS	21 162 522	18 982 970
3.1. Shares in entities of the entities group		
3.2. Loans to entities of the entities group		
3.3. Amounts receivable from entities of the entities group		
3.4. Shares in associated entities	19 086 022	15 668 689
3.5. Loans to associated entities	1 736 500	3 314 281
3.6. Amounts receivable from the associated entities		
3.7. Long-term investments		
3.8. Amounts receivable after one year		
3.9. Other financial assets	340 000	
4. OTHER FIXED ASSETS		
4.1. Assets of the deferred tax on profit		
4.2. Biological assets		

4.3. Other assets		
B. CURRENT ASSETS	10 613 375	7 803 199
1. STOCKS	27 777	26 285
1.1. Raw materials, materials and consumables		
1.2. Production and work in progress	760	760
1.3. Finished goods		
1.4. Goods for resale		
1.5. Biological assets		
1.6. Fixed tangible assets held for sale		
1.7. Advance payments	27 017	25 525
2. AMOUNTS RECEIVABLE WITHIN ONE YEAR	9 096 255	7 142 237
2.1. Trade debtors	29 899	55 786
2.2. Amounts owed by entities of the entities group		
2.3. Amounts owed by associated entities	8 491 392	6 854 736
2.4. Other debtors	574 964	231 715
3. SHORT-TERM INVESTMENTS		
3.1. Shares in entities of the entities group		
3.2. Other investments		
4. CASH AND CASH EQUIVALENTS	1 489 343	634 677
C. PREPAYMENTS AND ACCRUED INCOME	2 762	2 680
TOTAL ASSETS	36 351 954	33 612 552
EQUITY AND LIABILITIES		
D. EQUITY	31 505 339	24 385 235
1. CAPITAL	11 758 500	11 758 500
1.1. Authorised (subscribed) or primary capital	11 758 500	11 758 500
1.2. Subscribed capital unpaid (-)		
1.3. Own shares (-)		
2. SHARE PREMIUM ACCOUNT		
3. REVALUATION RESERVE		
4. RESERVE	1 317 803	1 317 803
4.1. Compulsory reserve	1 317 803	1 317 803
4.2. Reserve for acquiring own shares		
4.3. Other reserves		
5. RETAINED PROFIT (LOSS)	18 384 855	11 246 128
5.1. Profit (loss) for the reporting year	7 138 727	12 350 273
5.2. Profit (loss) brought forward	11 246 128	(1 104 145)
6. ADJUSTMENTS DUE TO EXCHANGE RATE CHANGE		
7. MINORITY INTEREST	44 181	62 804
E. GRANTS, SUBSIDIES		
F. PROVISIONS	73 812	73 812
1. Provisions for pensions and similar obligations		
2. Provisions for taxation		
3. Other provisions	73 812	73 812
G. AMOUNTS PAYABLE AND OTHER LIABILITIES	4 772 463	9 153 505
1. AMOUNTS PAYABLE AFTER ONE YEAR AND OTHER LONG-TERM LIABILITIES	991 641	2 699 453
1.1. Debenture loans		
1.2. Amounts owed to credit institutions	991 641	2 699 453
1.3. Payments received on account		
1.4. Trade creditors		
1.5. Amounts payable under the bills and checks		
1.6. Amounts payable to the entities of the entities group		

1.7. Amounts payable to the associated entities		
1.8. Other amounts payable and long-term liabilities		
2. AMOUNTS PAYABLE WITHIN ONE YEAR AND OTHER SHORT-TERM LIABILITIES	3 780 822	6 454 052
2.1. Debenture loans	3 264 500	4 799 520
2.2. Amounts owed to credit institutions	4 345	595 000
2.3. Payments received on account	62 392	24 150
2.4. Trade creditors	4 469	33 962
2.5. Amounts payable under the bills and checks		
2.6. Amounts payable to the entities of the entities group		
2.7. Amounts payable to the associated entities	228 438	928 609
2.8. Liabilities of tax on profit	75 446	51 349
2.9. Liabilities related to employment relations	14 837	17 151
2.10. Other amounts payable and short-term liabilities	126 395	4 311
H. ACCRUALS AND DEFERRED INCOME	340	
TOTAL EQUITY AND LIABILITIES	36 351 954	33 612 552

Comments

- „Investment property“ includes portfolio of rented apartments, owned through UAB Victory SPV 1.
- „Financial Assets“ encompasses the issuer’s investments into the real estate projects through loans and equity injections to subsidiary companies
- „Amounts due from associated undertakings“:
 - The Issuer has lent funds to the parent company - UAB Vanagas Group (loan outstanding on 31 Dec 2024 totaled 4,1 mEUR)
 - Additionally Issuer has provided funds to subsidiary companies as short-term loans.
- The issuer has a strong equity position
 - As of 31 Dec 2024 Issuer’s equity ratio (total equity / total assets) was equal to 0,87
- Financial liabilities consists of:
 - Due to credit institutions – the loan from PayRay bank to Victory SPV 1
 - Debt liabilities consists of loans from the shareholder and associated companies, however, as of 2025 March, large part of them has been repaid and new debts are not planned to these related companies

	At 2024.01.01 – 2024.12.31 (unaudited)	At 2023.01.01 – 2023.12.31 (audited)
1. Net turnover	2 116 114	1 003 017
2. Cost of sales	(1 110 686)	(910 485)
3. Fair value adjustments of the biological assets		
4. GROSS PROFIT (LOSS)	1 005 428	92 532
5. Selling expenses	(7 374)	
6. General and administrative expenses	(297 740)	(141 723)
7. Other operating results	331 163	57 396
8. Income from investments to the shares of parent, subsidiaries and associated entities		
9. Income from other long-term investments and loans		
10. Other interest and similar income	9 216 076	15 258 280
11. The impairment of the financial assets and short-term investments	(3 088 105)	(2 868 961)
12. Interest and other expenses	(600)	(6 367)
13. PROFIT (LOSS) BEFORE TAXATION	7 158 848	12 391 157
14. Tax on profit	(38 744)	(39 203)

15. PROFIT (LOSS) BEFORE MINORITY INTEREST SEPARATION	7 120 104	12 351 954
16. MINORITY INTEREST	(18 623)	1 681
17. NET PROFIT (LOSS)	7 138 727	12 350 273

Comments

- Vanagas Asset Management, as an investment holding, does not fully control funds and project SPV's, but holds substantial stake in these projects, ranging from 30% to 80%:
- As a result, investments in these entities are accounted using equity method and income received from investments in these entities is recorded as „Other interest and similar income“.

Consolidated statements of cashflow:

	At 2024.01.01 – 2024.12.31 (unaudited)	At 2023.01.01 – 2023.12.31 (audited)
1. Cash flows from operating activities		
1.1. Cash inflows of the reporting period	2 198 554	2 197 185
1.1.1. Cash inflows from customers	303 111	128 271
1.1.2. Other inflows	1 895 443	2 068 914
1.2. Cash outflows of the reporting period	(638 666)	(1 019 928)
1.2.1. Cash paid to suppliers of raw materials, good and services	(172 977)	(123 091)
1.2.2. Cash outflows related to employment relations	(2 343)	(2 400)
1.2.3. Taxes paid into the budget	(463 247)	(894 437)
1.2.4. Other payments	(99)	
Net cash flows from operating activities	1 559 888	1 177 257
2. Cash flows from investing activities		
2.1. Acquisition of fixed assets	(4 760)	(2 069 669)
2.2. Disposal of fixed assets	717 595	
2.3. Acquisition of long-term investments	(2 868 630)	(1 002 500)
2.4. Disposal of long-term investments	3 830 796	1 604 013
2.5. Loans granted	(12 885 900)	(7 944 201)
2.6. Loans recovered	12 826 027	3 795 440
2.7. Dividends, interest received		
2.8. Other increases in cash flows from investing activities	735 295	987 290
2.9. Other decreases in cash flows from investing activities		
Net cash flows from investing activities	2 350 423	(4 629 627)
3. Cash flows from financing activities		
3.1. Cash flows related to entity's owners		
3.1.1. Increase of the entity owner's capital		
3.1.2. Entity's profit contribution payable to the State budget		
3.2. Cash flows related to other financing sources	(3 055 645)	3 246 975
3.2.1. Loans received	2 773 500	11 391 181
3.2.2. Loans returned	(5 027 854)	(7 984 500)
3.2.3. Interest paid	(550 540)	(159 706)
3.2.4. Finance leases payments		
3.2.5. Increase in other liabilities of the entity		
3.2.6. Decrease in other liabilities of the entity		
3.2.7. Other increases in cash flows from financing activities		
3.2.8. Other decreases in cash flows from financing activities	(250 751)	
Net cash flow from financing activities	(3 055 645)	3 246 975
4. Adjustments due to changes in exchange rated		
5. Increase (decrease) of net's cash flows	854 666	(205 395)
6. Cash and cash equivalents at the beginning of the period	634 677	840 072
7. Cash and cash equivalents at the end of the period	1 489 343	634 677

Capitalization and indebtedness of the Group

The Issuer is of the opinion that the Group has sufficient working capital for its present requirements, i.e., for at least the next 12 (twelve) months commencing as of the date of this Document.

The tables below present the information on the consolidated capitalization of the Group as of 31 December 2024. The tables below should be read in conjunction with Financial Statements of the Issuer.

Table 4: Capitalization and indebtedness of the Group (EUR'000)

<i>Item</i>	2024.12.31
Current debt:	
Current portion of non-current borrowings	
Current portion of non-current obligations under finance lease	
Short-term borrowings from banks, legal entities and private individuals	3 780 822
Total	3 780 822
Guaranteed	
Secured	1 999 200
Unguaranteed/Unsecured	1 781 622
Non-Current debt (excluding current portion of long-term debt):	
Non-current borrowings from banks, legal entities and private individuals	991 641
Obligations under finance lease	
Total	991 641
Guaranteed	
Secured	991 641
Unguaranteed/Unsecured	
Shareholder's equity:	
Share capital	11 758 500
Share premium	
Revaluation reserve	
Legal reserve	1 317 803
Reserve for granting of shares	
Currency exchange differences	
Retained earnings / (accumulated deficit)	18 384 855
Minority interest	44 181
Total	31 505 339
Other items:	
Provisions	73 812
Accruals and deferred income	340
Total	74 152
Total Capitalization (total current debt + total non-current debt + total equity + other items)	36 351 954

3.5 Other information

Dividend policy

The Company has not approved any official dividend policy. Usually, free funds are used for financing the development of business and acquisitions of future developments. The dividend policy of Subsidiaries of the Company may be summarized as follows:

- (i) As cash flow becomes positive of a fund or real estate SPV company, which develops RE projects, and fund / RE SPV company manager's forecasts allow to make dividend payments to its shareholders, audits are initiated.
- (ii) After finishing audits, dividends are distributed to shareholders, including Issuer.
- (iii) SPV companies are targeting to make dividends distributions as often as possible, as it leads to increased financial metrics of the shareholders, including Issuer.

Profit forecasts or estimates

The Issuer has made a decision not to include the profit forecasts or estimates in the Information Document.

Legal and arbitration proceedings

There are no ongoing material legal proceedings or legal proceedings in previous reporting periods against the Issuer, and petitions of insolvency, instituted bankruptcy proceedings. In addition, the Issuer is not engaged in or, to the Management's knowledge, has currently threatened against it any governmental, legal, or arbitration proceedings which may have, or have had during the 12 months preceding the date of this Information Document, a significant effect on our financial position or profitability.

Related party transactions

Group companies (funds and project SPV's) buys from construction management, marketing, sales management, accounting, and other management services from related companies UAB "Citius", UAB "Citius Construction", and UAB "Vanagas Hub". More detailed wider group structure with intercompany relationships are described in 3.1. part.

Additionally, UAB "Victory SPV 1", which is a part on the Group, has 550 000 EUR loan from sole shareholder Mindaugas Vanagas, as a substitute for bank financing. Other intercompany loans and transactions are disclosed in consolidated Financial Statements for the year 2024 (page 27).

Incentive programmes for the employees

There are no approved incentive programmes.

Agreements relating to the Bonds issue

Agreement on the issue and distribution of Bonds. By the Agreement dated 24 March 2025, the Company entrusted UAB FMI "Orion securities" (company code 122033915, registered office at Antano Tumėno str. 4, Vilnius, the Republic of Lithuania), to act and perform the functions of the Lead Manager and the Dealer in connection with the issuance of the Bonds. Also, the Lead Manager undertook to act as exclusive financial advisors about the offering, as well as to open registration accounts for the issue of financial instruments and to represent the Company on Nasdaq CSD SE. The parties under this Agreement undertake to use their best efforts and cooperate to make the offering successful.

On protecting the interest of Bondholders. On 28 March 2025, the Company entered into a service agreement with "Audifina", UAB (company code 125921757, registered office at A. Juozapavičiaus str. 6, Vilnius, the Republic of Lithuania for the protection of the interests of the Bondholders in relations with the Issuer. Subject to this agreement, laws and regulations, the Trustee undertakes to protect the rights and legal interests of all Bondholders in its relations with the Issuer, and the Issuer undertakes to pay the Trustee the remuneration set out in the Agreement. The Agreement shall expire when the Issuer has fulfilled all obligations assumed in the issuance of the Bonds to the Bondholders; and (or) in other cases provided for in the Agreement and (or) the laws of the Republic of Lithuania.

On provision of the services of Certified Advisor. By the Agreement dated 11 September 2024, the Company entrusted Law Firm TGS Baltic (registered office at Konstitucijos ave. 21A Vilnius, the Republic of Lithuania (referred as the „Certified Adviser“)), to provide the services of the Certified Adviser in connection with the issuance of the Bonds. The Law firm TGS Baltic undertook to provide the services as the Certified Adviser, that the Bonds issued by the Issuer be admitted to the *First North* (Nasdaq Vilnius) Bond lists. The contract is valid until the first admission day in the *First North* (Nasdaq Vilnius).

Audited Information

The stand-alone financial statements of the Issuer for the financial year ended 31 December 2024 and the consolidated financial statements of the Group for the financial year ended 31 December 2023 and 31 December 2024 were prepared in accordance with local requirements.

Consolidated financial statements of the Group for the financial year ended 31 December 2023 were audited by UAB "ROSK Consulting", legal entity code 302692397, address at Laisvės ave. 10A, Vilnius, Lithuania, tel. +37068048438, audit license number 001514. The audit for the year 2023 was executed by auditor Romanas Skrebnevskis, auditor's licence number 000471.

No other information contained in the Information Document was audited.

Material contracts, patents and other Information Documents

Neither the Company nor its Subsidiary have any significant contracts, patents and other than agreements related to the borrowings among the Group companies and with credit institutions.

Admission to trading

The Issuer shall submit an application regarding Admission of each Tranche of the Bonds to trading on the First North Bond List of Nasdaq Vilnius First North. The decision as to admission of Bonds to trading on the First North Bond List shall be adopted by the Management Board of AB Nasdaq Vilnius. The Company shall take all the measures, established in the rules of Nasdaq Vilnius First North, needed that the Bonds would be admitted to trading on the First North Bond List as soon as practicably possible.

The Issuer expects that the Bonds of the respective Tranche shall be admitted to trading on the First North Bond List within 6 (six) months as from placement thereof. Disregarding this, the Issuer will put its best endeavours so that these terms would be as short as practicable possible.

Interest of natural and legal persons involved in the offering

Save for commissions to be paid to the Lead Manager, so far as the Issuer is aware, no person involved in the offering of the Bonds has an interest material to the issue/offer, nor any conflicting interests.

IV. DESCRIPTION OF THE BONDS

4.1 General Terms and Conditions of the Bonds

GENERAL TERMS AND CONDITIONS OF UAB "VANAGAS ASSET MANAGEMENT"

*(a private limited liability company incorporated and existing under the laws of the Republic of Lithuania,
legal entity code 305025569)*

FOR THE ISSUANCE UP TO EUR 8,000,000

FIXED RATE BONDS WITH THE MATURITY OF UP TO 2,5 YEARS

The following is the text of the General Terms and Conditions which, as completed by the relevant Final Terms, will constitute terms and conditions of each Bond issued under these General Terms and Conditions. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Bonds may supplement, amend, or replace any information in these General Terms and Conditions.

1. Introduction

General Terms and Conditions: UAB "Vanagas Asset Management" (the "**Issuer**") has established these General Terms and Conditions (the "**Terms and Conditions**") for the issuance of up to EUR 8,000,000 (eight million euros) in aggregate principal amount of fixed rate bonds (the "**Bonds**") with the maturity up to 2,5 (two and a half) years. Copies of the Terms and Conditions may be obtained on the Issuer's website <https://vanagasassetmanagement.lt>. Copies may also be obtained from the registered office of the Issuer at the address Lvivo str. 25-701, Vilnius, Lithuania.

Final Terms: Bonds under the Terms and Conditions will be issued in one series (a "**Series**") and the Series will comprise one or more tranches (a "**Tranche**") of the Bonds. Each Tranche is the subject of a final terms (the "**Final Terms**") which completes these Terms and Conditions. The terms and conditions applicable to any Tranche of Bonds are these Terms and Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Terms and Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and the Final Terms, and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions and the Final Terms.

2. Interpretation

Definitions: In these Terms and Conditions, the following expressions have the following meanings:

"**Business Day**" means a day on which banks in Vilnius are open for general business.

"**Bondholder**" means the Person who's Bonds are registered on the Securities Account.

"**Compliance Certificate**" means a certificate, in form and substance reasonably satisfactory to the Trustee, signed by an authorised signatory of the Issuer certifying that (A) there was no breach of any undertakings set forth in Clause 10; (B) so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it.

"**CSDR**" means Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 as amended.

"**Dealer**" means UAB FMĮ "Orion securities", legal entity code 122033915, registered address at Antano Tumėno str. 4, Vilnius, the Republic of Lithuania.

"**ESMA**" means the European Securities and Markets Authority, or such replacement or successor authority as may be appointed from time to time.

"**Financial Reports**" means the audited annual consolidated and audited stand-alone financial statements of the Issuer and unaudited semi-annual consolidated and unaudited stand-alone interim financial statements of the Issuer. Consolidated and stand-alone financial statements will be prepared in accordance with the applicable law.

"First North" means the multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments) *First North* in Lithuania, administrated by the market operator Nasdaq Vilnius.

"Group" means the Issuer and its Subsidiaries collectively.

"Interest" means the interest on the Bonds calculated in accordance with Clause 5 (*Interest*) of these Terms and Conditions.

"Interest Commencement Date" means the Issue Date of the Bonds as specified in the relevant Final Terms.

"Interest Payment Date" means dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms.

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.

"Interest Rate" has the meaning given in the relevant Final Terms.

"Issue Date" has the meaning given in the relevant Final Terms

"Issuer" means UAB "Vanagas Asset Management", legal entity code 305025569, registered at address Lviso str. 25-701, Vilnius, Republic of Lithuania.

"Maturity Date" has the meaning given in the relevant Final Terms.

"Nasdaq CSD" means the Issuer's central securities depository and registrar in respect of the Bonds from time to time; initially Nasdaq CSD SE, registration No 40003242879, address Valnu str. 1, Riga, the Republic of Latvia, which is regional Baltic central securities depository (CSD) with a business presence in the Republic of Lithuania, the Republic of Latvia and the Republic of Estonia. Nasdaq CSD is licensed under the CSDR and authorised and supervised by the Bank of Latvia. Nasdaq CSD operates as the operator of the Lithuanian securities settlement system, which is governed by Lithuania law and notified to the ESMA in accordance with the Settlement Finality Directive 98/26/EC and provides central securities deposit services, clearance and settlement of securities transactions and maintenance of the dematerialised securities and their Bondholders in accordance with the applicable Lithuania legislation.

"Nasdaq Vilnius" means AB Nasdaq Vilnius, legal entity code 110057488, address Konstitucijos ave. 29, Vilnius, the Republic of Lithuania.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, unincorporated organisation, contractual fund, government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

"Redemption Amount" means, as appropriate, the Final Redemption Amount and/or the Optional Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms.

"Redemption Date" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 7 (*Redemption of the Bonds*).

"Relevant Period" means each period of 6 (six) or 12 (twelve) consecutive calendar months of the relevant Financial Report.

"Securities Account" means the account for dematerialised securities opened in the name of Bondholder with a financial institution which is a member of Nasdaq CSD.

"Subsidiary" means, in relation to the Issuer, any legal entity, in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than 50 (fifty) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than 50 (fifty) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

"Third-party" means any other person or legal entity which is not Subsidiary of the Issuer and does not belong to the Group.

"Trustee" means the Bondholders' Trustee – UAB "AUDIFINA", a limited liability company, established and existing under the laws of the Republic of Lithuania, registration No 125921757, address at A. Juozapavičiaus str. 6, Vilnius, Republic of Lithuania.

"Trustee Agreement" means the agreement entered into on or before the Issue Date between the Issuer and the Trustee, or any replacement Trustee agreement entered into after the Issue Date between the Issuer and the Trustee.

Interpretation: In these Terms and Conditions:

- (i) any reference to principal shall be deemed to include the Redemption Amount, any withheld amounts in respect of principal which may be payable under Clause 9 (*Taxation*), any premium payable in respect of a Bond and any other amount in the nature of principal payable pursuant to these Terms and Conditions;
- (ii) any reference to Interest shall be deemed to include any withheld amounts in respect of Interest which may be payable under Clause 9 (*Taxation*) and any other amount in the nature of Interest payable pursuant to these Terms and Conditions;
- (iii) if an expression is stated in Clause 2 (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Bonds;
- (iv) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - "assets" includes present and future properties, revenues and rights of every description;
 - any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - a "regulation" includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
 - a provision of law is a reference to that provision as amended or re-enacted; and
 - a time of day is a reference to Lithuanian local time.
- (i) An Event of Default is continuing if it has not been remedied or waived.
- (ii) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website (www.ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.
- (iii) A notice shall be deemed to be sent by way of press release if it is made available to the public within Lithuania promptly and in a non-discriminatory manner.
- (iv) No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

3. Denomination, Principal Amount, Collateral and Issue Price

a) Denomination

Denomination of each Bond is EUR 1,000 (one thousand euros) (the "**Nominal Amount**").

b) Aggregate Nominal Amount

Under these Terms and Conditions for the issuance of Bonds the Issuer may issue Bonds up to an aggregate principal amount of EUR 8,000,000 (eight million euros) (the "**Bonds**").

c) Collateral:

The Bonds will be secured by the *first rank pledge* of:

- (i) All Issuer's receivables under any agreements between the Issuer and UAB "Vanagas Group" (legal entity code 302440955), registered office at Lvivo str. 25-701, LT-09320 Vilnius, Republic of Lithuania;
- (ii) Shares of the following companies (the "**Pledged Shares**"):
 - a) Not less than 50% shares of the paid-up share capital and voting rights of a close-end investment company intended for informed investors UAB Victory Development IV (legal entity code 305944736), registered office at Lvivo str. 101, Vilnius;
 - b) Not less than 50% shares of the paid-up share capital and voting rights of a close-end investment company intended for informed investors UAB Victory Development V (legal entity code 306026108), registered office at Lvivo str. 101, Vilnius;
 - c) Not less than 50% shares of the paid-up share capital and voting rights of a close-end investment company intended for informed investors UAB Demus Development VI (legal entity code 306178315), registered office at Kareiviu str. 5, Vilnius; and
 - d) Additional Shares, provided pursuant to Clause 10(c).

The Issuer will provide Collateral not later than in 20 (twenty) Business Days after the Issue Date.

d) Issue Price

The Bonds may be issued at their nominal amount or at a discount or a premium to their nominal amount (the “**Issue Price**”). The Issue Price shall be determined by the Issuer and specified in the applicable Final Terms.

The yield of each Tranche set out in the applicable Final Terms will be calculated as of the relevant Issue Date on an annual basis using the relevant Issue Price. It is not an indication of future yield.

4. Title, Status of the Bonds, Transfer and Underwriting

a) Title to Bonds

The title to the Bonds will pass to the relevant investors when the respective entries regarding the ownership of the Bonds are made in their Securities Accounts.

b) Status of the Bonds

The Bonds constitute direct, unconditional, and unsubordinated obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

c) Transfers of Bonds

The Bonds are freely transferrable. Bonds subscribed and paid for shall be entered to the respective book-entry Securities Accounts of the subscriber(s) in accordance with the Lithuanian legislation governing the book-entry system and book-entry accounts as well as the Nasdaq CSD Rules.

d) No charge

The transfer of a Bond will be effected without charge by or on behalf of the Issuer. However, the investors may be obliged to cover expenses which are related to the opening of Securities Accounts with credit institutions or investment brokerage firms, as well as commissions which are charged by the credit institutions or investment brokerage firms in relation to the execution of the investor's purchase or selling orders of the Bonds, the holding of the Bonds or any other operations in relation to the Bonds. The Issuer and or the Dealer will not compensate the Bondholders for any such expenses.

e) Underwriting

None of the Bonds will be underwritten.

5. Interest

a) Accrual of interest

Interest shall accrue for each Interest Period from and including the first day of the Interest Period to (but excluding) the last day of the Interest Period on the principal amount of Bonds outstanding from time to time. The first Interest Period commences on the Issue Date and ends on the first Interest Payment Date. Each consecutive Interest Period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last Interest Period ends on the Maturity Date.

The interest is paid semi-annually and the interest payment on Interest Payment Date is determined according to the Day Count Convention Act/Act (ICMA). According to this method, Interest for each Interest Period is calculated based on the coupon payment frequency, in the case of the Bonds, by dividing annual coupon rate by the factor of two.

When Interest is required to be calculated in respect of a period of less than a full Interest Period, it shall be calculated on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the “**Accrual Date**”) but excluding the date on which it falls due, divided by (b) the actual number of days in a corresponding Interest Period.

6. Payments to the Bondholders

a) Payments

Payments of principal amounts (including on the final redemption) due on the Bonds will be made to the Bondholders thereof, as appearing in Nasdaq CSD on the 3rd (third) Business Day preceding the due date for

such payment, and payments of Interest (including any other final redemption) due on the Bonds will be made to the Bondholders thereof, as appearing in Nasdaq CSD on the 3rd (third) Business Day preceding the due date for such payment (the "**Record Date**"). Payment of amounts due on the final redemption of the Bonds will be made simultaneously with deletion of the Bonds. The Bondholders shall not be required to provide any requests to redeem the Bonds, as upon Maturity Date of the Bonds, the Nominal Amount thereof with the cumulative Interest accrued shall be transferred to the accounts indicated by the Bondholders without separate requests/requirements of the Bondholders. As of that moment the Issuer shall be deemed to have fully executed the obligations, related to the Bonds and their redemption, disregarding the fact, whether the Bondholder actually accepts the funds or not.

b) Payments subject to fiscal laws

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Clause 9 (*Taxation*). No commissions or expenses shall be charged to the Bondholders in respect of such payments by the Issuer except for taxes applicable under Lithuania law. However, the investors may be obliged to cover commissions and/or other expenses, which are charged by the credit institutions or investment brokerage firms in relation to such payments. The Issuer and/or the Dealer will not compensate the Bondholders for any such expenses.

c) Payments on Business Days

If any date for payment in respect of any Bond or Interest is not a Business Day, the Bondholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

d) Default interest

If the Issuer fails to redeem the Bonds on time and/or fails to pay the Interest on time, the Issuer shall pay default interest of 0.04% for each day of delay, calculated on the unpaid amount.

7. Redemption of the Bonds

a) Scheduled redemption at the Maturity Date

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their Nominal Amount together with accrued but unpaid Interest on the Maturity Date, subject as provided in Clause 6 (*Payments to the Bondholders*).

b) Redemption at the Option of the Issuer (call option)

The Bonds may be redeemable at the option of the Issuer prior to their Maturity Date in accordance with the following conditions:

- (i) early redemption may occur at the discretion of the Issuer no earlier than 12 (twelve) months after the Issue Date (excluding the last day of such term);
- (ii) if early redemption date occurs 12 (twelve) months after the Issue Date but not later than 24 (twenty-four) months after the Issue Date, the respective Early Optional Redemption Amount will be equal to 101.00% of Nominal Amount plus accrued Interest from last Interest Payment Date.
- (iii) if early redemption date occurs during the last 6 (six) months before the Maturity Date, the respective Early Optional Redemption Amount will be equal to 100.00% of Nominal Amount plus accrued Interest from last Interest Payment Date.

Redemption in accordance with Clause 7 (b) shall be made by the Issuer giving not less than 30 (thirty) calendar days' notice to the Bondholders and the Trustee which notice shall be irrevocable and shall specify the date fixed for redemption.

c) De-listing Event or Listing Failure Put Option

If at any time while any Bond remains outstanding, there occurs (A) a **De-listing Event** (as defined below), or (B) a **Listing Failure** (as defined below), each Bondholder will have the option (the "**De-listing Event or Listing Failure Put Option**") to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, all or part of its Bonds, on the **De-listing Event or Listing Failure Put Date** (as defined below) at a price per Bond equal to 102% of the Nominal Amount together with interest accrued to, but excluding, the De-listing Event or Listing Failure Put Date.

Where:

A "**De-listing Event**" shall be deemed to have occurred if at any time following the listing of the Bonds, trading in the Bonds on First North is suspended for a period of 15 (fifteen) consecutive Business Days (when First North is at the same time open for trading).

A "**Listing Failure**" shall be deemed to have occurred if the Bonds issued under these Terms and Conditions are not listed on the First North within 6 (six) months after the Issue Date.

Promptly upon the Issuer becoming aware that a De-listing Event or Listing Failure has occurred, the Issuer shall give notice (a "**De-listing Event or Listing Failure Notice**") to the Bondholders in accordance with Clause 14 (*Notices*) specifying the nature of the De-listing Event or Listing Failure and the circumstances giving rise to it and the procedure for exercising the De-listing Event or Listing Failure Put Option contained in this Clause 7 (*De-listing Event or Listing Failure Put Option*).

To exercise the De-listing Event or Listing Failure Put Option, the Bondholder must notify the Issuer at any time falling within the period of 30 (thirty) days after a De-listing Event or Listing Failure Notice is given (the "**De-listing Event or Listing Failure Put Period**"), accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the Issuer within the De-listing Event or Listing Failure Period (a "**De-listing Event or Listing Failure Notice**"). Payment in respect of any Bonds will be made on the date which is the 5th (fifth) Business Day following the expiration of the De-listing Event or Listing Failure Put Period (the "**De-listing Event or Listing Failure Put Date**"). A De-listing Event or Listing Failure Put Exercise Notice, once given, shall be irrevocable.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Bondholder may incur as a result of or in connection with such Bondholder's exercise or purported exercise of, or otherwise in connection with, any De-listing Event or Listing Failure Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).

If 75 (seventy-five) percent or more in principal amount of the Bonds have been redeemed pursuant to this Clause 7 (*De-listing Event or Listing Failure Put Option*), the Issuer may, on not less than 30 (thirty) but not more than sixty (60) calendar days' irrevocable notice to the Bondholders in accordance with Clause 14 (*Notices*) given within 30 (thirty) days after the De-listing Event or Listing Failure Put Date, redeem on a date to be specified in such notice at its option, all (but not some only) of the remaining Bonds at a price per Bond equal to 102%. Of the Nominal Amount, together with interest accrued to, but excluding, the Redemption Date.

The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 7 (*De-listing Event or Listing Failure Put Option*), if a third party in connection with the occurrence of a De-listing Event or Listing Failure, as applicable, offers to purchase the Bonds in the manner and on the terms set out in this Clause 7 (*De-listing Event or Listing Failure Put Option*) (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 7 (*De-listing Event or Listing Failure Put Option*), the Issuer shall repurchase any such Bonds within 5 (five) Business Days after the expiry of the time limit.

d) Redemption at the option of Bondholders upon a Change of Control.

If at any time while any Bond remains outstanding, there occurs a Change of Control Event (as defined below) each Bondholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Change of Control Event Notice (as defined below), the Issuer gives notice to redeem the Bonds under Clause 7(b) or 7(c)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of all of its Bonds, on the Change of Control Put Date (as defined below) at a price per Bond equal to 102.00 (one hundred and two) per cent. of the Nominal Amount together with interest accrued to, but excluding, the Change of Control Put Date.

Where:

A "**Change of Control Event**" shall be deemed to have occurred if at any time following the Issue Date of the Bonds Mindaugas Vanagas ceases to own, directly or indirectly, at least 50 (fifty) per cent +1 share of the issued share capital of the Issuer.

Promptly upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Bondholders in accordance with Clause 14 (*Notices*) specifying the nature of the Change of Control Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Clause 7(d).

To exercise the Change of Control Put Option, the Bondholder must notify the Issuer at any time falling within the period (the "**Change of Control Put Period**") of 30 (thirty) days after a Change of Control Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the Issuer or Trustee within the Change of Control Put Period (a "**Change of Control Put Exercise Notice**"). Payment in respect of any Bonds will be made, if the Bondholder duly specified a bank account in the Change of Control Put Exercise Notice to which payment is to be made, on the date which is the 5th (fifth) Business Day following the expiration of the Change of Control Put Period (the "**Change of**

Control Put Date") by transfer to that bank account. A Change of Control Put Exercise Notice, once given, shall be irrevocable.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Bondholder may incur as a result of or in connection with such Bondholder's exercise or purported exercise of, or otherwise in connection with, Change of Control Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).

If 75 (seventy-five) percent or more in principal amount of the Bonds then outstanding have been redeemed pursuant to this Clause 7(d), the Issuer may, on not less than 30 (thirty) but not more than 60 (sixty) calendar days' irrevocable notice to the Bondholders in accordance with Clause 14 (*Notices*) given within 30 (thirty) days after the Change of Control Put Date, redeem on a date to be specified in such notice at its option, all (but not some only) of the remaining Bonds at a price per Bond equal to 102.00 (one hundred and two) per cent. of the Nominal Amount, together with interest accrued to but excluding the date of redemption.

The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 7(d) if a third party in connection with the occurrence of a Change of Control Event, as applicable, offers to purchase the Bonds in the manner and on the terms set out in this Clause 7(d) (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 7(d), the Issuer shall repurchase any such Bonds within 5 (five) Business Days after the expiry of the time limit.

e) Purchase

The Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Such Bonds may be held, resold or surrendered by the purchaser through the Issuer for cancellation. Bonds held by or for the account of the Issuer for their own account will not carry the right to vote at the Bondholders' meetings or within procedure in writing and will not be taken into account in determining how many Bonds are outstanding for the purposes of these Terms and Conditions of the Bonds.

8. Use of Proceeds

The net proceeds from the issue of the Bonds will be used to partially finance the development of real estate projects undertaken by the Group, the working capital including relending to Group companies.

9. Taxation

a) No Gross up: All interest payments in the case of the Bonds by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Lithuania or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, in respect of interest, should any amounts payable be subject to withholding or deduction of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Republic of Lithuania or any authority having the power to tax, the Issuer shall be entitled to withhold or deduct the respective taxes or duties. For the avoidance of doubt, any such withholdings or deductions shall be made by the Issuer on behalf of the Bondholders having no obligation to compensate the withheld or deducted tax amounts to the Bondholders. If the applicable treaty for the avoidance of double taxation or Latvian or Estonian law sets forth lower withholding rates than those otherwise applicable to the interest payment under Lithuanian law, the respective Bondholder shall provide the documents necessary for the application of the respective treaty (including, but not limited to, residence certificate issued or attested by the tax authority of the residence state of the Bondholders and application form for tax relief in a form prescribed by applicable tax regulations) or exemption provided under Lithuanian law at least 15 (fifteen) days prior to the payment. In each case, it is within the discretion of the Issuer whether to accept the documents as complete and appropriate for the purposes of the application of the treaty or exemption provided under Lithuanian law. If the Issuer finds the documents incomplete or inappropriate, the Issuer will withhold the tax according to the laws of the Republic of Lithuania.

The Issuer having withheld taxes at the rates set forth by the laws of the Republic of Lithuania shall not limit the rights of the Bondholders to file relevant applications and documents with the State Tax Inspectorate of the Republic of Lithuania to receive the return of withheld tax in a part or in a whole by filling the documents necessary for the application of the respective treaty.

b) Taxing jurisdiction: If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Lithuania, references in these Terms and Conditions to the Republic of Lithuania shall be construed as references to the Republic of Lithuania and/or such other jurisdiction.

10. Special Undertakings

As long as any Bonds remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause.

a) **Status of the Issuer**

The Issuer shall not, as long as the Bonds are not redeemed in full, make any change of Status.

Where:

A change of "**Status**" means any of the following: (i) change of legal form; (ii) change of country of business; (iii) merger with another company; (iv) restructuring; (v) reorganisation; (vi) change of main business; (vii) other type of change that affects the Issuer's obligations and (or) status of the assets of the Issuer.

b) **Adjusted Capital ratio**

The Issuer undertakes to ensure that the Issuer's Adjusted Capital ratio does not fall below the level of 30 %. The Adjusted Capital ratio shall be calculated as Adjusted Shareholder's Equity divided by Total Adjusted Assets and multiplying the obtained result out of 100.

Where:

A "**Adjusted Shareholder's Equity**" shall mean book value of the shareholder's equity of the Issuer decreased by the book value of all outstanding loans provided by the Group to the shareholder of the Issuer and companies outside of the Group which are affiliated with the shareholder of the Issuer.

A "**Total Adjusted Assets**" shall mean book value of the total assets of the Issuer, decreased by the book value of all outstanding loans provided by the Group to the shareholder of the Issuer and companies outside of the Group which are affiliated with the shareholder of the Issuer.

This ratio shall be calculated twice a year on the consolidated level pursuant to the consolidated Financial Reports.

c) **Bonds to Pledged Shares ratio**

The Issuer undertakes to ensure that the ratio of outstanding principal amount of the Bonds to the Net Asset Value of the Pledged Shares at all times is equal or lower than 0,5.

Where:

A "**Net Asset Value of the Pledged Shares**" shall mean the net asset value of the Pledged Shares calculated pursuant to the rules of the investment undertaking, ensuring that the market valuation of the real asset (under the investment undertaking which shares are Pledged Shares), issued by the independent certified appraiser within period of last 13 (thirteen) months. Nonetheless, the net asset value of the Pledged Shares of the relevant entity shall equal to zero euro, if any of the following events have occurred in respect of that entity:

- (i) *Liquidation*: An effective resolution is passed for the liquidation of the entity other than for the purposes of, or pursuant to any terms approved by the Bondholders' Meeting;
- (ii) *Insolvency*: The entity is declared insolvent or bankrupt by a court of competent jurisdictions or admits inability to pay its debts or it enters into any arrangement with majority of its creditors by value in relation to restructuring of its debts or any meeting is convened to consider a proposal for such arrangement;
- (iii) *Insolvency proceedings*: Any corporate action, legal proceedings or other procedures are taken (other than proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 (thirty) calendar days of commencement or, if earlier, the date on which it is advertised) in relation to:
 - i. winding-up, dissolution, administration, insolvency or legal protection proceedings (in and out of court) (in Lithuanian: *nemokumas, likvidavimas, bankrotas, restruktūrizavimas*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the entity;
 - ii. the appointment of a liquidator, receiver, administrator, administrative receiver or other similar officer in respect of the entity or any of its assets; or
 - iii. any analogous procedure or step is taken in any jurisdiction in respect of the entity.

In the event the Issuer breaches this financial undertaking, the Issuer shall provide the first ranking pledge of Additional Shares within a period of 20 (twenty) business days so that the Bonds to Pledged Shares ratio is restored.

Where:

A “**Additional Shares**” shall mean the shares of any of the following subsidiaries of the Issuer:

- (i) Close-end investment company intended for informed investors UAB Victory Development Venture;
- (ii) Close-end investment company intended for informed investors UAB Victory Development Central;
- (iii) Close-end investment company intended for informed investors UAB Demus Development I;
- (iv) Close-end investment company intended for informed investors UAB Demus Development VII;
- (v) Close-end investment company intended for informed investors UAB Demus Development VIII;
- (vi) Close-end investment company intended for informed investors UAB Demus Development IX;
- (vii) Close-end investment company intended for informed investors UAB Demus Nida Development;
- (viii) Close-end investment company intended for informed investors UAB Victory Development I.

If the ratio of outstanding principal amount of the Bonds to the Net Asset Value of the Pledged Shares is lower than 0,3, the partial release of pledge over the Pledged Shares may be executed if the ratio of outstanding principal amount of the Bonds to the Net Asset Value of the Pledged Shares will be not higher than 0,45 immediately after such release of pledge over the Pledged Shares.

d) **Financial reporting**

The Issuer shall:

- (i) prepare annual audited consolidated and annual audited stand-alone Financial Reports of the Issuer and publish them on the Issuer’s website not later than: a) until 31 May 2025 for the financial year ended 2024, and b) in 4 (four) months after the expiry of each financial year other than 2024;
- (ii) prepare semi-annual interim unaudited consolidated and semi-annual interim unaudited stand-alone Financial Reports of the Issuer and publish them on the Issuer’s website not later than in 3 (three) months after the expiry of relevant interim period;
- (iii) prepare and make available a Compliance Certificate to the Trustee (i) when the Issuer’s Financial Reports are made available, and (ii) at the Trustee’s reasonable request, within 20 (twenty) calendar days from such request;
- (iv) in addition to (i)-(iii) above, prepare the Financial Reports and publish them together with Compliance Certificate in accordance with the rules and regulations of Nasdaq Vilnius and the applicable laws upon listing of the Bonds on *First North*.

e) **General warranties and undertakings**

The Issuer warrants to the Bondholders and the Trustee at the date of these Terms and Conditions and for as long as any of the Bonds are outstanding that:

- (i) the Issuer is a duly registered company operating in compliance with the laws of Lithuania.
- (ii) all the Issuer’s obligations assumed under the Terms and Conditions are valid and legally binding to the Issuer and performance of these obligations is not contrary to law or the fund rules of the Issuer;
- (iii) the Issuer has all the rights and sufficient authorizations to, and the Issuer has performed all the formalities required for issuing the Bonds;
- (iv) all information that is provided by the Issuer to the Trustee or the Bondholders is true, accurate, complete and correct as of the date of presenting the respective information and is not misleading in any respect;
- (v) the Issuer is solvent, able to pay its debts as they fall due, there are no liquidation or insolvency proceedings pending or initiated against the Issuer;
- (vi) there are no legal or arbitration proceedings pending or initiated against the Issuer which may have, or have had significant effects on the Issuer’s financial position or profitability; and
- (vii) there are no criminal proceedings pending or initiated against the Issuer.

11. Events of Default

If any of the following events (the "**Events of Default**") (as defined below) occurs, the Issuer shall redeem the Bonds at their outstanding principal amount together with the accrued interest, but without any premium or penalty on the 10th (tenth) Business Day after the occurrence of an Event of Default (the "**Early Repayment Date**"). Interest on such Bonds accrues until the Early Repayment Date (excluding the Early Repayment Date).

The Issuer shall notify the Bondholders and the Trustee about the occurrence of an Event of Default (and the steps, if any, taken to remedy it) immediately and without any delay upon becoming aware of its occurrence i) by way of notification on material event about the occurrence of an Event of Default, and ii) in accordance with Clause 14 (*Notices*).

Each of the following events shall constitute an Event of Default:

- (iv) **Non-payment:** the Issuer fails to pay more than 20 (twenty) Business days any amount of interest in respect of the Bonds on the due date for payment thereof except for cases where payment is not made due to *force majeure* circumstances.
- (v) **Breach of Collateral:** the Issuer fails to provide Collateral, as set out under Clause 3(c).
- (vi) **Breach of Special Undertakings:** the Issuer does not comply with any of the obligations as set out under Clause 10(**Error! Reference source not found.**).
- (vii) **Breach of other obligations:** the Issuer does not comply with any of the obligations as set out under Clause 10 (excluding obligations under Clause 10(**Error! Reference source not found.**)), and it is not remedied within 30 (thirty) calendar days of the earlier of the Trustee giving notice or the Issuer should have become aware of the non-compliance.
- (viii) **Liquidation:** An effective resolution is passed for the liquidation of the Issuer other than for the purposes of, or pursuant to any terms approved by the Bondholders' Meeting.
- (ix) **Insolvency:** The Issuer is declared insolvent or bankrupt by a court of competent jurisdictions or admits inability to pay its debts or the Issuer enters into any arrangement with majority of its creditors by value in relation to restructuring of its debts or any meeting is convened to consider a proposal for such arrangement.
- (x) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 (thirty) calendar days of commencement or, if earlier, the date on which it is advertised) in relation to:
 - iv. winding-up, dissolution, administration, insolvency or legal protection proceedings (in and out of court) (in Lithuanian: *nemokumas, likvidavimas, bankrotas, restruktūrizavimas*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer;
 - v. the appointment of a liquidator, receiver, administrator, administrative receiver or other similar officer in respect of the Issuer or any of its assets; or
 - vi. any analogous procedure or step is taken in any jurisdiction in respect of the Issuer.
- (xi) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of these Terms and Conditions or Collateral or if the obligations under these Terms and Conditions or Collateral are not, or cease to be, legal, valid, binding and enforceable.

If the Issuer is declared insolvent, the Trustee shall represent the Bondholders in all legal proceedings and take every reasonable measure necessary to recover the amounts outstanding under the Bonds. The Issuer shall notify the Trustee about being declared insolvent in accordance with Clause 14 (*Notices*) promptly upon becoming aware of this occurrence. In such a case, all payments by the Issuer relating to the Bonds shall be transferred to the Trustee, or to someone appointed by the Trustee, and shall constitute escrow funds and must be held on a separate Interest-bearing account on behalf of the Bondholders. The Trustee shall arrange for payments of such funds in the following order of priority as soon as reasonably practicable:

- (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee, (ii) other costs, expenses and indemnities relating to the protection of the Bondholders' rights, (iii) any non-reimbursed costs incurred by the Trustee for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a Bondholders' meetings;
- (ii) *secondly*, in or towards payment *pro rata* of all unpaid default interest;
- (iii) *thirdly* in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds;
- (iv) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and

- (v) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions.

If the Trustee makes any payment under this Clause, the Trustee, as applicable, shall notify the Bondholders of any such payment at least 5 (five) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid.

12. Right to Act on Behalf of a Bondholder

If any Person other than a Bondholder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.

A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Bondholder.

The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to this Clause 12 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

13. Trustee and Bondholders' Meetings

The Law on Protection of Interests of Bondholders of Public Limited Liability Companies and Private Limited Liability Companies of the Republic of Lithuania (the "**Law on Protection of Interests of Bondholders**") is applicable to the Bonds, issued under these Terms and Conditions. As a result, the Bondholders shall be represented by the Trustee pursuant to the Law on Protection of Interests of Bondholders and the Trustee shall have all the rights and obligations, indicated in the Law on Protection of Interests of Bondholders and in the respective agreement concluded between the Trustee and the Issuer. When acting pursuant to these Terms and Conditions, the Trustee is always acting with binding effect on behalf of the Bondholders.

In addition, the Trustee shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in these Terms and Conditions and as otherwise agreed between the Issuer and the Trustee, (ii) check that the information in the Compliance Certificate is correctly extracted from the Financial Reports delivered pursuant to Clause 10(d) or other relevant documents supplied together with the Compliance Certificate. The Issuer shall promptly upon request provide the Trustee with such information as the Trustee reasonably considers necessary for the purpose of being able to comply with this clause.

Bondholders Meetings will be organised pursuant to the Law on Protection of Interests of Bondholders and Bondholders' Meeting decisions are binding on all Bondholders.

14. Notices

Bondholders shall be advised of matters relating to the Bonds by a notice published in English and Lithuanian:

- (i) published on the Issuer's website at <https://vanagasassetmanagement.lt>;
- (ii) as well as on www.nasdaqbaltic.com and in Central Regulated Information Base (www.crib.lt) upon listing.

Any such notice shall be deemed to have been received by the Bondholders when sent or published in the manner specified in this Clause 14.

15. Modifications of the Terms and Conditions

a) *Minor modifications.* Terms and Conditions may be amended by the Issuer without the consent of the Bondholders to correct a manifest error or to comply with mandatory provision of the applicable law. In addition, the Issuer shall have a right to amend the technical procedures relating to the Bonds in respect of payments or other similar matters without the consent of the Bondholders, if such amendments are not prejudicial to the interests of the Bondholders. Corresponding information shall be sent to the Bondholders in accordance with Clause 14 (*Notices*).

b) *Other modifications.* Other amendments of the Terms and Conditions may be adopted pursuant to the Article 10(7) of the Law on Protection of Interests of Bondholders.

16. Bonds in Book-Entry Form

The Bonds shall be issued as registered book-entry (dematerialised) securities as entries within Nasdaq CSD, thus, the Bonds exist as an electronic entry in a securities account with Nasdaq CSD. Only persons holding the Bonds directly or indirectly (e.g., through omnibus accounts maintained by investment firms) with Nasdaq CSD will be considered by the Issuer as the Bondholders of such Bonds.

17. Governing Law and Jurisdiction

a) *Governing law*

These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of the Republic of Lithuania.

b) *Courts of the Republic of Lithuania*

Any dispute or claim arising out of or in relation to these Terms and Conditions, including any non-contractual obligation arising out of or in connection with the Bonds, shall be finally settled by the courts of the Republic of Lithuania.

18. Listing and Admission to Trading

Application will be made for Bonds issued under these Terms and Conditions to be admitted during the period of 6 (six) months after the date hereof to listing and trading on the First North of Nasdaq Vilnius.

4.2 Form of Final Terms

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Bonds issued under the General Terms and Conditions.

MiFID II Product Governance / Eligible Counterparties, Professional Clients and Retail Clients Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"), and (ii) all channels for distribution of the Bonds are appropriate and; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate: investment advice, and portfolio management, and non-advised services, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Bonds (a "Distributor") should take into consideration the manufacturer's target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Final Terms dated [●]

UAB "Vanagas Asset Management"

Legal entity identifier (LEI): 89450018N2DVC7O1O656

Issue of up to EUR [●] Bonds due 2027

under the General Terms and Conditions of UAB "Vanagas Asset Management" for the Issuance up to EUR 8,000,000 of fixed rate Bonds with the Maturity up to 2,5 Years

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the General Terms and Conditions of UAB "Vanagas Asset Management" for the Issuance up to EUR 8,000,000 of fixed rate Bonds with the Maturity up to 2,5 Years (the "General Terms and Conditions") which forms part of the Information document dated [●] 2025 which constitutes an offering document for the purposes of the Law on Securities of the Republic of Lithuania. This document constitutes the Final Terms of the Bonds described herein and must be read in conjunction with the Information Document, including General Terms and Conditions, in order to obtain all relevant information.

The Information Document and Final Terms are available for viewing on the Issuer's website <https://vanagasassetmanagement.lt>. Copies may also be obtained from the registered office of the Issuer at the address Lviso str. 25-701, Vilnius, Lithuania.

Upon listing, the Information Document and Final Terms will also be available for viewing on the website of AB Nasdaq Vilnius www.nasdaqbaltic.com.

1.	Issuer:	UAB "Vanagas Asset Management"
2.	Status of the Bonds:	Non subordinated fixed rate interest bonds
4.	(i) Series Number:	[●]
	(ii) Tranche Number:	[●]
5.	Specified Currency:	Euro (EUR)
6.	Aggregate Nominal Amount:	
	(i) Series:	EUR [●]

	(ii) Tranche:	EUR [●]
7.	Issue Price:	EUR [●]
8.	Specified Denominations:	EUR 1,000
9.	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	Issue Date
10.	Maturity Date:	[●]
11.	Final Redemption Amount:	Subject to any early redemption, the Bonds will be redeemed on the Maturity Date at 100% per Nominal Amount.
12.	Put/Call Options:	Investor Put
		Issuer Call
		(See paragraphs 16-17 below)
13.	Date [Board] [Shareholder] decision for issuance of Bonds obtained:	[●]
14.	Trustee:	[●]
PROVISIONS RELATING TO INTEREST PAYABLE		
15.	Fixed Rate Bond Provisions	
	(i) Interest Rate:	[The annual interest rate will be set within the range of [●]%, [●]% or [●]%. The final annual interest rate will be determined in accordance with the Section V “Subscription and Sale of the Bonds” of the Information Document.] [The Fixed Rate of Interest is [●] per cent per annum in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Maturity Date payable in arrears on each Interest Payment Date.]
	(ii) Interest Payment Date(s):	[●] and [●] in each year
	(iii) Day Count Fraction:	Act/Act (ICMA).
PROVISIONS RELATING TO EARLY REDEMPTION		
16.	Call Option	Applicable
	(i) Optional Redemption Date(s):	Any Business Day no earlier than 12 (twelve) months after the Issue Date.
	(ii) Optional Redemption Amount(s) of each Bond:	101% per Nominal Amount in the case of the Optional Redemption Date falling on within last 12 (twelve) months after the Issue Date, but no later than 24 (twenty-four) months after the Issue Date; 100% per Nominal Amount in the case of the Optional Redemption Date falling on within last 6 (six) months before the Maturity Date.
	(iii) Notice period:	Not less than 14 calendar days
17.	Put Option	Only due to Change of Control, De-listing Event or Listing Failure
	(i) Change of Control Put Date / De-listing Event or Listing Failure Put Date / Optional Redemption Date:	The 5 th (fifth) Business Day following the expiration of the Change of Control Put Period / De-listing Event or Listing Failure Put Period
	(ii) Optional Redemption Amount of each Bond:	102% per Nominal Amount

	(iii) Change of Control Put Period / De-listing Event or Listing Failure Put Period /Notice period:	Not more than 30 calendar days
GENERAL PROVISIONS APPLICABLE TO THE BONDS		
18.	Form of Bonds:	The Bonds shall be issued in non-material registered form. The book-entry and accounting of the dematerialized securities in the Republic of Lithuania [, which will be admitted to trading on the First North (Nasdaq Vilnius),] shall be made by Nasdaq CSD. Entity to be in charge of keeping the records will be the Issuer. The Bonds shall be valid from the date of their registration until the date of their redemption. No physical certificates will be issued to the Investors. Principal and interest accrued will be credited to the Bondholders' accounts through Nasdaq CSD.
19.	Governing Law:	The Bonds, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of the Republic of Lithuania.
20.	Jurisdiction:	Any dispute or claim arising out of or in relation to the Bonds, including any non-contractual obligation arising out of or in connection with the Bonds, shall be finally settled by the courts of the Republic of Lithuania.

Signed on behalf of the Issuer:

By: Mindaugas Vanagas
Duly authorised

PART B – OTHER INFORMATION

1.	LISTING AND ADMISSION TO TRADING	
	(i) Admission to Trading:	Application will be made for Bonds issued under these Final Terms to be admitted during the period of 6 (six) months after the date hereof to listing and trading on the First North of Nasdaq Vilnius.
	(ii) Estimate of total expenses related to [the issue and] admission to trading:	<input type="checkbox"/>
2.	RATINGS	The Bonds to be issued are not rated.
3.	INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER	
	Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the offer of the Bonds has an interest material to the offer. The Dealer and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.	
4.	YIELD	
	Indication of yield:	<input type="checkbox"/> per cent.
	<i>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.</i>	
5.	OPERATIONAL INFORMATION	
	(i) ISIN:	<input type="checkbox"/>
	(ii) Delivery:	Delivery against payment
	(iii) Settlement Date	<input type="checkbox"/>

6.	SUBSCRIPTION AND DISTRIBUTION	
(i)	Subscription period:	[●] 2025 – [●] 2025 at [●] (Vilnius time)
(ii)	Allocation Date	[●] 2025
(iii)	Method of Distribution:	Non-syndicated
(iv)	Name of Dealer[s]:	FM “Orion Securities”
(v)	Minimum Investment Amount	1 Bond / EUR 1000
8.	OTHER INFORMATION	
(i)	Use of Proceeds:	The proceeds of the issue of Bonds will be used to partially finance the development of real estate projects undertaken by the Group, the working capital including relending to Group companies
(ii)	Information about the securities of the Issuer that are already admitted to trading:	No other securities of the Issuer that are already admitted to trading.

V. SUBSCRIPTION AND SALE OF THE BONDS

By subscribing the Bonds, each Investor confirms having read this Information Document, including Terms and Conditions, Final Terms and documents incorporated in this Information Document by way of reference (please see Section 1.4 Information incorporated by Reference), having accepted the terms and conditions set out in this Information Document and having made the subscription according to the terms herein. The Investor may also familiarize with the Agreement on Bondholders' Protection before or after placing a Subscription Order by requesting the Issuer via e-mail info@vanagasgroup.lt.

General information

The Issuer may issue the Bonds up to an aggregate principal amount of EUR 8,000,000. The Bonds shall be offered and issued in Tranches under respective Final Terms. The Bonds shall be issued and offered in Tranches. The terms and conditions of each Tranche shall consist of (i) the General Terms and Conditions of the Bonds which are identified in Sections 4.1 *General Terms and Conditions of the Bonds* and (ii) the Final Terms. Thus, the Bonds of each of the Tranches will generally be subject to the same terms, except that the following may differ, as specified in the respective Final Terms of the respective Tranche: the Issue Date, Issue Price and yield.

The aggregate principal amount of the Bonds of each of the Tranches shall be specified in the Final Terms. The Issuer may decrease or increase the aggregate principal amount of a Tranche during the Subscription Period of that Tranche. Nonetheless, the final number of Bonds to be issued will be decided on the Allocation Date by the Issuer, based on the level of subscriptions.

The subscription of the Bonds will be organized through Nasdaq as an Auction and Auction Rules will be applied.

General structure of the Offering

The Offering shall be structured in the following order:

- (i) the Subscription Orders shall be submitted by the Investors through the Exchange Members and Nasdaq Auction Rules;
- (ii) the Issue Price shall be paid by the investors according to the order described further in this Information Document and the Final Terms;
- (iii) based on the decision of the Issuer together with the Lead Manager the Bonds shall be allocated to the Investors;
- (iv) the Bonds shall be registered with Nasdaq CSD and distributed to the Investors.

Cancellation or changes of dates of the Offering

The Issuer, at its own discretion, may cancel the primary distribution and offering of the Bonds at any time prior to the relevant Settlement Date without disclosing any reason for doing so. In such event, Subscription Orders for the Bonds that have been made will be disregarded, and any payments made in respect of the submitted Subscription Orders will be returned without interest or any other compensation to the Investors.

The Issuer may also change the dates of opening and closing of the Subscription Period, or decide that the offering of any of the Tranche will be postponed and that new dates of the offering will be provided by the Issuer later.

Any decision on cancellation or changes of dates of the offering will be published on Issuer's website as well in a manner compliant with applicable regulations, as well as market practices in Lithuania.

Subscription procedure; invalidity of the Subscription Orders

In order to subscribe for the Bonds, the Investor must have a Securities Account with the Exchange Member and fill in a Subscription Order form provided by the Exchange Member during the Subscription Period only in order for the Exchange Member to enter a buy order in Nasdaq's trading system. The list of Exchange Members is available on the website <https://nasdaqbaltic.com/statistics/en/members>. The Subscription Orders shall be submitted by means accepted and used by the Exchange Members (e.g. physically, via the internet banking system or by any other available means).

The Investor may submit multiple subscriptions which shall be merged for the purposes of allocation. The Subscription Period will be indicated in the Final Terms.

Investors confirmations

By submitting a Subscription Order to the Exchange Member or the Lead Manager, every Investor (besides other acknowledgments and undertakings provided in this Information Document):

- (i) authorizes and instructs the Exchange Member and (or) the Lead Manager through which the Subscription Order is submitted to arrange the settlement of the subscription on its/his/her behalf (taking such steps as are legally required to do so) and to forward the necessary information to the extent necessary for the completion of the subscription;
- (ii) shall ensure that when submitting a Subscription Order there are sufficient funds on the cash account connected to its/his/her Securities Account to cover the amount subscribed (i.e. the Issue Price multiplied by the amount of the Bonds subscribed);
- (iii) authorizes and instructs the Exchange Member and (or) the Lead Manager through which the Subscription Order is submitted to block the whole Subscription amount on the investor's cash account connected to its/his/her Securities Account until the allotment of Bonds pursuant to this Information Document and Auction Rules, and registration with the Register is completed on the Issue Date;
- (iv) authorizes the Exchange Member, Issuer, Lead Manager and Nasdaq to process, forward and exchange its/his/her personal data and information in the Subscription Order in order to participate in the Offering, to accept or reject the Subscription Order and comply with the Information Document and fulfill the Issuer's obligations under the Information Document;
- (v) acknowledges that the Offering does not constitute an offer (in Lithuanian: *oferta*) of the Bonds by the Issuer in legal terms, and that the submission of a Subscription Order does not constitute the acceptance of an offer, and therefore does not in itself entitle the investor to acquire the Bonds, nor results in a contract for the sale of the Bonds between the Issuer and the Investor, unless the Bonds are allotted to the investor pursuant this Information Document and Bonds are registered with the Register on the Issue Date;
- (vi) confirms that it/she/he has got familiarized with this Information Document, Final Terms and Auction Rules.

Invalidity of the Subscription Orders

The Subscription Order shall not be considered valid and shall not be processed in the following cases:

- (i) the Subscription Order does not contain all the information requested in it;
- (ii) the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount (if any indicated in the Final Terms); or
- (iii) the Subscription Order was received after the Subscription Period; or
- (iv) the Issuer and (or) the Lead Manager rejects the Subscription Order due to any other reasons (e.g. oversubscription, violation of legal acts governing anti-money laundering prevention and/or sanctions).

The Exchange Members and (or) the Lead Manager acting in accordance with internal rules and applicable laws shall inform the investors on rejection of provided Subscription Orders.

An investor shall bear all costs and fees charged by the respective account operator or a custodian accepting the Subscription Order in connection with the submission, cancellation or amendment of a Subscription Order.

Change and Withdrawal of the Subscription Orders

The Subscription Order may be amended, cancel or withdrawn and new Subscription Order placed at any time until the end of the Subscription Period. The Investor wishing to amend, cancel or withdraw placed Subscription Order shall submit a written statement on the subscription cancellation to the entity through which the Subscription Order has been submitted. This may result in costs and fees charged by the by the intermediary through which the Subscription Order is submitted.

Preferred Interest Rate (coupon)

The Issuer may offer the Bonds for a fixed annual interest rate as already specified in the Final Terms or within a range as specified in the Final Terms. In case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms, each Investor undertakes to specify the investment amount(s) the Investor is willing to invest at one or more annual interest rate (coupon) levels within the available annual interest rate (coupon) range as indicated by the Issuer. For the avoidance of doubt, the Investor may subscribe the Bonds on different preferred annual interest rate (coupon) levels.

By submitting the Subscription Order, the Investor acknowledges that, in case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms, each investment amount to be invested per each offered preferred annual interest rate has to be not less than the Minimum Investment Amount as specified in the Final Terms. Otherwise, the Subscription Order for subscribing to the Bonds with the less than Minimum Investment Amount shall not be considered valid and shall not be processed.

Setting Interest Rate (Coupon)

The Investors acknowledge that the Interest Rate (coupon) of the Bonds shall be determined upon the discretion of the Issuer within the range indicated in the Final Terms, taking into consideration, among other factors, the volume and price level of Subscription orders received from the Investors.

All Investors who have been allocated the Bonds of the relevant Tranche shall pay the same price and receive the same fixed annual interest rate for the Bonds. The Investors will be informed about the final annual Interest Rate (coupon) upon allocation.

Payment for the Bonds

By submitting a Subscription Order each Investor authorises and instructs the Exchange Member through which the Subscription Order is submitted to immediately block the whole subscription amount on the Investor's cash account connected to its/his/her securities account until the settlement is completed or funds are released in accordance with these terms and conditions.

In case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms and the Investor has placed Subscription Orders at different preferred annual interest rates, the total transaction amount to be blocked will correspond to the sum of investment amounts (in EUR) payable per each Investor's offered preferred annual interest rate level. For illustrative purposes only, assuming the Investor has placed the following Subscription Orders:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 20,000
y%	EUR 40,000
z%	EUR 60,000

the amount of EUR 120,000 shall be the transaction amount and it will be blocked on the Investor's cash account until the settlement is completed or funds are released.

Transaction related charges of the financial institution operating the Investor's securities account may also be blocked on the cash account as agreed between the Investor and the financial institution operating the Investor's securities account.

Allocation Date and Allocation Rules

Allocation of the Bonds will take place, and the final number of offer Bonds sold will be publicly announced after the Subscription Period expires.

The Bonds will be allocated to Investors by the Issuer on the Allocation Date indicated in the Final Terms. In case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms, only Subscription Orders which are at or below the set final Interest Rate (coupon) will be subject to allocation.

For illustrative purposes only, assuming the Investor has placed the following Subscription Orders at different preferred annual interest rates, below are a set of illustrative examples of various subscription alternatives and potential outcomes. The list is not exhaustive and there may be other potential outcomes:

Example 1:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 20,000
y%	EUR 40,000
z%	EUR 60,000

If the Issuer decides to set the final annual interest rate at y per-cent and there is no oversubscription, the Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e., each Investor receives full allocation of the Bonds), then in the case above the Investor shall receive EUR 60,000 of the Bonds.

Example 2:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	-
y%	EUR 40,000
z%	EUR 60,000

If the Issuer decides to set the final annual interest rate at x per-cent, then in the case above the Investor shall not receive any allocation of the Bonds.

Example 3:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 20,000
y%	-
z%	-

In case the Issuer decides to set the final annual interest rate at z per-cent and there is no oversubscription, the Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e., each investor receives full allocation of the Bonds), then in the case above the Investor shall receive EUR 20,000 of the Bonds.

Example 4:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 40,000
y%	EUR 20,000
z%	EUR 60,000

In case the Issuer decides to set the final annual interest rate at z per-cent and there is no oversubscription, the Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e., each investor receives full allocation of the Bonds), then in the case above the Investor shall receive EUR 120,000 of the Bonds.

The number of Bonds to be allocated to each Investor shall be determined upon time priority principle. Accordingly, Investors who placed the Subscription Order, may not receive all of the Bonds they have subscribed for and it is possible they may not receive any. In case the Investor has not been allocated any Bonds or allocation is less than the number of subscribed Bonds, the relevant amount shall be released in accordance with the terms set out in *Return of funds to Investors*.

By placing a Subscription Order the Investors shall be considered as have consented to being allotted a lower number of Bonds than the number specified in such Investor's Subscription Order, or to not being allotted any Bonds at all, pursuant to this Information Document.

Payable amount for the Bonds

The specific amount to be paid by the Investor for allocated Bonds is calculated by multiplying the number of allocated Bonds to Investor by the Issue Price per Bond.

Return of funds to Investors

If the Offering or a part thereof is cancelled, or if the Investor has not been allotted any Bonds, or allotted a lower number of Bonds than the number specified in such Investor's Subscription Order, or the Subscription Order has been cancelled or rejected, the funds blocked on the Investor's cash account, or the excess part thereof (the amount in excess of payment for the allocated Bonds), will be released by the respective Exchange Member or the Leader Manager and pursuant to its agreement with the investor.

Regardless of the reason for which funds are released, neither the Issuer nor the Lead Manager shall be responsible for any relationships between the Investor and Exchange Member in connection with any operations happening on the cash account connected to the Investors' Securities Account.

Settlement

The Bonds allocated to the Investors will be transferred to their securities accounts on or about the Settlement Date provided in the Final Terms through the "delivery versus payment" (DVP) method, meaning that the settlement procedure is carried out by Nasdaq CSD and Exchange Members on the Issue Date in accordance with the Auction Rules and title to the Bonds purchased in the subscription process is obtained upon Bonds transfer to respective Securities Account which is done simultaneously with making the cash payment for the purchased Bonds.

The title to the Bonds will pass to the relevant investors when the Bonds are recorded to their securities accounts. If an investor has submitted several Subscription Undertakings through several securities accounts, the Bonds allocated to such investor will be transferred to all such securities accounts proportionally to the number of the Bonds indicated in the Subscription Undertakings submitted for each account, rounded up or down as necessary.