

SUTNTIB AB "TEWOX"

ISSUE FOR THE OFFERING OF BONDS OF SUTNTIB AB "TEWOX" IN THE AMOUNT OF UP TO EUR 35,000,000 AND ADMISSION THEREOF TO TRADING ON THE BALTIC BOND LIST OF NASDAQ VILNIUS AB

This base prospectus (the **Prospectus**) has been drawn up and published by Specialioji uždarojo tipo nekilnojamojo turto investicinė bendrovė (in English: *Special closed-ended real estate investment company*) (**SUTNTIB**) AB "Tewox", legal entity code 305733600, with its registered address at Jogailos st. 4, Vilnius, the Republic of Lithuania (the **Company** or **Issuer**) in connection with the public offering, listing and admission to trading of the Bonds (as defined below) to be issued by the Company from time to time under the Issue (as defined below) to the Baltic Bond List of Nasdaq Vilnius AB (the **Bond List of Nasdaq** or **Nasdaq**), a regulated market in the Republic of Lithuania.

Under this EUR 35,000,000 bond issuance issue (the **Issue**), the Company may from time to time publicly offer and issue up to 35,000 bonds with the nominal value of EUR 1,000 each (the **Bonds**) to retail and institutional investors of the Republic of Lithuania, Latvia and Estonia (the **Offering**), but the Issuer may also choose to offer the Bonds to investors in any Member State of the European Economic Area (the EEA) under relevant exemptions provided for in Article 1(4) of the Prospectus Regulation (as defined below). All Bonds offered, issued, listed and admitted to trading under this Prospectus from time to time by way of all separate series (the **Tranche**) under respective final terms (the **Final Terms**) will form one and the same Issue and have the same ISIN code.

The function of this Prospectus is to give information about the Company, the Issue and the Bonds. Each Final Terms of the respective Tranche will be decided and announced separately.

The Bank of Lithuania in its capacity as the competent authority in the Republic of Lithuania under the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the **Prospectus Regulation**) on 13 August 2024 has approved this document as a Prospectus and has notified the approval of the Prospectus to the Estonian Financial Supervision Authority (in Estonian: *Finantsinspeksioon*; the **EFSA**) and to the Bank of Latvia (in Latvian: *Latvijas Banka*). All the Bonds of the Company (when issued) will be dematerialized registered bonds and will be registered with Lithuanian branch of Nasdaq CSD, SE (the merged central securities depository of the Republic of Lithuania, Latvia and Estonia, the **Nasdaq CSD**) that operates a central security depository in the Republic of Lithuania (the **Register**).

The approval by the Bank of Lithuania of this Prospectus only means that it is meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Investing into the Bonds involves risks and may not be suitable for all investors. Each prospective investor in the Bonds must determine, based on its own independent review and, if appropriate, professional advice (as the appropriateness of the Bonds will be determined by the financial intermediary through which the investor subscribes to the Bonds) that the investment in the Bonds is suitable in light of its financial circumstances and objectives. While every care has been taken to ensure that this Prospectus presents a fair and complete overview of the material risks related to the Company, the operations of the Company and Group and/or the Management Company (as all defined in the Prospectus) and to the Bonds, the value of any investment in the Bonds may be adversely affected by circumstances that are either not evident at the date hereof or not reflected in this Prospectus. Each decision to invest in the Bonds must be based on the Prospectus in its entirety. Therefore, we suggest you familiarise yourselves with the Prospectus thoroughly.

NOTICE TO ALL INVESTORS

Neither this Prospectus nor any Final Terms constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire the Bonds offered by any person in any jurisdiction in which such an offer or solicitation is unlawful, in particular this Prospectus and any Final Terms 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, including the United States of America (the **United States**), Australia, Canada, Hong Kong and Japan.

Moreover, neither this Prospectus nor any Final Terms should be considered as a recommendation by the Issuer or the Arranger/Dealer (as defined below) or any other person engaged by the Issuer in connection with the Offering that any recipient of this Prospectus or any Final Terms should subscribe for or purchase any Bonds. Each recipient

of this Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Company and the Bonds.

The Bonds have not been and will not be registered under the relevant laws of any state, province or territory other than the Republic of Lithuania, Estonia and Latvia and may not be offered, sold, transferred or delivered, directly or indirectly, within any other jurisdiction than the Republic of Lithuania, Estonia and Latvia, except pursuant to an applicable exemption. Notwithstanding anything to the contrary contained in this Prospectus, the Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any Russian or Belarusian national or natural person residing in Russia or Belarus, or any legal person, entity or body established in Russia or Belarus, and regardless of nationality, residence or establishment, to any person to whom such offering, sale, transfer or delivery of the Bonds is restricted or prohibited by international sanctions, national transaction restrictions or other similar measures established by an international organisation or any country (including the European Union, the United Nations or the United States).

Distribution of copies of the Prospectus or any related documents, including any Final Terms, are not allowed in those countries where such distribution or participation in the Offering of the Bonds requires any extra measures or is in conflict with the laws and regulations of these countries. Persons who receive this Prospectus or any related document, including any Final Terms, should inform themselves about any restrictions and limitations on distribution of the information contained in this Prospectus and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. No action has been taken by the Company in relation to the Bonds or rights thereto or possession or distribution of this Prospectus or any Final Terms in any jurisdiction where action is required, other than in the Republic of Lithuania, Estonia and Latvia. The Company is not liable in cases where persons or entities take measures that are in contradiction with the restrictions mentioned in this paragraph.

INFORMATION FOR UNITED STATES INVESTORS

The Bonds have not been approved or disapproved by any United States' regulatory authority. The Bonds will not be, and are not required to be, registered with the SEC under the US Securities Act of 1933, as amended (the **Securities Act**) or on a United States securities exchange. The Company does not intend to take any action to facilitate a market for the Bonds in the United States. The Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

VALIDITY OF PROSPECTUS

The Prospectus is valid for 12 months after the date of its approval provided that the Prospectus is supplemented in case new factors, material mistakes or material inaccuracies occur, and such an obligation does not apply after the end of the validity period of the Prospectus.

ARRANGER AND DEALER

Luminor Bank AS, legal entity code 11315936, registered address at Liivalaia 45, 10145, Tallinn, the Republic of Estonia, operating in the Republic of Lithuania through Luminor Bank AS Lithuanian branch, legal entity code 304870069, registered address at Konstitucijos ave. 21A, Vilnius, the Republic of Lithuania, which is assigned by the Issuer for the purposes of arranging the Issue, Offering in the Republic of Lithuania, Latvia and Estonia and admission of the Bonds to trading on the Bond List of Nasdaq (the **Arranger** and/or **Dealer**), and/or for any other purposes and services as provided for in the Prospectus.

Arranger and Dealer

Luminor

The date of this Prospectus is 13 August 2024

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1. INTRODUCTORY INFORMATION

1.1. Applicable Law

The Prospectus has been drawn up in accordance with the Prospectus Regulation and the Delegated Regulation¹ and the Law of the Republic of Lithuania on Securities, as amended (the **Law on Securities**), and the rules promulgated thereunder. The Prospectus comprises of a registration document of the Company drawn up in accordance with Annex 6 of the Delegated Regulation and of securities note of the Bonds drawn up in accordance with Annex 14 of the Delegated Regulation.

This Prospectus is governed by Lithuanian law. Any disputes, relating to or arising in relation to the Bonds shall be finally settled solely by the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration which is granted with exclusive jurisdiction to hear, settle and/or determine any dispute, controversy, or claim (including any non-contractual dispute, controversy or claim) arising out of or in connection with the Prospectus or the Bonds. The investor may be required under national law to bear the costs of translating this Prospectus before being able to bring a request/claim to the state court in relation to this Prospectus, Bonds and arbitration award.

Before reading this Prospectus, please take notice of the following important introductory information.

1.2. Persons Responsible

The person responsible for the information given in this Prospectus is the Company. The Company accepts responsibility for the fullness and correctness of the information contained in this Prospectus as of the date hereof. Having taken all reasonable care to ensure that such is the case, the Company believes that the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the facts, and contains no omission likely to affect its import.

[signed digitally]

The manager of the Company

Acting under the Power of Attorney issued by the Management Company

Paulius Nevinskas

Without prejudice to the above, no responsibility is accepted by the person responsible for the information given in this Prospectus solely on the basis of the summary of any Tranche issued under this Prospectus and respective Final Terms, including any translation thereof, unless such summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds.

1.3. Presentation of Information

Final Terms and Reading the Prospectus. The Bonds are issued in Tranches on the terms set out herein under Section "*Terms and Conditions of the Bonds*" (the **Terms and Conditions**) as completed by a document specific to each such Tranche called the final terms (the **Final Terms**) as described under respective Section "*Form of Final Terms of the Bonds*". The Prospectus should be read together with all supplements and in respect of each Tranche of Bonds with the Final Terms of such Tranche. The Final Terms of each individual Tranche will be published together with the summary drawn up for such Tranche on the website of the Company at https://lordslb.lt/tewox_bonds/, and after the Bonds are listed and admitted to trading on the Bond List of Nasdaq, these documents will also be published on Nasdaq

¹ Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004 (the **Delegated Regulation**).

operated Central Storage Facility (the **CSF**) at www.crib.lt. The Final Terms and summary of the separate Tranches will not be approved by the Bank of Lithuania or any other supervisory authority but will be filed with the Bank of Lithuania.

Approximation of Numbers. Numerical and quantitative values in this Prospectus (e.g., monetary values, percentage values, etc.) are presented with such precision which is deemed by the Company to be 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 as percentages do not necessarily add up to 100% due to the effects of approximation. Exact numbers may be derived from the Financial Statements to the extent that the relevant information is reflected therein.

Currencies. In this Prospectus, financial information is presented in euro (EUR), the official currency of the European Union Member States in the Eurozone.

Date of Information. This Prospectus is drawn up based on information which was valid as of the date of the Prospectus. Where not expressly indicated otherwise, all information presented in this Prospectus (including the consolidated financial information of the Company, the facts concerning its operations and any information on the markets in which it operates) must be understood to refer to the state of affairs as of the aforementioned date. Where information is presented as of a date other than the date of the Prospectus, this is identified by specifying the relevant date.

Third Party Information and Market Information. For portions of this Prospectus, certain information may have been sourced from third parties. Such information is accurately reproduced and as far as the Company is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information has been sourced from third parties, a reference to the respective source has been provided together with such information were presented in this Prospectus. Certain information with respect to the markets in which the Company and Group and/or the Management Company operate is based on the best assessment made by the Management. Nevertheless, investors should take into consideration that the Company has not verified the information published by third parties and while every reasonable care was taken to provide best possible assessments of the relevant market situation and the information on the relevant industry, such information may not be relied upon as final and conclusive. Therefore, the Company does not guarantee the accuracy of such data, estimates or other information sourced from third parties. Investors are encouraged to conduct their own investigation of the relevant markets or employ a professional consultant.

Updates. The Company will update the information contained in this Prospectus only to such extent and at such intervals and by such means as required by the applicable law or considered necessary and appropriate by the Management. The Company is under no obligation to update or modify forward-looking statements included in this Prospectus (please see Section 1.5 "*Forward-Looking Statements*" below).

Hyperlinks to Websites. This Prospectus contains hyperlinks to websites. The information on the websites does not form part of the Prospectus and has not been scrutinised or approved by the Bank of Lithuania, except for hyperlinks to information that is incorporated by reference in this Prospectus.

Language. The language of this Prospectus is English. Certain legislative references and technical terms may have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

1.4. Historical Financial Information and Accounting Standards

The following historical financial information has been incorporated into this Prospectus by reference under Section 4 "*Information incorporated by Reference*”):

- (i) the audited consolidated financial statements of the Company for the year ended 31 December 2022;
- (ii) the audited consolidated financial statements of the Company for the year ended 31 December 2023 ((i) and (ii) together referred to as the **Audited Consolidated Financial Statements**).

The Audited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (**IFRS**) as adopted by the EU. The Unaudited Interim Financial Statements have been prepared in accordance with International Accounting Standards (**IAS**) 34, Interim Financial Reporting.

The Audited Consolidated Financial Statements are audited by UAB “KPMG Baltics”, legal entity code 111494971, registered address at Lvivo st. 101, Vilnius, the Republic of Lithuania.

In 2024, the General Meeting appointed PricewaterhouseCoopers, UAB, legal entity code 111473315, having its registered address at J. Jasinskio g. 16B, Vilnius, the Republic of Lithuania, as the Company’s new auditors for the years 2024-2026.

The Company’s financial year starts on 1 January and ends on 31 December, the amounts are presented in thousand euros unless otherwise indicated.

1.5. Forward-Looking Statements

This Prospectus includes forward-looking statements (notably under Section 1 “*Risk Factors*”, Section 12 “*Business Overview*” and Section 8 “*Reasons for Offering and Use of Proceeds*”). 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 beliefs of the Management as well as assumptions made by and information currently available to the Management. Any forward-looking statements included in this Prospectus 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”, “plan”, “anticipate”, “believe”, “will”, “continue”, “estimate”, “intend”, “project”, “goals”, “targets” 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 Prospectus 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 highly competitive business. This business is affected by changes in domestic and foreign laws and regulations (including those of the EU), taxes, developments in competition, economic, strategic, political and social conditions, clients’ response to new and existing products and technological developments 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 1 “*Risk Factors*” for a discussion of the risks which are identifiable and deemed material at the date hereof).

1.6. Use of Prospectus

This Prospectus and any Final Terms are prepared solely for the purposes of the Offering of the Bonds and admission to trading of the Bonds on the Bond List of Nasdaq. This Prospectus and any Final Terms shall not be published in any jurisdiction other than the Republic of Lithuania, Estonia and Latvia and consequently the dissemination of this Prospectus and any Final Terms in other countries may be

restricted or prohibited by law. This Prospectus and any Final Terms may not be used for any other purpose than for making the decision of participating in the Offering or investing into the Bonds. You may not copy, reproduce (other than for private and non-commercial use) or disseminate this Prospectus or any Final Terms without express written permission from the Company.

Any person into whose possession this Prospectus or any part of it and/or any Final Terms comes to shall observe all restrictions established in this Prospectus or applicable laws. The Company will not be liable in cases where persons take measures that are in contradiction with the applicable restrictions.

1.7. Approval of Prospectus

This Prospectus has been approved by the Bank of Lithuania on 13 August 2024. The Bank of Lithuania only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and therefore the approval should not be considered as an endorsement of the Company and the quality of the Bonds that are the subject of this Prospectus. Investors should make their own assessment as to the appropriateness of investing in the Bonds.

1.8. Availability of Prospectus and Other Information

This Prospectus is available as of 13 August 2024 in an electronic format on the website of the Company (https://lordslb.lt/tewox_bonds/). This Prospectus is also available on the website of the Bank of Lithuania (<https://www.lb.lt/lt/emitentai>). Any investor may request delivery of an electronic copy of this Prospectus (or any documents incorporated herein by reference as disclosed in Section 4 “*Information incorporated by Reference*”) from the Company or Trustee without charge by sending request by e-mail of the Company info@lordslb.lt or the Trustee info@audifina.lt.

Paper copy of this Prospectus (or copies of the documents incorporated herein by reference as disclosed in Section 4 “*Information incorporated by Reference*”) also the relevant Final Terms can be obtained free of charge at the premises of the Company (Jogailos st. 4, Vilnius, the Republic of Lithuania on business days between 10:00 – 15:00) by any investor upon prior arrangement with the Company by e-mail info@lordslb.lt.

All information presented on the Company’s website which has not been incorporated by reference into this Prospectus under Section 4 “*Information incorporated by Reference*” does not form part of the Prospectus.

1.9. Definitions

In this Prospectus, the definitions will have the meaning indicated below, unless the context of the Prospectus requires otherwise. Definitions are listed in alphabetical order and the list is limited to the definitions which are considered to be of most importance. Other definitions may be defined and used elsewhere in the Prospectus, including specific definitions related to the Issue and Offering provided in the Terms and Conditions under Section 6 “*Terms and Conditions of the Bonds*” of this Prospectus.

Term	Definition
Audited Consolidated Financial Statements	shall mean the audited consolidated financial statements of and for the year ended 31 December 2022, and the audited consolidated financial statements of and for the year ended 31 December 2023 of the Company, both prepared in accordance with the IFRS together with the consolidated Management reports and independent auditor’s reports on the consolidated financial statements and on the consolidated annual reports.
Articles of Association	shall mean the Articles of Association of the Company effective as at the date of this Prospectus.

Bank of Lithuania	shall mean the Bank of Lithuania (in Lithuanian: <i>Lietuvos bankas</i>) with its registered office in Vilnius, the Republic Lithuania. The Lithuanian financial supervision authority.
Bonds	shall mean any and all the Company's bonds offered in accordance with this Prospectus.
Bond List of Nasdaq	shall mean the regulated bond market operated by Nasdaq where the Bonds issued under this Prospectus shall be listed and admitted to trading.
Company or Issuer	shall mean Specialioji uždarojo tipo nekilnojamojo turto investicinė bendrovė (in English: <i>Special closed-ended real estate investment company</i>) (SUTNTIB) AB "Tewox", legal entity code 305733600, with its registered address at Jogailos st. 4, Vilnius, the Republic of Lithuania. The Company is being managed by the Management Company. The Issuer operates under the provisions of the Law on Collective Investment Undertakings of the Republic of Lithuania and the net asset value is calculated according to the methodology approved by the Management Company in compliance with the Methodology for calculating the net asset value approved by the Board of the Bank of Lithuania.
EEA	shall mean the European Economic Area.
EU	shall mean the European Union.
EUR, €, euro	shall mean the official currency of Eurozone countries, including the Republic of Lithuania, Latvia, Estonia, the euro.
Final Terms	shall mean the final terms of the relevant Tranche of the Bonds, where the form of the Final Terms is provided in Section 7 " <i>Form of Final Terms of the Bonds</i> ".
General Meeting	shall mean the General Meeting of Shareholders of the Company, the supreme body of the Company.
Group or Group Companies	shall mean the Company and its Subsidiaries.
IFRS	shall mean the International Financial Reporting Standards as adopted by the EU.
Key Executives or Management	shall mean the following persons (separately or collectively) within the Management Company's organization structure: the Chief Executive Officer (the CEO), the Chief Financial Officer (the CFO), the Chief Risk Officer (the CRO) of the Management Company, the members of the Management Board of the Management Company, the Company's manager acting under the power of attorney issued by the Management Company.
Management Company	shall mean UAB "Lords LB Asset Management", legal entity code 301849625, registered address at Jogailos st. 4, Vilnius, the Republic of Lithuania, a licensed investment management company supervised by the Bank of Lithuania.
Offering	shall mean the offering of the Bonds to institutional and retail investors of the Republic of Lithuania, Latvia and Estonia, which is a public offering of securities within the meaning of the Law on Securities and the Prospectus

	Regulation.
Issue	shall mean the aggregate of the Bonds to be issued under ISIN LT0000409567 by way of all Tranches in the amount of up to EUR 35,000,000.
Prospectus	shall mean this document, including the registration document of the Company and the securities notes of the Bonds.
Prospectus Regulation	shall mean Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
Related Parties	shall mean the third party, as defined in the International Accounting Standard, 24 <i>Related Party Disclosures</i> .
Subsidiaries or Related Entities	shall mean all entities where the Company directly or indirectly holds at least 10% shares or voting rights.
Terms and Conditions	shall mean the terms and conditions of the Bonds which are provided in Section 6 " <i>Terms and Conditions of the Bonds</i> " of this Prospectus, applicable to all the Bonds to be issued in each of the respective Tranches, as completed by the relevant Final Terms.
Tranche	shall mean a portion of the Bonds of the Issue issued from time to time during the validity term of this Prospectus under the respective Final Terms as contemplated by the Terms and Conditions.

2. OVERVIEW OF THE ISSUE

The following overview does not purport to be complete and is taken from and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of the Bonds, the applicable Final Terms. This overview must be read as an introduction to this Prospectus and any decision to invest in the Bonds should be based on a consideration of this Prospectus as a whole and, in relation to the terms and conditions of any particular Tranche of the Bonds, the applicable Final Terms.

The below overview constitutes a general description of the Issue for the purposes of Article 25(1)(b) of the Delegated Regulation.

Issuer	SUTNTIB AB "Tewox
Legal Entity Identifier (LEI) of the Issuer	984500ETP929D4755B29
Issue Approval	The Issue has been approved by a Decision of General Meeting dated 5 August 2024.
Issue Amount	Up to 35,000,000 euros, i.e., up to 35,000 Bonds can be issued under the Issue.
Description	Unsecured Bond Issue.
ISIN code	LT0000409567
Method of Issue	The Bonds will be issued in Tranches under the same ISIN code. Each Tranche will be issued on different Issue Dates. The Bonds of each Tranche will all be subject to identical terms as provided in the Terms and Conditions, except that the Final Terms of different Tranches may (or will) establish different Issue Dates, Issue Prices, Yield.
Final Terms	The Bonds issued under the Issue will be issued pursuant to the Prospectus and associated Final Terms. The terms and conditions applicable to any particular Tranche of the Bonds will be the Terms and Conditions as completed by the relevant Final Terms.
Currency	The Bonds will be denominated in euros.
Denomination	The Nominal Value (denomination) of each Bond is EUR 1,000.
Maturity	The Bonds are to be issued with a maturity of up to 3 years (i.e. the Bonds issued under the Issue by way of all Tranches will be redeemed on the Final Maturity Date which will be specified in the Final Terms of the first Tranche), unless redeemed earlier as prescribed further.
Status of Bonds	The Bonds under the Issue will be issued as unsecured fixed-term Bonds only. The Bonds constitute unsecured, unsubordinated, direct, and unconditional obligations of the Company which will at all times rank <i>pari passu</i> among themselves. The payment obligations of the Issuer under Issue together with interest thereon shall rank at least <i>pari passu</i> with all other present and future unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Form of Bonds	<p>The Bonds shall be issued in dematerialized form and book-entered with Nasdaq CSD. According to the Law on Markets in Financial Instruments of the Republic of Lithuania the book-entry and accounting of the dematerialized securities in the Republic of Lithuania, which will be listed and admitted to trading on the Bond List of Nasdaq (regulated market), shall be made by Nasdaq CSD. The Bonds shall be valid from the date of their registration with Nasdaq CSD until the date of their redemption. No physical certificates will be issued to the Bondholders. Principal and interest accrued will be credited to the Bondholders' Securities Accounts through Nasdaq CSD.</p>
Collateral	<p>The Issue is unsecured.</p>
Rights attached to Bonds	<p>The rights attached to the Bonds have been established in the Terms and Conditions. The main rights of the Bondholders arising from the Bonds are the right to the redemption of the Bonds and the right to receive payment of interest.</p> <p>The rights arising from the Bonds can be exercised by the Bondholders in accordance with the Prospectus and the applicable law. According to the Terms and Conditions as prescribed further in the Prospectus, any dispute between the Company and a Bondholder shall be solved by amicable negotiations and if the amicable negotiations have no outcome during a reasonable period of time, the dispute shall be settled by the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration (the number of arbitrators shall be three; the place of arbitration shall be Vilnius; the language of arbitration shall be English). Claims arising from the Bonds shall expire in accordance with the statutory terms arising from applicable law.</p> <p>After the contemplated admission of the Bonds to trading on the Baltic Bond List of the Nasdaq, all material information in relation to the Company, Issue and Bonds will be disclosed via the CSF at www.crib.lt.</p>
Issue Price	<p>The Bonds may be issued at any price (at a Nominal Value or at a discount or adding to the price the interest accrued on the Bonds from the last Interest Payment Date (in case the last Interest Payment Date was before the Issue Date of the relevant Tranche)). The Issue Price and amount of each Tranche of the Bonds to be issued under the Issue will be determined by the Company in accordance with prevailing market conditions and established in the relevant Final Terms.</p>
Interest	<p>The Bonds will be interest bearing as provided and calculated in accordance with Section 6.10 "<i>Interest</i>" of the Terms and Conditions and the respective Final Terms. The accrued interest for the Bonds will be computed using the Act/Act (ICMA) day count convention, as per the formula detailed in the Terms and Conditions.</p>
Redemption	<p>The Bonds shall be redeemed, i.e. the Redemption Price shall be paid to the Bondholders on the Final Maturity Date or, if applicable, on the relevant Early Redemption Date or Early Maturity Date.</p> <p>The Redemption Price paid to the Bondholder on the Final Maturity Date equals the full outstanding principal (i.e. Nominal Value) together with the</p>

	unpaid interest accrued up to the Final Maturity Date (unless early redeemed, as indicated below).
Early Redemption	Except for cases specified in Section 6.12(d) “ <i>De-listing Event or Listing Failure (put option)</i> ” and Section 6.12(e) “ <i>Extraordinary Early Redemption</i> ” of the Terms and Conditions, there are no other cases where the Bondholders have a right to demand redemption of the Bonds prior the Final Maturity Date.
De-listing Event or Listing Failure (put option)	If at any time while any Bond remains outstanding, there occurs (a) a De-listing Event, or (b) a Listing Failure, each Bondholder will have the 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 determined in accordance with these Terms and Conditions, paying to the Bondholder full Nominal Value of the redeemable Bonds together with the unpaid interest accrued up to the relevant De-listing Event or Listing Failure Put Date (exclusive). More details in Section 6.12(d) “ <i>De-listing Event or Listing Failure (put option)</i> ”.
Early Optional Redemption of Bonds by the Company	<p>The Bonds shall be redeemable wholly or partially at the option of the Issuer prior to the Final Maturity Date on the following conditions:</p> <ul style="list-style-type: none"> (i) the Early Redemption Date may occur no earlier than three (3) months prior to the Final Maturity Date if it is decided that the Issue matures between 2 (two) (inclusive) and 3 (three) (exclusive) years after the Issue Date of the first Tranche, as provided in the Final Terms of the first Tranche; or may occur no earlier than 1 (one) year prior to the Final Maturity Date if it is decided that the Issue matures 3 (three) years (inclusive) after the Issue Date of the first Tranche, as provided in the Final Terms of the first Tranche; (ii) the Investors and the Trustee shall be notified of the Early Redemption at least twenty (20) days in advance; (iii) on the Early Redemption Date the Issuer shall pay to the Investors full Nominal Value of the redeemable Bonds together with the unpaid interest accrued up to the relevant Early Redemption Date (exclusive) without any premium.
Listing and Trading	Application(s) will be made for the Bonds issued under the Issue to be listed and admitted to trading on the Bond List of Nasdaq. The Company expects that the Bonds of the respective Tranche shall be listed and admitted to trading on the Bond List of Nasdaq within 6 months as from placement thereof to the investors the latest. Disregarding this, the Company will put best efforts so that this term would be as short as practically possible. The Final Terms will indicate the respective Tranche's expected listing and admission date.
Covenants	<ul style="list-style-type: none"> (i) Issuer's LTV ratio not greater than 50%; (ii) Related Entities' LTV ratio not greater than 60%; (iii) Corporate status;

	<p>(iv) Change of control;</p> <p>(v) Decisions;</p> <p>(vi) Reporting obligations.</p> <p>Full descriptions on the above listed covenants are provided for in Section 6.13 “<i>Covenants of the Issuer</i>” of the Terms and Conditions.</p>
Transfer Restrictions	<p>There are no restrictions on transfer of the Bonds as they are described in the applicable Lithuanian laws. However, the Bonds cannot be offered, sold, resold, transferred or delivered 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, including the United States, except for the exceptions to registration obligation allowed by the securities laws of the United States and its states, Australia, Canada, Hong Kong and Japan. Any person into whose possession this Prospectus or any part of it and/or any Final Terms comes to shall observe all such restrictions.</p>
Taxation	<p>All payments to be made in connection with the Bonds shall be calculated and paid taking into account any taxes and other deductions mandatory under applicable laws respectively in the Republic of Lithuania, Latvia and Estonia. Please see Section 13 “<i>Taxation</i>” of the Prospectus for more information in respect to taxation in each jurisdiction.</p>
Risk Factors	<p>Investing in the Company’s Bonds involves certain risks. The principal risk factors that may affect the ability of the Company to fulfil its respective obligations under the Bonds are discussed under Section 3 “<i>Risk Factors</i>” of the Prospectus.</p>
Governing Law	<p>The Bonds shall be governed by Lithuanian law.</p>
Ratings	<p>Neither the Issuer nor the Bonds have been rated by any credit rating agencies.</p>
Waiver of Set-Off	<p>No holder of the Bonds shall be entitled to exercise any right of set off or counterclaim against moneys owed by the Company in respect of the Bonds.</p>
Estimated Expenses charged to Investor	<p>No expenses will be charged to the investors by the Issuer in respect to the Offering, transfer of the Bonds to the Securities Account of an investor upon Bonds’ issuance and admission of the Bonds to trading on the Bond List of Nasdaq. However, the investors may have 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 will not compensate the investors for any such expenses.</p>
Use of Proceeds	<p>(i) Financing the acquisition of retail properties in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the</p>

	<p>Federal Republic of Germany (Baltic Sea region in general) by the Company or its Subsidiaries;</p> <p>(ii) for the development of grocery shopping centres and/or retail parks in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany (Baltic Sea region in general);</p> <p>(iii) for the redemption of the existing unsecured bonds issued by the Company, including early redemption of such bonds, provided that the Company is entitled to redeem such bonds prematurely in accordance with the applicable bond terms;</p> <p>(iv) for the repayment of any of the Company's debts, whether incurred before or after the date of this Prospectus.</p>
Arranger and Dealer	Luminor Bank AS operating in the Republic of Lithuania through Luminor Bank AS Lithuanian branch.
Distributor	In case the Company would assign any Distributor for the purpose of the Offering of the Bonds, contacts of such Distributor will be indicated in the Final Terms of the respective Tranche.
Trustee	UAB „AUDIFINA“, a private limited liability company, legal entity code 125921757, with its registered address at A. Juozapavičiaus st. 6, LT-09310 Vilnius, the Republic of Lithuania.

3. RISK FACTORS

Investing into the Bonds issued by the Company entails various risks. Each prospective investor in the Bonds should thoroughly consider all the information in this Prospectus, including the risk factors described below. Any of the risk factors described below, or additional risks not currently known to the Management or not considered significant by the Management, could have a material adverse effect on the business, financial condition, operations or prospects of the Company and the Group and result in a corresponding decline in the value of the Bonds or the ability of the Company to redeem the Bonds. As a result, investors could lose a part or all of the value of their investments. The Management believes that the factors described below present the principal risks inherent in investing into the Bonds. The risk factors are presented in categories and where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor. The risk factors in a category are presented considering the materiality and probability of occurrence of a particular risk.

This Prospectus is not, and does not purport to be, investment advice or an investment recommendation to acquire the Bonds. Each prospective investor must determine, based on its own independent review and analysis and such professional advice as it deems necessary and appropriate, whether an investment into the Bonds is consistent with its financial needs and investment objectives and whether such investment is consistent with any rules, requirements and restrictions as may be applicable to that investor, such as investment policies and guidelines, laws and regulations of the relevant authorities, etc.

3.1. Risks related to the Company

3.1.1. Financial Risks

Investment projects' success risk

The Company's investment success is highly dependent on the Management Company's decisions and experience of the Management in relation to planning of investments, negotiations with counterparties, etc. Considering that even one unsuccessful investment can have a significant negative impact on the Company's financial performance and results, the Management Company's employees invoke all available information and analytic resources when planning investments, thorough due diligence procedures are carried out, however, there is no guarantee, that all information based on which the investments in the real estate projects are made is exhaustive and error free or there will be no other unpredictable external events with impact on the real estate market and Company's investment projects.

Therefore, there is a risk that the key variables regarding which investments assumptions are made could significantly and negatively change and adjustments to the initial calculations might be required consequently reducing overall profitability of the Company's investment portfolio and affecting the Company's activities, financial situation, and ability to redeem the Bonds.

Tenants' risk

The Company's strategy is to lease the real estate objects for the highest possible price. Even though rent is usually paid on time by tenants (tenants' obligations not fulfilled on time according to the latest Audited Consolidated Financial Statements as of 31 December 2023 amounted to EUR 166,652, EUR 73,052 of which are not overdue receivables and EUR 93,600 was overdue). Accordingly, the total amount of receivables represented 2.03% of the Company's total income from tenants and the overdue amount represented 1.14% of the Company's total income from tenants. Therefore, the amounts not paid by the tenants on time do not have a significant impact on the Company's activities), there is a risk that changed economic conditions and/or economic downturn would cause tenants defaults. This would negatively affect the Company's profit and cash flows. As a result of non-fulfilment of a large part of obligations on time by tenants, the Company's normal business activities may be disrupted, additional

sources of financing may have to be sought, which may not always be available. The Company may face the problem of non-reimbursed costs of constant tenants if it fails to obtain the expected rental income or to maintain a high occupancy rate of the buildings. This risk may occur from significant increase in the supply of rental premises and decrease in demand, resulting in a fall in rental prices.

If it is not possible to rent the premises at the expected prices or volumes, if the existing tenants terminate the lease agreements, the Company's income could decrease, without any change in fixed costs. The Company's profits would decrease accordingly and this might affect the Company's ability to redeem the Bonds.

Liquidity risk

Liquidity risk is the risk that the Issuer is unable to maintain a sufficient reserve of cash and other liquid financial assets that can be used to meet its payment obligations as they fall due and to redeem the Bonds. The availability of liquidity for business activities and the ability to access long-term financing are necessary to enable the Issuer to meet its payment obligations in cash, whether scheduled or unscheduled. There may be difficulty in the future in accessing the financial markets, which could make it more difficult or expensive to obtain funding. There can be no assurance that the Company will be able to continue to raise financing at a reasonable cost, or at all. The Company may also be subject to solvency risks of its counterparts in its financial investments and arrangements. These may have an adverse effect on the Group's business, financial condition and results of operations. Although the Management Company monitors its liquidity position and follows procedures to manage liquidity risk, a reduction in the Company's liquidity position could have a material adverse effect on the Company's business, financial condition, results of operations or prospects, as well as ability to redeem the Bonds at their maturity.

In evaluating the liquidity risk, it is notable that the Company's consolidated financial statements for the year ended 31 December 2023 were prepared on a going concern basis. As of 31 December 2023, the Group's current liabilities exceeded current assets by EUR 23,181,000. The audit company, in its report on these financial statements, highlighted this matter and the going concern assumption. However, it should be noted that the going concern assessment was based on assumptions that the Group would successfully issue a non-public one-year bond of EUR 10,000,000 and a second non-public two-year bond of approximately EUR 16,000,000 in 2024 to refinance its current liabilities. The Management concluded that no material uncertainties exist regarding the Group's ability to continue as a going concern. The audit company did not modify its opinion on the consolidated financial statements for the year ended 31 December 2023 concerning this issue. Nevertheless, as correctly anticipated by the Management, the Company issued EUR 9,974,000 in bonds (ISIN LT0000313603) in early 2024, with a maturity date of 12 February 2025. Therefore, the remaining assumption hinges on the success of the Offering based on this Prospectus.

3.1.2. Business activities and industry risks

Real estate market risk

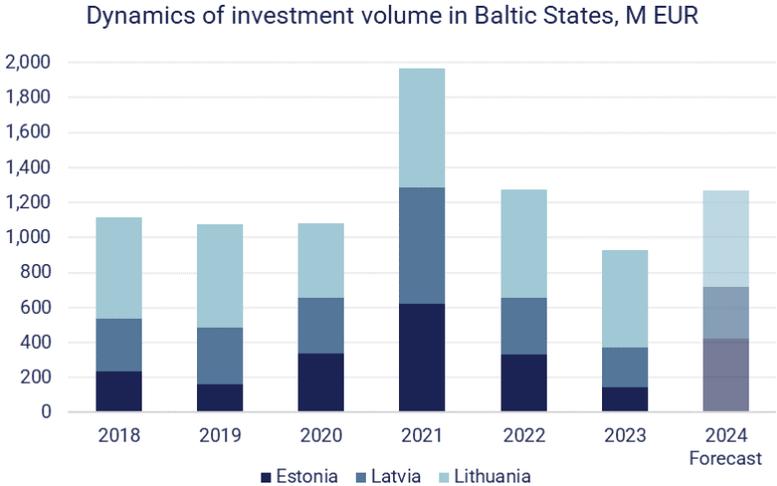
Since the Company's main business is management and development of real estate projects, negative developments in the Company's target markets – the Baltic States and Poland, could have a negative impact on both real estate market prices and market transaction volume.

Due to the constantly changing market situation (as presented in in the chart below, including increase in geopolitical risks caused by the Russia's war in Ukraine), there is a risk that the Company's investments may lose their value or the anticipated Company's investment projects may have to be reconsidered and/or postponed. The fluctuations in the real estate market may reduce the rental income received by the Company and the liquidity and value of the assets.

The real estate market can also fluctuate significantly due to increased interest rates and reduced financing options. This can lead to a decrease in buyers' activity in the market and an increase in sellers'

activity in the market. This would lead to a decrease in asset prices and a drop in liquidity. In essence, it would become more difficult to sell assets owned by the Company.

Moreover, because of the economic processes in Lithuania and internationally, the Company's target clients may slow their expansion and growth plans, thus interest in the Company's properties and services may decrease and it may be difficult to find suitable tenants or buyers of developed properties.



Source: Commercial real estate market overview 2023 (Colliers, 2024)

Inflation risk

Inflation and significant changes in inflation negatively affect the economy. The lease agreements of the assets owned by the Company (Group) may not always be indexed or not adjusted exactly according to inflation, so there remains a risk that inflation may have a negative impact on the Company's (Group's) rental return.

Additionally, geopolitical tension and accelerating inflation significantly impact consumer spending habits. In response to the rising cost of living, consumers are cutting their overall expenditure, reducing spend on non-essential items and focus on saving. Because of changes in households' behaviour, turnover of the Group's tenants may be lower than in stable economy. Lower turnover of tenants may directly affect the Group's financial situation as usually the rent fees are determined according to turnover of the tenants.

Competition risk

Based on the geography and nature of business activities of the Company, no direct competition is identified as of the day of this Prospectus. Nevertheless, competition in separate business lines, as well as appearance of competition in the future in business of the management and development of retail orientated real estate properties such as retail parks or grocery shopping centers where the Group operates may have adverse effect on the results of operations and profitability of the Company and the Group.

Competing properties might be developed and decrease demand for the Group's developed real estate properties and services. Increased competition might affect the Company's profitability as the Company would have to make concessions to retain or attract tenants which in turn could affect the Group's profitability and result in worse financial performance of the Group and the Company.

3.1.3. Legal risks

Risk of legal disputes

Even though the Company is not involved in any legal proceedings at the moment, the Company cannot provide any assurance that there will not be any disputes with its tenants or other counterparties, the outcome of which cannot be predicted in advance. In unlikely situation where dispute is resolved in the manner unfavourable to the Company, this could adversely affect its operations, financial condition, and reputation as the Company may be required to pay damages awarded, including the legal costs of the opponent (the Issuer itself would also incur legal costs). All of this can have an impact on the Company's ability to properly perform its obligations to the investors, and on the attractiveness and liquidity of the Bonds.

3.1.4. Governance and internal control risks

Management and human resources risk

As the Company's (and indirectly the whole Group's) management is transferred to the Management Company, the Group's results depend on the Management Company's team and their decisions, and on the competence and experience of the team members.

The Group's success and its ability to carry out its growth initiatives depend on qualified executives and employees, in particular certain executive officers of the Management Company and employees with special expertise in the development, financing, operation and maintenance of projects. Given their expertise in the industry, their knowledge of the Group's business processes and their relationships with the Group's local partners, the loss of the services of one or more of these individuals could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Furthermore, as the Group expands its operations, portfolio and geographic footprint, the Group's operating success and ability to carry out its business plan depend in a large part upon the Management Company's ability to attract and retain additional qualified personnel who have specific technical or industry expertise, including people in the locations where the Group has operations.

The Management Company is also routinely required to assess the business, financial, legal and tax impacts of the complicated business transactions that the Group enters, whether in connection with evaluating and developing new projects or overseeing asset construction and operation.

The Management Company's failure to attract additional workforce or promptly appoint qualified and effective successors for employees who have left or inability to effectively manage temporary gaps in expertise or other disruption created by such departures, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

3.2. Risks related to the Bonds

3.2.1. General risks

Inflation risk

At the time of this Prospectus high inflation is viewed globally as one of the main macroeconomic factors posing significant risk to global economic growth and consequentially to the value of both equity and debt securities. Inflation reduces the purchasing power of a Bond's future interest and Nominal Value. Inflation may lead to higher interest rates which could negatively affect the Bonds price in the secondary market.

Refinancing risk

The Company may be required to refinance certain or all of its outstanding debts, including the Bonds. Up to date of this Prospectus Company's bonds amounting to EUR 24,974,000 remain outstanding:

EUR 15,000,000 bonds (ISIN LT0000407785) with a maturity date of 7 September 2024 and EUR 9,974,000 bonds (ISIN LT0000313603) with a maturity date of 12 February 2025. The Company plans to redeem the bonds with funds generated by operating Subsidiaries and funds raised from the issuance of new Bonds on a basis of this Prospectus. The Company's ability to successfully refinance its debt is dependent on the conditions of the debt capital markets and its financial condition at such time. In unfavourable debt capital market situation, the Company's access to financing sources at a particular time may not be available on favourable terms, or at all. The Group's level of indebtedness presents a number of risks to its financial condition, including the following: certain of the Company's borrowings are at variable rates of interest, exposing the business to the risk of increased interest rates; and if due to liquidity needs the Company must replace any borrowings upon maturity, the business would be exposed to the risk that it would be unable to do so as the result of market, operational or other factors. The Company's inability to refinance its debt obligations on favourable terms, or at all, could have a negative impact on the Company's operations, financial condition, earnings and on the Bondholders' recovery under the Bonds.

The Company plans to use bank loan (although no negotiations regarding the terms of the loan have commenced at this time), equity, investment proceeds or proceeds from another bond issue as the main source for the redemption of the Bonds (the proportions may change, therefore the Company decided not to list them). The Issuer's preventative actions and/or anticipated plans on refinancing of the Bonds described above does not guarantee that the Company will be able to redeem the Bonds as anticipated on the day of the Prospectus and that Bondholders will recover their planned investments.

Interest rate risk

The Bonds bear interest on their outstanding Nominal Value at a fixed interest rate. Investor is exposed to the risk that the value of the Bonds decreases as the results of changes in the market interest rates. While nominal interest rate of the Bond is fixed until its redemption, the prevailing capital market rates change on a daily basis. If the market interest rate increases, the market value of the Bond may fall.

Credit and default risk of the Company

An investment in the Bonds is subject to credit risk, which means that the Company may fail to meet its obligations arising from the Bonds duly and in a timely manner. The Company's ability to meet its obligations arising from the Bonds and the ability of the Bondholders to receive payments arising from the Bonds depends on the financial position and the results of operations of the Company, which are subject to other risks described in this Prospectus. In case of insolvency of the Company, there is a risk that the Bondholders would not receive any payments, related to the Bonds or part thereof.

The Company is not guaranteeing that no default under this Prospectus will occur until the Final Maturity Date of the Bonds, therefore the investors shall independently assess the Issuer's creditworthiness before investing into the Bonds.

No limitation on issuing additional debt

The Company is not prohibited from issuing further debt instruments. If the Company incurs significant additional debt of an equivalent seniority with the Bonds, it will increase the number of claims that would be equally entitled to receive the proceeds, including those related to the Company's possible insolvency. However, please note that the borrowed capital (including any consolidated loans from the Subsidiaries) shall not exceed 80% of the market value of the Company's assets as at the date of the loan (similar debt) agreement. However, it shall be noted that only paid and issued Bonds under this Prospectus shall be considered when calculating said ratio. As of the end of June 2024, the ratio was less than 68%.

Unsecured Bond Issue

Investors should be aware that the Bond Issue is unsecured. This means that the Bonds are not backed by any collateral, such as property or other assets. In the event that the Issuer faces financial difficulties or bankruptcy, Bondholders will not have a claim to any specific assets of the Issuer. Instead, they will be treated as general creditors, ranking behind any secured creditors who have a prior claim on the Issuer's assets and the payment obligations of the Issuer under Issue together with interest thereon shall rank 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.

Early redemption risk

According to the Terms and Conditions of the Offering established in the Prospectus, the Bonds may be redeemed prematurely on the initiative of the Company. If the early redemption right is exercised by the Company, the rate of return from an investment into the Bonds may be lower than initially anticipated by the investor.

Moreover, there is no guarantee by the Company that Extraordinary Early Redemption Event will not occur, therefore in case of the occurrence of the Extraordinary Early Redemption Event the Bonds will have to be redeemed by the Company in accordance with the procedure established in the Prospectus and the rate of return from an investment into the Bonds may be lower than initially anticipated by the investor.

Transaction costs/charges

When the Bonds are purchased/subscribed or sold, several types of incidental costs are incurred in addition to the purchase/issue or sale price of the Bonds. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties and/or there might be other charges that could not be foreseen by the Issuer and disclosed in this Prospectus.

Natural persons who are Lithuanian tax residents shall consider that if the Issue Price of the Bond of certain Tranche would be higher than the Nominal Value of the Bond, the Nominal Value received after the Bond is redeemed by the Issuer should not be treated as income of the natural person. However, for personal income tax purposes, the difference between the Issue Price and the Nominal Value, i.e., loss, will not reduce the interest received or any other taxable income of the natural person.

Moreover, changes to the laws and legal acts applicable in the Republic of Lithuania and/or the investor's domicile, or the implementation of any new laws or other legal acts may cause additional expenses or taxes for the investors and/or reduce the return on investment for the investor.

3.2.2. Offering and admission to trading on the Bond List of Nasdaq related risks

There is no active trading market for the Bonds

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If a market does develop, it may not be very liquid. Therefore, no liquidity of any market in the Bonds can be assured; nor the ability of the Bondholders to sell their Bonds or the prices at which they would be able to sell their Bonds.

It is possible that the market for the Bonds will be subject to disruptions or volatility. Any such disruption or volatility may have a negative effect on the Bonds, regardless of the Company's prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Bonds.

Even though the applications will be made for admission of the Bonds to trading on the Bond List of Nasdaq, there can be no assurance that such applications will be accepted by Nasdaq, that any particular Tranche of the Bonds will be admitted or that an active trading market will develop. In addition to that, the Bond List of Nasdaq, compared to other international debt securities markets, is characterised by relatively low liquidity and limited secondary trading. Therefore, the Bondholders might bear a loss due to not being able to sell the Bond or having to sell them at an unfavorable price.

Bonds may not be appropriate to some Investors

The Bonds may be not an appropriate investment to some investors. Each potential investor into the Bonds should assess appropriateness of the investment taking into account all relevant personal circumstances, reserve of sufficient financial resources and liquidity to bear all the risks of investing in the Bonds or holding the Bonds to maturity, including losing all or a substantial amount of the capital invested, unless the Bonds are subscribed through the Exchange Members or Distributors that shall initially evaluate the appropriateness of the Bonds to the investor and the investor shall base its decision to invest in the Bonds on the provided outcome. In particular, each potential investor should: (i) 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 Prospectus or any applicable supplement; (ii) 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; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency; (iv) understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant indices and financial markets; and (v) 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. The potential investor shall be aware, that the Issuer itself is not obliged and will not carry out the assessment, whether the Bonds are a suitable financial product for the investor (although such assessments will be performed by the Exchange Members or Distributors, in any case such assessment(s) may have a different scope and produce a different result), therefore subscription of the Bonds through the Issuer directly may lead to the fact that lack of knowledge or assessment of the appropriateness by the investor itself will lead into not appropriate investment.

Cancelation of the Offering

This Offering is subject to the sole discretion of the Issuer. The Issuer reserves the right to cancel the Offering of any Tranche carried out under the respective Final Terms at any time prior to the Issue Date of that Tranche, for any reason, and without any permissions of the investors and/or Trustee. Prospective investors should be aware that the decision to cancel the Offering of any Tranche conducted under the respective Final Terms may be influenced by various factors, including market conditions, regulatory considerations, or other unforeseen circumstances. In the event of the cancellation of the Offering of a particular Tranche, placed Subscription Orders 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. Moreover, if the Offering of a Tranche is cancelled, the Issuer shall not be liable for any costs, damages, or losses incurred by prospective investors, including but not limited to expenses related to due diligence, legal, or other professional fees.

Continuous Offering

Although the Company plans to issue whole Issue up to total EUR 35,000,000 amount on a basis of this Prospectus, it may happen, that the Company will not issue anticipated units of Bonds under this Prospectus and associated Final Terms and the Company will have to prepare another base prospectus for the remaining part of the Issue. There is a risk that such new prospectus won't be approved by the Bank of Lithuania (or won't be approved under the same rules) and therefore new base prospectus won't

be published (or will be published with material changes). Both situations would have significant influence on the amount of total proceeds from the Bonds, continuance of the Company's growth strategy and investment projects, financial stability of the Company and the amount of Bonds available in the market.

4. INFORMATION INCORPORATED BY REFERENCE

The documents set out below that are incorporated by reference in this Prospectus are provided both in English (translation from the original language of the documents) and Lithuanian languages (original language of the documents). To the extent that there are any inconsistencies between the original language versions and the translations, the original language versions shall prevail.

The information set out shall be deemed to be incorporated in, and to form part of, this Prospectus:

- Company's Articles of Association (may be accessed through the following hyperlinks: (LT) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Articles-of-Association_LT.pdf, (EN) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Articles-of-Association_EN.pdf);
- Audited Consolidated Financial Statements for the year ended 31 December 2022, together with the consolidated annual management report and the independent auditor's report thereon (may be accessed through the following hyperlinks: (LT) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Audited-Consolidated-Financial-Statements-2022_LT.pdf, (EN) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Audited-Consolidated-Financial-Statements-2022_EN.pdf);
- Audited Consolidated Financial Statements for the year ended 31 December 2023, together with the consolidated annual management report and the independent auditor's report thereon (may be accessed through the following hyperlinks: (LT) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Audited-Consolidated-Financial-Statements-2023_LT.pdf, (EN) https://lordslb.lt/wp-content/uploads/2024/07/Tewox-Audited-Consolidated-Financial-Statements-2023_EN.pdf).

Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus and for the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on the website does not form part of this Prospectus.

5. FINAL TERMS

In this Section the expression "necessary information" means, in relation to any Tranche of Bonds, the information which is necessary to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses, financial position and prospects of the Issuer and of the rights attaching to the Bonds and the reasons for the issuance and its impact on the Issuer.

In relation to the Bonds which may be issued under the Issue the Issuer has included in this Prospectus all of the necessary information except for information relating to the Bonds which is not known at the date of this Prospectus and which can only be determined at the time of an individual issue of a Tranche of Bonds.

Any information relating to the Bonds which is not included in this Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Bonds will be contained in the relevant Final Terms.

For a Tranche of Bonds which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Prospectus and must be read in conjunction with this Prospectus in order to obtain all relevant information.

The terms and conditions applicable to any particular Tranche of Bonds which is the subject of Final Terms are the Terms and Conditions provided in Section 6 below as completed by the relevant Final Terms.

Following the publication of this Prospectus, if required, a supplement may be prepared by the Issuer and approved by the Bank of Lithuania in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Within the validity term of this Prospectus (13 August 2025), the Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Bonds, prepare a supplement to this Prospectus.

6. TERMS AND CONDITIONS OF THE BONDS

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

6.1. Introduction to Offering

- (a) **Terms and Conditions:** the Issuer (LEI of the Issuer – 984500ETP929D4755B29) has established these terms and conditions of the Bonds (the **Terms and Conditions**) for the issuance of up to EUR 35,000,000 (thirty-five million euro) in aggregate principal amount of Bonds.
- (b) **Final Terms:** Bonds issued under the Terms and Conditions are issued in tranches (each a **Tranche**). Each Tranche is the subject of a final terms (the **Final Terms**) which completes these Terms and Conditions. The Bonds of each Tranche will all be subject to identical terms as prescribed in these Terms and Conditions, except that the Issue Dates (as defined below) and the Issue Prices (as defined below), Yield (as defined below) thereof may be different in respect of different Tranches.
- (c) **Bonds:** all subsequent references in these Terms and Conditions to "Bonds" are to the Bonds which are the subject of the relevant Final Terms. Bonds will be unsecured fixed-term Bonds only. The relevant Final Terms are available for viewing at Issuer's website at https://lordslb.lt/tewox_bonds/ and paper copies may be obtained from the Issuer at Jogailos st. 4, Vilnius, the Republic of Lithuania.

6.2. Definitions

Definitions: in these Terms and Conditions the following expressions have the following meanings (other capitalized terms shall have meanings assigned to them in the Prospectus):

“Arranger” or **“Dealer”** or **“Paying Agent”** shall mean Luminor Bank AS, legal entity code 11315936, registered address at Liivalaia 45, 10145, Tallinn, the Republic of Estonia, operating in the Republic of Lithuania through Luminor Bank AS Lithuanian branch, legal entity code 304870069, registered address at Konstitucijos ave. 21A, Vilnius, the Republic of Lithuania.

“Auction” shall mean each public auction (primary distribution) of the Bonds of the relevant Tranche organized by the Arranger (i.e. organizer of the Auction) through Nasdaq trading system pursuant to these Terms and Conditions, Auction Rules, Auction Agreement, Special Rules of Nasdaq and during which the Arranger, Nasdaq and Exchange Members have predetermined rights and obligations in connection with the primary distribution of the Bonds of the relevant Tranche. If an Auction of the Bonds is organized through Nasdaq, the respective announcement will be made on the Issuer's and Nasdaq websites before opening of the Auction (Subscription Period) of the respective Tranche and indicated in the Final Terms of each Tranche. The Auction can be chosen by the Issuer as a sole or an additional subscription channel up to the allocated amount for such a channel indicated in the Final Terms of the respective Tranche.

“Auction Rules” shall mean each Rules of SUTNTIB AB “Tewox” Bonds Subscription Process (Auction) published on the website of Nasdaq at www.nasdaqbaltic.com before opening of the Auction (Subscription Period) of the relevant Tranche.

“Auction Agreement” shall mean each agreement on organizing the Issuer's Bonds Subscription process concluded between the Arranger as organizer of an Auction and Nasdaq under which the Arranger assigns Nasdaq and Nasdaq undertakes to provide technical infrastructure to carry out the

Offering by way of an Auction through Nasdaq's trading system in respect to the relevant Tranche.

"Bondholder" shall mean a holder of a Bond as registered with the Register.

"Bondholders' Meeting" shall mean a meeting of the Bondholders of the Issuer convened following the requirements and procedure set forth in Law of the Republic of Lithuania on Protection of Interests of Bondholders of Public Limited Liability Companies and Private Limited Liability Companies (the **Law on Protection of Interests of Bondholders**) and these Terms and Conditions.

"Business Day" shall mean any day, except Saturday, Sunday, a national or a public holiday of the Republic of Lithuania.

"Decision of General Meeting" shall mean the decision of the General Meeting on the approval of the Issue dated 5 August 2024.

"De-listing Event" shall be deemed to have occurred if at any time following the listing of the Bonds, trading in the Bonds on the Bond List of Nasdaq is suspended for a period of 15 consecutive Business Days (when Nasdaq is at the same time open for trading) or the Nasdaq decision to remove Bonds from trading on the Bond List of Nasdaq is enforced.

"De-listing Event or Listing Failure Put Date" shall mean a date when the Bonds are to be redeemed in case of a De-listing Event or Listing Failure, as determined in accordance with Section 6.12(d) of these Terms and Conditions.

"Delivery Versus Payment" shall mean a securities industry settlement method that guarantees the transfer of securities only happens simultaneously as the payment for the securities.

"Distributor" shall mean a financial institution engaged by the Issuer from time to time for the purpose of Offering of the Bonds under this Prospectus, the contacts of which shall be indicated in the Final Terms of the respective Tranche.

"Early Maturity Date" shall mean a Business Day before the Final Maturity Date when the Issuer must redeem all or part of the Bonds in case of any of the Extraordinary Early Redemption Event as it is set forth in Section 6.12(e) of these Terms and Conditions.

"Early Redemption Date" shall mean date(s) on which the Issuer has the right to redeem all or part of the Bonds before the Final Maturity Date as it is set forth in Section 6.12(b) of these Terms and Conditions.

"Exchange Member" shall mean a bank or investment firm to whom the status of Exchange Member has been assigned in accordance with Nasdaq Vilnius, Nasdaq Riga or Nasdaq Tallinn Member Rules and having access to GENIUM INET trading system are eligible to participate in the Auction (i.e. enter buy orders in Nasdaq trading system during the Subscription Period). The list of banks and investment firms which are Exchange Members is available on the website <https://nasdaqbaltic.com/statistics/lt/members>.

"Extraordinary Early Redemption Event" shall mean any event as set forth in Section 6.12(e) of these Terms and Conditions.

"Final Maturity Date" shall mean a final date on which the Bonds of the Issue within all Tranches must be redeemed by the Issuer from the Bondholders, which shall be up to 3 years from the Issue Date of the first Tranche as indicated in the respective Final Terms. The Issuer will determine the Final Maturity Date at its sole discretion and specify it in the Final Terms of the first Tranche.

"Interest Payment Date" shall mean a date on which the semi-annual interest (coupon) is paid to the Bondholders in accordance with these Terms and Conditions, or, if applicable, Early Redemption Date

or Early Maturity Date. Each Final Terms shall specify the remaining Interest Payment Dates until the Final Maturity Date.

“Issue Date” shall mean a Business Day indicated in the relevant Final Terms, on which the settlement (including a Rollover) for the Bonds is made and the Bonds are registered with the Register.

“Issue Price” shall mean a price of a Bond indicated in the relevant Final Terms payable by an investor for acquisition of the Bond(s), determined considering the Nominal Value of the Bonds, the Yield and the interest accrued on the Bonds from the last Interest Payment Date (in case the last Interest Payment Date was before the Issue Date of the relevant Tranche). The Issue Price may vary from Tranche to Tranche.

“Yield” shall mean a return measure for an investment over a set period of time, expressed as a percentage and determined taking into account the credit risk of the Issuer, interest payment and redemption structure of the Bonds and considering current yields of alternative debt instruments present in the Lithuanian capital market. The Yield may vary from Tranche to Tranche and will be indicated in the relevant Final Terms.

“Listing Failure” shall be deemed to have occurred if the Bonds are not listed on the Bond List of Nasdaq within 6 months as from placement of the Bonds of the respective Tranche to the Bondholders at the latest.

“Management Company” shall mean UAB "Lords LB Asset Management", legal entity code 301849625, registered address at Jogailos st. 4, Vilnius, the Republic of Lithuania, a licensed investment management company supervised by the Bank of Lithuania.

“Mandate Letter” shall mean the agreement (mandate letter) for provision of Issue related services concluded between the Issuer and the Arranger on 16 July 2024.

“Minimum Investment Amount” shall mean a minimum investment amount in Bonds of the respective indicated in the relevant Final Terms.

“Nasdaq” shall mean Nasdaq Vilnius AB – Vilnius Stock Exchange, a public limited liability company organized and existing under the laws of the Republic of Lithuania, legal entity code 110057488, with its registered address at Konstitucijos ave. 29, Vilnius, the Republic Lithuania.

“Nasdaq CSD” shall mean Nasdaq CSD SE Lithuanian branch (register code 304602060).

“Nominal Value” shall mean denomination of each Bond, EUR 1,000 (one thousand euro).

“Payment Date” shall mean a Business Day indicated in the relevant Final Terms, latest on which the payment of the Issue Price (or part of it) must be credited to the bank account of the Issuer indicated in the Subscription Order, if any payment of the Issue Price (or part of it) is to be made pursuant to these Terms and Conditions.

“Record Date” shall mean the third Business Day before the Interest Payment Date, Final Maturity Date, Early Redemption Date or Early Maturity Date, whichever is relevant. For the avoidance of doubt, the Record Date refers to the date on which the list of the Bondholders who are eligible to receive interest payments or other distributions is determined.

“Redemption Price” shall mean the amount payable by the Issuer to the investors upon the regular redemption (i.e. on the Final Maturity Date) or early redemption (i.e. on the Early Redemption Date or Early Maturity Date) of the Bonds, calculated in accordance with Section 6.12(a) of these Terms and Conditions.

“Register” shall mean the Lithuanian central securities depository operated by Nasdaq CSD.

“Rejection” shall mean the rejection of the occurrence of the Extraordinary Early Redemption Event by the Issuer pursuant to Section 6.12(d) of these Terms and Conditions.

“Rollover” shall mean an arrangement between the investor and the Issuer in respect to the Bonds of the relevant Tranche of the Issue under which the investor chooses to acquire the Bonds in exchange of the nominal value of the bonds (or other receivable amounts) of another outstanding bond issue of the Issuer on their maturity date (e.g. EUR 15,000,000 bonds (ISIN LT0000407785) with a maturity date of 7 September 2024 and EUR 9,974,000 bonds (ISIN LT0000313603) with a maturity date of 12 February 2025. It involves a unilateral settlement by way of set-off that can be carried on the basis of total amount (nominal amount or Issue Price, respectively, and accrued interest in each case) of Issuer's liability towards respective investor against investor's liability towards the Issuer.

“Securities Account” shall mean an account for dematerialized securities opened in the name of Bondholder or the Issuer with credit institution or investment brokerage firm which is licensed to provide such services within the territory of the Republic of Lithuania or Latvia, or Estonia, including without limitation the Dealer.

“Special Rules of Nasdaq” shall mean Special Procedures Market Rules of Nasdaq approved by the decision of the Management Board of Nasdaq dated 3 December 2019 No. 19-80.

“Subscription Order” shall mean a document provided by the Issuer or the Distributor to the investor and made available on the Issuer's website at https://lordslb.lt/tewox_bonds/, which is submitted by the investor to the Issuer or the Distributor for the Subscription of the Bonds. In respect to the Auction, if any, the Subscription Order shall mean a document and/or instruction, which is submitted by the investor to the Exchange Member for the Subscription of the Bonds in the form as used and approved by the Exchange Member and that contains all information required under the Auction Rules.

“Subscription Period” shall mean a period indicated in the relevant Final Terms during which the Subscription Orders shall be submitted in accordance with these Terms and Conditions and the Final Terms.

“Subsidiaries” shall mean all entities where the Issuer directly or indirectly holds at least 10% shares or voting rights, jointly or separately as applicable.

“Trustee” means the Bondholders' trustee under these Terms and Conditions from time to time; initially UAB “AUDIFINA”, a private limited liability company, legal entity code 125921757, with its registered address at A. Juozapavičiaus st. 6, LT-09310 Vilnius, the Republic of Lithuania.

“Trustee Agreement” means the agreement entered into on 5 August 2024 between the Issuer and the Trustee, or any replacement Trustee agreement entered into during the validity term of the Prospectus.

6.3. Principal Amount and issuance of the Bonds, Offering Jurisdictions

- (a) Under these Terms and Conditions the Issuer may issue Bonds:
 - (i) to an aggregate principal amount of EUR 35,000,000 (thirty-five million euro);
 - (ii) in Tranches under the relevant Final Terms.
- (b) By subscribing for the 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 the Bonds each subsequent Bondholder confirms these Terms and Conditions and the Final Terms;
- (c) In the course of the Offering, the Bonds may be publicly offered to retail and institutional investors in any or all of the Republic of Lithuania, Latvia and Estonia and the relevant Offering jurisdictions for the respective Tranche will be indicated in the Final Terms. The Issuer may also choose to offer the Bonds to investors in any Member State of the EEA under relevant exemptions provided for in Article 1(4) of the Prospectus Regulation.

6.4. Status of the Bonds

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and the payment obligations of the Issuer under Issue together with interest thereon shall rank 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.

6.5. Use of proceeds

The Issuer intends to attract debt financing up to EUR 35,000,000 (thirty-five million euros) (less the amounts of costs and expenses incurred in connection with the Offering, as prescribed in Section 8 “Reasons for Offering and Use of Proceeds” of the Prospectus) required for the following purposes: (i) financing the acquisition of retail properties in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany (Baltic Sea region in general) as well as (ii) the development of grocery shopping centres and/or retail parks in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany (Baltic Sea region in general) and (iii) refinancing of previously issued bonds up to the amount of EUR 24,974,000 (EUR 15,000,000 – ISIN LT0000407785, maturity 7 September 2024 and EUR 9,974,000 – ISIN LT0000313603, maturity 12 February 2025), (iv) the repayment of any of the Company’s debts, whether incurred before or after the date of this Prospectus. The proceeds raised from the Offering may also be used for the early redemption of the existing unsecured bonds issued by the Company, provided that the Company is entitled to redeem such bonds prematurely in accordance with the applicable bond terms.

6.6. Denomination, Title, Issue Price, Yield, Transfer and Underwriting

- (i) **Denomination:** denomination (Nominal Value) of each Bond is EUR 1,000.
- (ii) **Title to Bonds:** 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 on the relevant Issue Date.
- (iii) **Issue Price:** Bonds may be issued at any price (at a Nominal Value or at a discount or adding to the price the interest accrued on the Bonds from the last Interest Payment Date (in case the last Interest Payment Date was before the Issue Date of the relevant Tranche)). The Issue Price shall be determined by the Issuer and specified in the applicable Final Terms.
- (iv) **Yield:** 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.
- (v) **Transfer of Bonds:** Bonds are freely transferrable. The Bonds subscribed and paid for shall be entered to the respective book-entry Securities Accounts of the investors on a date set out in the Final Terms in accordance with the Lithuanian legislation governing the book-entry system and book-entry accounts as well as the Nasdaq CSD rules.
- (vi) **No charge:** no expenses will be charged to the investors by the Issuer in respect to the Offering, transfer of the Bonds to the Securities Account of an investor upon Bonds’ issuance and admission of the Bonds to trading on the Bond List of Nasdaq. However, the investors may have 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 will not compensate the investors for any such expenses.

- (vii) **Underwriting:** no underwriting agreement has been signed with any person for the purposes of this Offering.

6.7. Bonds in Book-Entry Form

The Bonds shall be issued in dematerialized form and book-entered with Nasdaq CSD. According to the Law on Markets in Financial Instruments of the Republic of Lithuania the book-entry and accounting of the dematerialized securities in the Republic of Lithuania, which will be listed and admitted to trading on the Bond List of Nasdaq, shall be made by Nasdaq CSD. 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 Bondholders. Principal and interest accrued will be transferred to the Bondholders through Nasdaq CSD.

6.8. Payments to the Bondholders

- (a) **Payments:** payments of amounts (whether principal, interest or otherwise, including on the final redemption) due on the Bonds will be made to the Bondholders thereof, as appearing in Nasdaq CSD on the third (3rd) Business Day preceding the due date for such payment (the **Record Date**). Payment of amounts due on the final or early 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 the Final Maturity Date, Early Redemption Date, Early Maturity Date or the De-listing Event or Listing Failure Put Date, the Nominal Value thereof with the cumulative interest accrued shall be transferred to the Bondholders through Nasdaq CSD.
- (b) **Payments on Business Days:** if the due date for any payment in relation to the Bonds is not a Business Day, the Bondholder thereof will not be entitled to payment thereof until the next following Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Terms and Conditions.

6.9. Taxation

All payments to be made in connection with the Bonds shall be calculated and paid taking into account any taxes and other deductions mandatory under applicable laws respectively in the Republic of Lithuania, Latvia and Estonia.

In general, Lithuanian resident Bondholders will pay the taxes from the amounts received in connection with the Bonds themselves. For all individual Bondholders who are not Lithuanian residents, the Issuer shall make payments after the withholding or deduction has been made and shall account to the relevant authorities in accordance with the applicable laws for the amounts so required to be withheld or deducted. The Issuer will not be obliged to make any additional compensation to the Bondholders in respect of such withholding or deduction.

Please see Section 13 "*Taxation*" of the Prospectus for more information about the applicable taxes and other mandatory deductions in each the Republic of Lithuania, Latvia and Estonia.

6.10. Interest

- (a) **Interest rate:** the Issuer shall pay semi-annual fixed interest on the Nominal Value of a Bond that shall be specified in the Final Terms (applicable interest rate shall be determined after the end of the Subscription Period of the first Tranche as prescribed further in these Terms and Conditions). Coupon of the Bonds will be paid semi-annually on the Interest Payment Dates.
- (b) **Determination of interest rate:**

- (i) the fixed interest rate within the proposed rates (at least several options for the coupon rates) set out in the Final Terms (if applicable, also in the Auction Rules) shall be determined after the end of the Subscription Period of the first Tranche and shall apply from the Issue Date of the first Tranche until the redemption of the Bonds in accordance with these Terms and Conditions;
 - (ii) the investors providing their Subscription Orders shall indicate the preferred coupon rate (or rates, as each Investor may subscribe to the Bonds on different preferred coupon rates (coupons));
 - (iii) the Investors acknowledge that the interest rate shall be determined upon the sole discretion of the Issuer after the end of the Subscription Period of the first Tranche based on investors' demand at each proposed rate and overall Issue size;
 - (iv) not later than on the Issue Date of the first Tranche (including) the Issuer shall announce the applicable interest rate by publishing an updated Final Terms of the first Tranche on the Issuer's website at https://lordslb.lt/tewox_bonds/.
- (c) **Interest periods:** 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. The first interest period commences on the Issue Date of the first Tranche determined in the respective Final Terms and ends on the first Interest Payment Date (excluding) indicated in the Final Terms. The consecutive interest period begins on the previous Interest Payment Date (inclusive) and ends on the following Interest Payment Date (excluding), or, if applicable, on the Final Maturity Date (excluding) or the Early Maturity Date (excluding). For avoidance of doubts, the Bondholders are entitled to interest accrued during the whole interest period, irrespectively of when the Bonds were acquired by the Bondholder (on the day of start of the interest period or after).
- (d) **Interest calculation formula:** accrued interest in respect of the Bonds will be calculated using Act/Act (ICMA) day count convention, calculated according to the formula below:
- CPN = $F \times C \times D / A$, where:
- CPN – value of interest in EUR;
- F – Nominal Value on the relevant Interest Payment Date;
- C – interest rate (%) payable on the Bonds under these Terms and Conditions and the respective Final Terms;
- D – number of days in the interest period (please note that the interest period may be shorter or longer than 6 months (short or long coupon));
- A – actual number of days in the year.
- (e) **Calculation agent:** the Paying Agent shall calculate the interest payments and any other payable amounts to the Bondholders under these Terms and Conditions. After consultation with the Paying Agent, the Issuer is responsible for transferring all amounts payable to the Bondholders under these Terms and Conditions to Nasdaq CSD.

6.11. Offering and Admission of Bonds

- (a) **General structure of the Offering:** the Offering consists of public Offering of Bonds to retail investors and institutional investors in the Republic of Lithuania, Estonia and Latvia under the Prospectus Regulation and the Law on Securities. The Issuer may also choose to offer the Bonds to investors in any Member State of the EEA under relevant exemptions provided for in Article

1(4) of the Prospectus Regulation.

Only such prospective investors will be eligible to participate in the Offering who at or by the time of placing their Subscription Orders (before the end of the Subscription Period) have opened Securities Accounts (or have the Securities Accounts opened by their nominee) with entities of their choice which are licensed to provide such services within the territory of the Republic of Lithuania and/or Estonia and/or Latvia.

The Bonds shall be offered to the investors up to the Maximum Aggregate Nominal Value of the Issue under the respective Final Terms and in the Maximum Amount of the respective Tranche as indicated in the Final Terms. However, if the demand for the Bonds of the respective Tranche exceeds the Maximum Aggregate Nominal Value of the Tranche indicated in the Final Terms, the Issuer may decide to increase the Maximum Aggregate Nominal Value of the respective Tranche by publishing an updated Final Terms on the Issuer's website at https://lordslb.lt/tewox_bonds/ (and after the Bonds' admission to trading on the Bond List of Nasdaq, on the CSF at www.crib.lt) on or before the relevant Issue Date (inclusive).

Thus, according to the information provided above, the Offering shall be structured in the following order:

- (i) the Subscription Orders as to acquisition of the Bonds shall be submitted by the investors (considering the risks related to each of the below listed possibilities):
 - a. to the Issuer directly, including in case the Issuer organizes a Rollover, but the investors shall pay specific attention to the fact, that the Issuer will not conclude an assessment of appropriateness of the Bonds to the respective investor, as indicated in Section 3.2.2. *Offering and admission to trading on the Bond List of Nasdaq related risks* of this Prospectus;
 - b. to the Exchange Members in accordance with the Special Rules of Nasdaq in case an Auction of the Bonds is organized through Nasdaq (as a sole or an additional to the above indicated subscription channel up to the allocated amount for such a channel indicated in the Final Terms of the respective Tranche) as being disclosed in Final Terms of the respective Tranche;
 - c. to the Distributor, if any is engaged by the Issuer in connection with the Offering, including related to a Rollover.
- (ii) the Issuer shall decide on which Investors, which have provided their Subscription Orders, shall be allotted with the Bonds and to what amount, and which Investors shall not be allotted with the Bonds (i.e, allocation procedure as regulated under point (g) "*Allotment of the Bonds to the investors*");
- (iii) the settlement for the Bonds shall be made and the Bonds shall be registered with Nasdaq CSD and distributed to the investors;
- (iv) the Bonds will be introduced to trading on the Bond List of Nasdaq.

Subscription Orders. Invalidity of the Subscription Orders. The Subscription Period for each respective Tranche (as indicated above) will be indicated in the Final Terms of each Tranche. For the avoidance of doubt, the procedure of accepting Subscription Orders described herein are applicable to all investors irrespectively of the investor's place of residence. Also, the treatment of Subscription Orders in the allocation is not determined on the basis of which institution or person they are made through.

The Subscription Order form relevant for the respective Tranche, including any Tranche that is

subject to a Rollover, will be published on the website of the Issuer at https://lordslb.lt/tewox_bonds/ before opening of the respective Subscription Period, or shall be provided by the Issuer and/or Distributor, if any, on request of the investor after the Issuer and/or Distributor has notified the investor of the Offering of the respective Tranche, and this includes notifying the relevant investors who may participate in the Rollover (Subscription Orders for Estonian and Latvian investors shall be available in English whereas Subscription Orders for Lithuanian investors shall be available in English or Lithuanian). The Subscription Order shall be submitted during the indicated Subscription Period.

In case the respective Final Terms indicates that respective Tranche's subscription channels inter also include subscription through the Issuer and/or Distributor, also because that the respective Tranche may be subject to a Rollover, the investors, including those owning bonds of another bond issue of the Issuer and wishing to participate in a Rollover, shall submit their Subscription Orders to acquire the Bonds at any time during the Subscription Period at the office of the Issuer, at the address Jogailos st. 4, Vilnius, the Republic of Lithuania, or at the office of the Distributor as indicated in the Final Terms, or by e-mail of the Issuer info@lordslb.lt or by e-mail of the Distributor indicated in the Final Terms, if signed with a qualified e-signature.

If an Auction of the Bonds is organized through Nasdaq, the Subscription Orders shall be submitted to the Exchange Members to be entered in Nasdaq trading system during the Subscription Period of the respective Tranche as described below in the part "*Additional provisions in respect to Subscription procedure for the Auction*". In respect to the Auction, if any, 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).

Please note that where the Subscription Orders are submitted to the Distributor or any Exchange Member, if an Auction is organized, new investors will be required to complete the relevant procedures (e.g. suitability and/or appropriateness tests, procedures related to the anti-money laundering or sanction) required and performed by the relevant Distributor or Exchange Member, if an Auction is organized, that the Subscription Orders would be accepted.

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

- (i) the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount; or
- (ii) the Subscription Order was received after the Subscription Period, unless the Issuer decides otherwise; or
- (iii) if applicable, subscription for the Bonds by the investor has not been fully paid by the relevant Payment Date, unless the Issuer decides otherwise; or
- (iv) the Issuer rejects the Subscription Order due to violation of legal acts governing anti-money laundering prevention and/or sanctions and/or other reasons indicated in these Terms and Conditions.

In case of subscription through the Distributor, or in case of an Auction, the Distributors and/or Exchange Members acting in accordance with internal rules and applicable laws shall inform the investors on rejection of provided Subscription Orders.

- (b) **General information regarding the Subscription procedure.** By placing Subscription Orders all investors shall make irrevocable instruction for transferring the Bonds to the Securities Accounts, if the Subscription Order has not been withdrawn until the end of the Subscription Period.

By placing a Subscription Order each investor will be deemed to have read these Terms and Conditions together with the Prospectus, the Issuer's constitutional documents, also the Audited Consolidated Financial Statements. The investor may also familiarize with other documents of the Bonds, including the Decision and Trustee Agreement before or after placing a Subscription Order by requesting the Trustee via e-mail info@audifina.lt. Each investor can review the Subscription Order submitted by her/him/it by requesting the Issuer via e-mail info@lordslb.lt. When the Subscription Order is placed through the Distributor or in case of an Auction, through the Exchange Member, each respective investor can review the Subscription Order submitted by her/him/it by requesting the Distributor or Exchange Member to whom the Subscription Order was submitted, if the Distributor or Exchange Member provides such a possibility.

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 these Terms and Conditions.

An investor will be allowed to submit a Subscription Order either personally or via a representative whom the Investor has authorized (in the form required by law) to submit the Subscription Order. More detailed information concerning the identification of investors, including requirements concerning documents submitted and the rules for acting through authorized representatives, can be obtained by investors from the entities accepting the Subscription Orders.

An investor must ensure that all information contained in the Subscription Order is correct, complete and legible. The Issuer reserves the right to reject any Subscription Orders that are incomplete, incorrect, unclear or ineligible, or that have not been completed and submitted and/or have not been supported by the necessary additional documents, requested by the Issuer during the Subscription Period and in accordance with all requirements set out in these Terms and Conditions.

Any consequences of a form of Subscription Order for the Bonds being incorrectly filled out will be borne by the investor.

Entities acting in accordance with applicable law by placing the Subscription Orders on behalf of the investors and on their account shall submit the Subscription Orders along with a list of the investors on whose behalf the Subscription Order is placed. The list must include details required to be included in the Subscription Order form with respect to each investor listed and must be signed by persons authorised to represent the entity. The Issuer shall not be liable for any consequences if requirement under this Section is not satisfied and the entity placing the Subscription Order will be treated as the investor placing the Subscription Order on its own account.

- (c) **Additional provisions in respect to Subscription procedure for the Auction.** If the Issuer would decide to organize an Auction for the relevant Tranche, the Issuer will indicate such decision in the Final Terms of the relevant Tranche and Auction Rules will be published on Nasdaq website at www.nasdaqbaltic.com before the start of the Auction (Subscription Period) of the relevant Tranche.

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 in order for the Exchange Member to enter a buy order in Nasdaq's trading system.

By submitting a Subscription Order to the Exchange Member, every investor (besides other acknowledgments and undertakings provided in these Terms and Conditions):

- (i) authorizes and instructs the Exchange Member 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 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 these Terms and Conditions and Auction Rules, and registration with the Register is completed on the Issue Date;
- (iv) authorizes the Exchange Member, Issuer, Dealer 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 these Terms and Conditions and fulfill the Issuer's obligations under these Terms and Conditions;
- (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 to these Terms and Conditions and Bonds are registered with the Register on the Issue Date;
- (vi) confirms that it/she/he has got familiarized with the Prospectus, Final Terms of the Tranche and Auction Rules.

The investors shall acknowledge that in case of an Auction, payment for the Bonds subscribed and distribution of the Bonds are made by Delivery Versus Payment 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.

- (d) **Withdrawal of the Subscription Orders.** Subscription Orders for the Bonds of the respective Tranche may be withdrawn at any time until the end of the relevant Subscription Period, including when a supplement is made public concerning an event or circumstances occurring before the end of the relevant Subscription Period. The supplement to the Prospectus will be published on the Issuer's website at https://lordslb.lt/tewox_bonds/ (and after the Bonds' admission to the Bond List of Nasdaq, also on the CSF at www.crib.lt). The investor who has made a Subscription Order before the publication of the supplement may withdraw such Subscription Order by submitting a written statement to the institution where the Subscription Order was made within 2 Business Days after the publication of the supplement.

Where the Bonds are purchased or subscribed through a financial intermediary (e.g. Exchange Member, Distributor or other firms providing investment services to the investor), that financial intermediary shall inform investors of (i) the possibility of a supplement being published, (ii) investors' will be informed by the end of the next Business Day following that on which the supplement to the Prospectus is published on the website of the Issuer, and (iii) assure that the financial intermediary would assist them in exercising their right to withdraw Subscription Orders in such case.

Where the Bonds are purchased or subscribed through the Issuer itself, the Issuer will inform investors of (i) the possibility of a supplement being published, (ii) investors' will be informed by the end of the next Business Day following that on which the supplement to the Prospectus is published on the website of the Issuer, and (iii) the Issuer would ensure the investors can exercise their right to withdraw Subscription Orders as described in this Prospectus.

The above right of investors to withdraw their Subscription Order shall only apply to the relevant Tranche and not to any other Tranches of Bonds under the Issue.

The blocked funds will be released in accordance with the rules of the financial intermediary through which the Subscription Order was placed and the Issuer shall not be responsible for any relationships between the investor and its financial intermediary. An investor will be liable for the payment of all fees charged by the financial intermediary, used by the investor for the subscription of Bonds in connection with the withdrawal of the Subscription Order.

(e) **Procedure and dates for payment for the Bonds.**

In case of an Auction, the Issue Price payable by the investors subscribing to the Bonds through the Exchange Members is blocked in advance as prescribed in these Terms and Conditions and settled by the Exchange Members in accordance with these Terms and Conditions and Auction Rules (i.e. Delivery Versus Payment method).

If the Issuer decides on carrying out a Rollover, investors participating in the Rollover shall make no payments of the Issue Price to the Issuer as on the relevant Issue Date a unilateral settlement by way of set-off that can be carried on the basis of total amount (nominal amount or Issue Price, respectively, and accrued interest in each case) of Issuer's liability towards respective investor against investor's liability towards the Issuer.

Where the Tranche is not subject to a Rollover and/or Auction and subscription is made through the Issuer or Distributor, if any, investors shall transfer the Issue Price, which is payable for the Bonds, to the Issuer's bank account specified in the Subscription Order on the relevant Payment Date. The Issuer has the right (but not an obligation) to accept also payments made with delay, but not later than until the Issue Date. Please note that in case any payments were made by the investor, the investors who have not been allotted any Bonds or whose Subscriptions Orders have been reduced will receive reimbursements of the payment made upon placing the Subscription Order. The reimbursement will take place within 3 Business Days as from the end of the Issue Date. The payments shall be returned without any reimbursement for costs incurred by the investors in the course of subscribing for the Bonds, and shall be net of all transfer expenses and without interest.

For the avoidance of doubt, in respect to the Auction (the maximum amount of Bonds to be offered through the Auction will be indicated in the Final Terms of the respective Tranche), the investors who have not been allotted any Bonds or whose Subscription Orders have been reduced will receive reimbursements from the Exchange Members (i.e. block on the funds will be removed). The Issuer shall not 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.

(f) **Allotment of the Bonds to the investors.** After the end of the Subscription Period but not later than on the Issue Date, the Issuer following the allocation rules provided herein shall decide on which investors, which have provided their Subscription Orders, shall be allotted with the Bonds and to what amount, and which investors shall not be allotted with the Bonds. Investors waive any right to complaint on any decision of the Issuer on the Bonds' allotment as disclosed under this point.

When the Tranche is subject to a Rollover, the Subscription Orders of the investors participating in the Rollover shall be satisfied in full, but only if the Subscription Orders are recognized as valid pursuant to point (b) "*Subscription Orders. Invalidity of the Subscription Orders*" above. If any Distributor is engaged by the Issuer in connection with the Offering of a respective Tranche subject to a Rollover, after the Subscription Period but not later than until the Issue Date all Distributors shall provide to the Issuer all gathered data on received Subscription Orders.

In respect to the Auction, for the Issuer to make a decision on the Bonds allotment, after the Subscription Period but not later than until the Issue Date, the Dealer shall provide to the Issuer all gathered data on received Subscription Orders (i.e., by Nasdaq) and in case of oversubscription, in accordance with its allocation policy recommend to the Issuer to allocate the Bonds to the investors that provided the Subscription Orders during the Auction (the applicable allocation rule for a Tranche shall be specified in the respective Final Terms and in the Auction Rules). For the avoidance of doubt, when an Auction is organized, Nasdaq will record buying orders entered in Nasdaq trading system by the Exchange Members during the Subscription Period and will provide the records journal to the Dealer in accordance with the Auction Agreement.

In other cases than above, the Issuer shall allot the Bonds to the investors based on the Subscription Orders received by itself and/or data received from the Distributors, if any, but only if the Subscription Orders are recognized as valid pursuant to point (b) "*Subscription Orders. Invalidity of the Subscription Orders*" above, and in case of oversubscription, upon receiving request of the Issuer, the Dealer in accordance with its allocation policy shall recommend to the Issuer to allocate the Bonds to the investors that provided the Subscription Orders during the Subscription Period (the applicable allocation rule for a Tranche shall be specified in the respective Final Terms).

The Issuer shall accept all Subscription Orders of the investors that are considered valid pursuant to point (b) "*Subscription Orders. Invalidity of the Subscription Orders*" above and each investor shall be allocated with the amount of Bonds requested in the respective Subscription Order. In case the Maximum Aggregate Nominal Value of the Tranche is exceeded (including where (i) the Issuer exercised its right under the respective Final Terms to increase the Maximum Aggregate Nominal Value of the respective Tranche and published an updated Final Terms on the Issuer's website at https://lordslb.lt/tewox_bonds/ (and after the Bonds' admission to trading on the Bond List of Nasdaq, on the CSF at www.crib.lt) and/or (ii) the Maximum Aggregate Nominal Value of the Issue is reached) (i.e., oversubscription)), the Issuer following the recommendation of the Dealer shall allocate the Bonds the investors that provided valid Subscription Orders and paid the Issue Price.

When the Maximum Aggregate Nominal Value of the Tranche is reached (including where (i) the Issuer exercised its right under the respective Final Terms to increase the Maximum Aggregate Nominal Value of the respective Tranche and published an updated Final Terms on the Issuer's website at https://lordslb.lt/tewox_bonds/ (and after the Bonds' admission to trading on the Bond List of Nasdaq, on the CSF at www.crib.lt) and/or (ii) the Maximum Aggregate Nominal Value of the Issue is reached), no more Bonds shall be allotted to the investors.

If an investor decides to decrease or increase number of Bonds being subscribed, such investor shall provide a new Subscription Order to the entity that accepted the first Subscription Order and previously submitted Subscription Order shall be considered as terminated, or if the entity accepting Subscription Orders makes it possible to modify previously submitted Subscription Orders (e.g., via the internet banking system or by any other available means) without terminating it, an investor shall follow the rules of such entity and modify the Subscription Order until the end of the Subscription Period. In case of an Auction, the block on the investor's funds will be removed by the Exchange Member if the investor decreases the number of Bonds subscribed. Conversely,

if the investor increases the number of the Bonds subscribed, the Exchange Member will block the respective amount of funds equal to the payable Issue Price for the Bonds.

If an investor makes a Subscription Order after the expiry of the relevant Subscription Period (but prior to the Issue Date), the Issuer may decide on additional allotment of Bonds to such investor if the Maximum Aggregate Nominal Value of the Tranche is not yet exceeded (as may be increased as described above) and the Maximum Aggregate Nominal Value of the Issue is not yet exceeded and the investor pays the Issue Price prior to the Issue Date (or in case of an Auction, the funds are blocked in advance by the Exchange Members to be settled by way of Delivery Versus Payment on the Issue Date as described in these Terms and Conditions).

- (g) **Cancellation or suspension of the Offering.** The Issuer, at its own discretion, may cancel the primary distribution of the respective Tranche at any time prior to the relevant Issue Date without disclosing any reason for doing so. Any updates to the dates of opening and closing of the primary distribution of the respective Tranche or decision that the primary distribution of the respective Tranche will be suspended (postponed) and that new dates of the primary distribution of the respective Tranche will be provided by the Issuer later are subject to updating the Final Terms. In such events, 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.

If the primary distribution of the respective Tranche is suspended (postponed), the Issuer shall notify the investors on suspension (postponement) of the primary distribution indicating whether the Subscription Orders made, and payments made will be deemed to remain valid after publication of updated Final Terms on the Issuer's website (after the Bonds' admission to the Bond List of Nasdaq, also on the CSF at www.crib.it). In such case, the investors will be allowed to withdraw the Subscription Orders made by submitting a relevant statement to that effect within 3 Business Days after the updated Final Terms of the Tranche have been published. For the avoidance of doubt, if the investor does not provide a withdrawal statement, the Issuer will continue primary distribution of the respective Tranche on changed terms in accordance with published updated Final Terms of the respective Tranche and relying on previously submitted Subscription Order.

Any decision on cancellation, suspension and changes of dates of the primary distribution or other information will be published on the Issuer's website at https://lordslb.it/tewox_bonds/ and/or sent to the investors via e-mail indicated by each investor in its Subscription Order. After the bonds are admitted to the Nasdaq Bond List, all material information will also be published on the CSF at www.crib.it.

Except in case of a Rollover where no cash payments are made, or during an Auction, where the Exchange Members are responsible for lifting the block on the funds, if the primary distribution of the respective Tranche is cancelled, suspended, or postponed, investors that placed Subscription Orders and paid for the Bonds will get their payments back without any interest or compensation:

- (i) if the primary distribution is cancelled – within 3 Business Days after the Issuer announces to the investors about the Primary Distribution's cancellation;
 - (ii) if the primary distribution is suspended (postponed) – within 3 Business Days after the date on which the investor has made a statement cancelling placed Subscription Order or 3 Business Days after the date that the Issuer announces that the placed Subscription Orders are not valid.
- (h) **Admission to trading.** The Issuer shall submit an application regarding admission of each Tranche of the Bonds to trading on the Bond List of Nasdaq.

The decision as to admission of Bonds to trading on the Bond List of Nasdaq shall be adopted by the Board of Nasdaq Vilnius. The Issuer shall take all the measures, established in Nasdaq rules, needed that the Bonds would be admitted to trading on Nasdaq Vilnius as soon as practicably possible.

The Issuer expects that the Bonds of the respective Tranche shall be admitted to trading on the Bond List of Nasdaq within 6 months as from placement thereof to the investors the latest. Disregarding this, the Issuer will put its best endeavors so that these terms would be as short as practicable possible.

The Issuer shall also put its best efforts to ensure that the Bonds remain listed on the Bond List of Nasdaq. The Issuer shall, following a listing or admission to trading, take all reasonable actions on its part required as a result of such listing or trading of the Bonds.

The costs which are related to the admission of the Bonds to the Bond List of Nasdaq will be covered by the Issuer.

The Issuer does not intend to apply for admission of the Bonds (or part thereof) to trading on other regulated markets or equivalent or alternative markets.

The Issuer does not intend to appoint any firm to act as intermediary in secondary trading on the Bond List of Nasdaq, providing liquidity through bid and offer rates.

6.12. Redemption

Bonds shall be redeemed, i.e. the Redemption Price shall be paid to the investors on the Final Maturity Date or, if applicable, on the Early Redemption Date or on the Early Maturity Date.

- (a) **Redemption Price:** The Redemption Price paid to the investor on the Final Maturity Date or, if applicable, on the Early Redemption Date or on the Early Maturity Date, equals the full outstanding principal (i.e. Nominal Value) together with the unpaid interest accrued up to the Final Maturity Date or the Early Maturity Date, or the Early Redemption Date.
- (b) **Early optional redemption of Bonds by the Issuer:** The Bonds shall be redeemable wholly or partially at the option of the Issuer prior to their maturity on the following conditions:
 - (i) early redemption may occur at the sole discretion of the Issuer on the Early Redemption Date, designated in a 20-day prior written notice to the Bondholders and the Trustee but the Early Redemption Date may occur no earlier than 3 (three) months prior to the Final Maturity Date if it is decided that the Issue matures between 2 (two) (inclusive) and 3 (three) (exclusive) years after the Issue Date of the first Tranche, as provided in the Final Terms of the first Tranche; or may occur no earlier than 1 (one) year prior to the Final Maturity Date if it is decided that the Issue matures 3 (three) years (inclusive) after the Issue Date of the first Tranche, as provided in the Final Terms of the first Tranche. The Issuer shall pay no premium in case of an early redemption of the Bonds pursuant to these Terms and Conditions;
 - (ii) the Issuer's written notice on early redemption (i) will be sent by e-mail only to those Bondholders whose e-mail addresses are known to the Issuer and Dealer and (ii) will be published on the Issuer's website at https://lordslb.lt/tewox_bonds/. After the Bonds' admission to trading on the Bond List of Nasdaq, the Issuer's obligation to notify the Bondholders and Trustee shall be fulfilled when the Issuer at least 20-day prior to the Early Redemption Date announces its decision on early redemption of the Bonds on the CSF at www.crib.lt;
 - (iii) the Issuer reserves the right to cancel the early redemption of the Bonds or increase the

redeemable amount at any time prior to the anticipated Early Redemption Date (including) by notifying the Trustee and Bondholders until the Early Redemption Date (including) in a manner prescribed in point above;

- (iv) in case of a partial redemption of the Bonds, the Bonds shall be redeemed from the Bondholders proportionally, if necessary, by rounding up the redeemable number of Bonds from an individual Bondholder to the nearest whole number. In the respective case, the Redemption Price shall be equal to the Nominal Value of the redeemable Bonds and interest accrued on the redeemable Bonds.

Interest shall be calculated from the amount of the Nominal Value of the Bonds early redeemable from the respective Bondholder.

The Issuer shall have the right to redeem the Bonds before the Final Maturity Date in case the Bondholder breaches or there is a reasonable concern that the Bondholder might breach anti-money laundering or sanction regulations. The Issuer or the Dealer, or the relevant Exchange Member at any time is entitled to request any of the Bondholders directly or through the Trustee to provide necessary documents to perform sanction screening or other verification checks so as to implement sanction and/or anti-money laundering requirements. The Bondholders undertake to submit the requested documents or information within the time period set by the requesting party.

- (c) **No early redemption of Bonds under the request of the Bondholders:** Except for cases specified in points (d) “*De-listing Event of Listing Failure (put option)*” and (e) “*Extraordinary Early Redemption*” below, there are no other cases where the Bondholders have a right to demand redemption of the Bonds prior the Final Maturity Date.
- (d) **De-listing Event or Listing Failure (put option):** If at any time while any Bond remains outstanding, there occurs (i) a De-listing Event or (ii) a Listing Failure, each Bondholder will have the option (unless, prior to the giving of the De-listing Event or Listing Failure event notice, the Issuer makes use of its right to optional early redemption of the Bonds under Section 6.12(b) “*Early optional redemption of Bonds by the Issuer*”) 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 paying to the Bondholder full Nominal Value of the redeemable Bonds together with the unpaid interest accrued up to the relevant Early Redemption Date (exclusive).

Promptly upon the Issuer becoming aware that a De-listing Event or Listing Failure has occurred, the Issuer shall give notice to the Bondholders specifying the nature of the Delisting 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, indicating as well the De-listing Event or Listing Failure Put Date, which cannot occur earlier than 30 calendar days starting from the date of the Issuer's notice and no later than the 5th Business Day following the expiration of 30 calendar days after the De-listing or Failure Notice is given. The Issuer's notice on the De-listing Event or Listing Failure (i) will be sent by e-mail only to those Bondholders whose e-mail addresses are known to the Issuer and Dealer and (ii) will be published on the Issuer's website at https://lordslb.lt/tewox_bonds/. After the Bonds' Admission to trading on the Bond List of Nasdaq, the Issuer's obligation to notify the Bondholders shall be fulfilled when the Issuer announces on the occurred De-listing Event or Listing Failure on the CSF at www.crib.lt.

To exercise the De-listing Event or Listing Failure put option, the Bondholder must notify the Issuer at any time before the De-listing Event or Listing Failure Put Date, by any means acceptable to the Issuer. Payment in respect of any Bonds subject to the put option shall be carried out on the designated Early Redemption Date through the Register by Nasdaq CSD. The notice by a Bondholder to exercise the put option, once given, shall be irrevocable.

- (e) **Extraordinary Early Redemption:** The Bondholders' Meeting shall have the right but not the obligation to demand immediate redemption of the Bonds held by the investors upon occurrence of any of the following events (the **Extraordinary Early Redemption Event**):
- (i) **Non-Payment.** The Issuer fails to make any payments under these Terms and Conditions and the Issue within 10 Business Days from the relevant due payment date, except for cases when the failure to pay is caused by a reason of *Force Majeure*.
 - (ii) **Breach of covenants.** The Issuer breaches any of the covenants set forth in Section 6.13 "*Covenants of the Issuer*" of these Terms and Conditions and the Issuer has not remedied the breach in 20 Business Days as of receipt of the breach notice or has not remedied the breach within other term approved by a decision of the Bondholders' Meeting adopted by majority of Bondholders participating in the Bondholders' Meeting and having voting rights (other than the Related Parties).
 - (iii) **Liquidation.** An effective resolution is passed for the liquidation of the Issuer.
 - (iv) **Insolvency.** (i) The Issuer is declared bankrupt by a final decision of a court; (ii) the Issuer enters into an arrangement with majority of its creditors by value in relation to restructuring of its debts (counting jointly); or (iii) an application to initiate insolvency, restructuring or administration of the Issuer, or any other proceedings for the settlement of the debt of the Issuer is submitted to the court by the Issuer.

In case of the Issuer's liquidation or insolvency, the investors shall have a right to receive payment of the outstanding principal amount of the Bonds and the interest accrued on the Bonds according to the relevant laws governing liquidation or insolvency of the Issuer.

The Issuer shall immediately but not later than within 3 Business Days notify the Trustee of the occurrence of an Extraordinary Early Redemption Event. In the absence of such notice, the Trustee shall be entitled to proceed on the basis that no such Extraordinary Early Redemption Event has occurred or is expected to occur.

If the Trustee receives information about occurrence of a possible Extraordinary Early Redemption Event from other sources than the Issuer, then the Trustee is entitled to ask the Issuer by submitting a letter to the Issuer to confirm or reject this information. The Issuer shall reply to the Trustee in writing (i.e. Rejection). If the Issuer does not send the Rejection to the Trustee within 5 Business Days from the receipt of the Trustee's inquiry, then the Extraordinary Early Redemption Event based on the Trustee's inquiry is deemed to have occurred on the day the period of 5 Business Days referred above expires.

In case the Issuer in a reasoned manner (i.e. providing for the reasons why the Extraordinary Early Redemption Event has not occurred supported with documentary evidence) and acting in good faith within 5 Business Days from the date of the inquiry sent by the Trustee to the Issuer submits a Rejection to the Trustee, the Extraordinary Early Redemption Event is considered not to have occurred until relevant decision of the Bondholders' Meeting stating otherwise is adopted as specified below.

Upon the occurrence of any of the circumstances specified above and if the Issuer has not sent the Rejection to the Trustee or the Bondholders' Meeting does not approve the Rejection and due to this the Bondholders' Meeting, in accordance with the procedure established by the law, adopts a decision (which shall be adopted by a qualified majority of no less than $\frac{3}{4}$ of Bondholders, participating in the Bondholders' Meeting and having a voting right) to demand extraordinary early redemption of the Bonds, the Issuer within 10 Business Days upon receiving the respective Bondholders' Meeting decision from the Trustee shall redeem all outstanding Bonds from all Bondholders holding Bonds on the Record Date by paying the Redemption Price. The

Redemption Price payable to the Bondholders on the relevant Early Maturity Date shall be determined by the Issuer following the rules set forth in Section 6.12(a) of these Terms and Conditions. The 10th Business Day calculated from the day following the day of submission of the Trustee's inquiry to the Issuer or the day the Issuer received the abovementioned Bondholders' Meeting decision to demand extraordinary early redemption of the Bonds from the Trustee, whichever is relevant, shall be the Early Maturity Date.

If the Bondholders' Meeting has not passed a decision as prescribed above within 3 months after the occurrence of any of the Extraordinary Early Redemption Event, the Bondholders shall lose the right to demand early redemption of the Bonds under this Section.

6.13. Covenants of the Issuer

The Issuer shall be obliged to comply with the following covenants until the Bonds are fully redeemed:

- (a) **Issuer's LTV ratio.** The Issuer undertakes to ensure that until full redemption of the Bonds the Loan to Value (the **LTV**) ratio will not be greater than 50%, calculated according to the formula:

$LTV = (\text{Loan Amount} / \text{Asset Value}) * 100$, where:

Loan Amount – Nominal Value of the Bonds, issued under these Terms and Conditions and Final Terms and registered with the Register, and other external loans (including the external outstanding bonds of other issues) payable by the Issuer.

Asset Value – most recent value of all Issuer's assets (based on their fair value), including shares, bonds of the Related Entities, as well as other loans granted to the Related Entities, and cash balance on the Issuer's bank account.

The lower the LTV ratio, the higher the chances the Issuer will be in position to redeem the Bonds.

- (b) **Related Entities' LTV ratio.** The Issuer undertakes to ensure that until full redemption of the Bonds combined LTV ratio of all of the Related Entities will not be greater than 60%, calculated according to the formula:

$LTV = (\text{Loan Amount} / \text{Asset Value}) * 100$, where:

Loan Amount – combined actual amount of all utilised external loans of all of the Related Entities, excluding the Issuer;

Asset Value – most recent combined value of all real estate assets and related assets (e.g. constructions in progress) of the Related Entities (based on their fair value), as provided in the latest available respective financial statements.

- (c) **Corporate status.** Until full redemption of the Bonds the Issuer shall not change its legal form or jurisdiction of incorporation and will not change its business activities, with an exception to the legal form that may be changed from closed-ended investment company to a variable capital investment company by a decision of the General Meeting adopted in accordance with the Articles of Association of the Issuer.
- (d) **Change of control.** Until full redemption of the Bonds the Issuer undertakes to ensure that no change of control over the Subsidiaries shall occur as defined further. A change of control shall be deemed occurred if the Issuer ceases to own more than 50% of the ordinary issued shares and voting rights of the Subsidiaries or may not exercise the control of the Subsidiary(-ies) due to other legal restrictions, except that change of control shall be permitted and this covenant shall not be considered as breached, if, by the sole reasonable judgement of the Trustee, the Issuer's

LTV covenant as provided for in point (a) above would not be breached right after such disposal and would not threaten breaching that financial covenant throughout the lifetime of the Bonds.

- (e) **Decisions.** To the extent it is compliant with Lithuanian laws, the Issuer undertakes to ensure that the Issuer will not make any decisions regarding the Issuer's reorganization, liquidation, restructuring, bankruptcy or restructuring procedures initiation, including the change of the Management Company.
- (f) **Reporting obligations (until Bonds' admission to trading on the Bond List of Nasdaq).**
 - (i) Until full redemption of Bonds, the Issuer shall provide the Trustee with a copy of its:
 - a. annual audited financial statements – within 4 months after the end of the reporting year. If this timeline is not feasible due to legal arrangements with auditors, the Issuer shall provide the statements no later than 5 months after the end of the reporting year;
 - b. semi-annual balance sheet and income statement, as soon as becomes available, but not later than within 45 calendar days after the end of reporting period of 6 months;
 - c. semi-annual report on performance of the financial ratio LTV set forth in Sections 6.13(a) and 6.13(b) – within 45 calendar days after the end of the reporting period of 6 months.
- (g) **Reporting obligations (after the Bonds' admission to trading on the Bond List of Nasdaq).**
 - (i) The Issuer shall publish the following on Nasdaq operated Central Storage Facility at www.crib.lt:
 - a) its annual audited financial statements – within 4 months after the end of the reporting year;
 - b) its unaudited semi-annual interim financial statements (together with a semi-annual report on performance of the financial ratio LTV set forth in Sections 6.13(a) and 6.13(b)) – within 3 months after the end of reporting period of 6 months.

The Issuer may deviate from the covenants set forth in this Section upon the consent provided in the decision of the Bondholders' Meeting which shall be adopted by a qualified majority of no less than $\frac{3}{4}$ of Bondholders, participating in the Bondholders' Meeting and having voting rights. Upon receiving the consent of the Bondholders in respect of particular covenant it shall be deemed that Bondholders waive their rights in respect of the Extraordinary Early Redemption Event.

6.14. Protection of Bondholders Interest

Bondholders shall have the rights provided in the Law on Protection of Interests of Bondholders of the Republic of Lithuania (the **Law on Protection of Interests of Bondholders**), the Civil Code of the Republic of Lithuania (the **Civil Code**), the Law on Companies of the Republic of Lithuania (the **Law on Companies**) and other laws regulating the rights of Bondholders and the Trustee Agreement.

The Bondholders shall have the following main rights:

- (i) to receive the interest accrued;
- (ii) to receive the Nominal Value and the interest accrued on the Final Maturity Date, or if applicable, on the Early Redemption Date or on the Early Maturity Date;

- (iii) to sell or transfer otherwise all or part of the Bonds only strictly following the Terms and Conditions and applicable laws;
- (iv) to bequeath all or part of owned Bonds to the ownership of other persons (applicable only towards natural persons);
- (v) to pledge all or part of the Bonds owned;
- (vi) to participate in the Bondholders' Meetings;
- (vii) to vote in the Bondholders' Meetings;
- (viii) to initiate the convocation of the Bondholders' Meetings following the procedure and in cases provided for in the Law on Protection of Interests of Bondholders;
- (ix) to adopt a decision to convene the Bondholders' Meeting following the procedure and in cases provided for in the Law on Protection of Interests of Bondholders;
- (x) to obtain (request) the information about the Issuer, the Issue of Bonds or other information related to the protection of his/her/its interests from the Trustee;
- (xi) to receive a copy of the Trustee Agreement;
- (xii) other rights, established in the applicable laws, the Trustee Agreement or in the constitutional documents of the Issuer.

No Bondholder shall be entitled to exercise any right of set-off against moneys owed by the Issuer in respect of the Bonds. The rights of Bondholders shall be executed during the term of validity of Bonds as indicated in these Terms and Conditions and applicable Lithuanian laws.

More detailed rights of the Bondholders, rights and obligations of the Trustee being a representative of Bondholders is provided in the Trustee's Agreement.

6.15. Bondholder's Meeting

The right to convene the Bondholders' Meeting shall be vested in the Trustee, the Bondholders who hold no less than one-tenth of the Bonds of the Issue, providing voting right in the Bondholders' Meeting and the Issuer. As a general rule, the Bondholders' Meetings are convened by a decision of the Trustee. The Bondholders and Trustee shall have the right to attend the Bondholders' Meetings. The Trustee must attend the Bondholders' Meeting in cases when the Bondholders who hold no less than one-tenth of the Bonds of the Issue providing voting right in the Bondholders' Meeting approve such a need. The general manager of the Management Company as legal representative of the Issuer or other authorised person (e.g. manager of the Issuer acting under the power of attorney issued by the Management Company) may also attend the Bondholders' Meeting, unless the Bondholders who hold no less than one-tenth of the Bonds of the Issue providing voting right in the Bondholders' Meeting contradict thereto.

All expenses in relation to the convening and holding the Bondholders' Meeting shall be covered by the Issuer.

A notice of convocation of the Bondholders' Meeting no later than 15 Business Days before the date of the Bondholders' Meeting shall be sent to each Bondholder via parties' e-mails, if indicated in the Subscription Order, and shall be published on the website of the Trustee, and if specifically required by the Trustee – on the website of the Issuer. If any of the Bondholders expressed his/hers/its request to get notifications on the convocation of the Bondholders' Meetings via e-mail and provided the e-mail address, the notice of convocation of the Bondholders' Meeting no later than 15 Business Days before the date of the Bondholders' Meeting shall also be send via the indicated e-mail through Trustee. The

notice of convocation of the Bondholders' Meeting shall specify the details of the Issuer, the ISIN of the Bonds, time, place and agenda of the meeting.

The Trustee is obliged to ensure proper announcement on the convocation of the Bondholders' Meetings.

The Bondholders' Meeting may be convened without observing the above terms, if all the Bondholders of the Issue, the Bonds held by which carry voting right in the Bondholders' Meeting, consent thereto in writing.

A Bondholders' Meeting may take decisions and shall be held valid if attended by the Bondholders who hold more than $\frac{1}{2}$ of Bonds of the Issue (excluding the Bonds held by or for the account of the Fund or any legal entity controlled by the Fund), providing voting right in the Bondholders' Meeting. After the presence of a quorum has been established, the quorum shall be deemed to be present throughout the Bondholders' Meeting. If the quorum is not present, the Bondholders' Meeting shall be considered invalid and a repeated Bondholders' Meeting shall be convened.

A repeated Bondholders' Meeting shall be convened after the lapse of at least 5 Business Days and not later than after the lapse of 10 Business Days following the day of the Bondholders' Meeting which was not held. The Bondholders must be notified of the repeated Bondholders' Meeting not later than 5 Business Days before the repeated Bondholders' Meeting following the order, indicated above.

One Bond carries one vote. A decision of the Bondholders' Meeting shall be considered taken if more votes of the Bondholders, participating in the Bondholders' Meeting and having a voting right have been cast for it than against it, unless the Law on Protection of Interests of Bondholders requires a larger majority.

The Trustee shall chair the Bondholders' Meetings, unless that meeting decides otherwise. The meeting must also elect the secretary thereof. Minutes of the Bondholders' Meeting shall be taken. The minutes shall be signed in 2 copies (to the Issuer and to the Trustee) by the chairman and the secretary of the Bondholders' Meeting.

The decisions of the Bondholders' Meeting shall be published on the website of the Trustee after the Bondholders' Meeting as soon as possible and without any delay, except parts of the decisions, which include confidential information.

The Bondholders' Meeting shall take the following decisions, which bind all the Bondholders:

- to remove the Trustee from its position and appoint a new trustee, which meets the requirements of the applicable laws and to also oblige the Issuer to terminate the contract with the existing Trustee and to conclude the contract with the new appointed trustee;
- to indicate to the Trustee that the violation committed by the Issuer is minor, thus, there is no necessity to take action regarding protection of rights of Bondholders;
- to approve the enforcement measures in respect of the Issuer's failed commitments to Bondholders, suggested by the Issuer. This decision shall be adopted by a qualified majority of no less than $\frac{3}{4}$ of Bondholders, participating in the Bondholders' Meeting and having a voting right;
- to determine, which information the Trustee will have to provide to the Bondholders' Meetings periodically or at the request of the Bondholders and to establish the procedure of provision such information;
- to adopt other decisions which according to the provisions of Law on Protection of Interests of Bondholders are assigned to the competence of the Bondholders' Meeting.

Resolutions passed at the Bondholders' Meeting shall be binding on all Bondholders of the Issue, except for the cases, when in the decision of the Bondholders' Meeting the instructions to the Trustee are provided to execute certain actions.

Disputes regarding the decisions, adopted in the Bondholders' Meetings shall be settled in the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration. The number of arbitrators shall be three. The place of arbitration shall be Vilnius. The language of arbitration shall be English. The claim may be brought to the Vilnius Court of Commercial Arbitration by the Trustee, the Issuer or any Bondholder, if there are suspicions, that the content of the decision and/or its form, and/or its adoption procedure contradict to the laws regulating these issues or infringes the legitimate interests of the Bondholders. The term of 20 Business Days is established for provision of such claims as from the date on which the claimant found out or had to find out the respective decision.

6.16. Notices

Bondholders shall be advised on matters relating to the Bonds by a notice published in English and Lithuanian on the Issuer's website at https://lordslb.lt/tewox_bonds/ and, after the Bonds are admitted to the Bond List of Nasdaq, also on the CSF at www.crib.lt. Any such notice shall be deemed to have been received by the Bondholders when published in the manner specified in this Section.

6.17. Trustee

- (a) **Representation of Bondholders.** On 5 August 2024 the Issuer has concluded the Trustee Agreement with UAB „AUDIFINA“, a private limited liability company, legal entity code 125921757, with its registered address at A. Juozapavičiaus st. 6, LT-09310 Vilnius, the Republic of Lithuania.

Under the Trustee Agreement the Trustee has undertaken to safeguard the interests of all Bondholders under the Issue and the Issuer has undertaken to pay remuneration to the Trustee indicated therein and the fee shall be paid until full execution of the obligations, indicated in the respective decision to issue the Bonds, except for the cases when the Trustee Agreement ceases earlier.

The general manager of the Management Company as legal representative of the Issuer or other authorised person (e.g. manager of the Issuer acting under the power of attorney issued by the Management Company) has the right to terminate the Trustee Agreement pursuant to its provisions.

- (b) **Contact data of the Trustee.**

E-mail: info@audifina.lt

Representative: Jolanta Ruzgienė

Website: <https://www.audifina.lt/>.

Each Bondholder is entitled to receive a copy of the Trustee Agreement concluded between the Issuer and the Trustee, applying via an e-mail of the Trustee indicated above.

- (c) **Trustee Agreement expires:**

- (i) once the Issuer fulfils all its obligations to the Bondholders;
- (ii) upon redemption of the Bonds by the Issuer on the Final Maturity Date or earlier, as provided and to the extent permitted by these Terms and Conditions;

- (iii) if the Trustee ceases to meet the requirements established for a Trustee in the Law on Protection of Interests of Bondholders, including but not limited to when the Trustee acquires a status of "bankrupt" or "in liquidation";
 - (iv) if other conditions established in the Law on Protection of Interests of Bondholders, the Civil Code, the Law on Insolvency of Legal Entities of the Republic of Lithuania and the Trustee Agreement exist.
- (d) **Main rights of the Trustee:**
- (i) to receive a list of Bondholders from the Issuer;
 - (ii) to receive a copy of the Decision;
 - (iii) to get acquainted with the documents and information which are necessary to fulfil its functions and to receive the copies of such documents;
 - (iv) after having obtained the consent of the Bondholders' Meeting, to conclude contracts with third parties when it is necessary to ensure the protection of the interests of the Bondholders;
 - (v) to bring an action to the Vilnius Court of Arbitration for the purpose of safeguarding the rights of the Bondholders.
- (e) **Main obligations of the Trustee:**
- (i) to take actions in order that the Issuer fulfilled its obligations towards the Bondholders;
 - (ii) to convene the Bondholders' Meetings;
 - (iii) to publish information regarding the Bondholders' Meetings being convened under procedure of the Law on Protection of Interests of Bondholders;
 - (iv) to provide the Bondholders' Meetings with all relevant documents and information;
 - (v) to provide the Bondholders' Meeting, in which the question is being addressed regarding approval of the enforcement measures in respect of Issuer's outstanding commitments to Bondholders, the recommendatory opinion, whereby the reasoned opinion to approve or reject the enforcement measures suggested by the Issuer is provided;
 - (vi) to execute the decisions of the Bondholders' Meetings;
 - (vii) no later than within 5 Business Days as from the day of receipt of a request of the Bondholder to provide information, to gratuitously present all the information about the Issuer, the Issue or other information related to the protection of his/her/its/their interests;
 - (viii) no later than within 3 Business Days from the receipt date of the Bondholder's request to provide a copy of the Trustee Agreement free of charge;
 - (ix) to provide the Bondholders with all other information related to the protection of their interests;
 - (x) no later than on the next Business Day to inform the Issuer that the Trustee has lost the right to provide audit services (in this particular case), or acquired legal status "in bankruptcy" or "in liquidation".

6.18. Other matters

- (a) **Purchases:** The Issuer, any Subsidiary may at any time purchase the Bonds in any manner and at any price on the secondary market. Bonds held by or for the account of any Subsidiary will not carry the right to vote at the Bondholders' Meetings and will not be taken into account in determining how many Bonds are outstanding for the purposes of the Issue.
- (b) **Force Majeure:** The Issuer, the Dealer/Paying Agent and/or Nasdaq CSD, and/or any other party involved in the Offering (the **Affected Party**) shall be entitled to postpone the fulfilment of their obligations hereunder, in case the performance is not possible due to continuous existence of any of the following circumstances:
- (i) action of any authorities, war or threat of war, rebellion or civil unrest;
 - (ii) disturbances in postal, telephone or electronic communications which are due to circumstances beyond the reasonable control of Affected Party, and that materially affect operations of any of the Affected Party;
 - (iii) any interruption of or delay in any functions or measures of the Affected Party as a result of fire or other similar disaster;
 - (iv) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of Affected Party even if it only affects part of the employees of any of them and whether any of them is involved therein or not; or
 - (v) any other similar Force Majeure which makes it unreasonably difficult to carry on the activities of the Affected Party.

In such case the fulfilment of the obligations may be postponed for the period of the existence of the respective circumstances and shall be resumed immediately after such circumstances cease to exist, provided that the Affected Party shall put all best efforts to limit the effect of the above referred circumstances and to resume the fulfilment of their obligations, as soon as possible.

- (c) **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.
- (d) **Jurisdiction:** The disputes related to these Terms and Conditions, Final Terms or the Bonds shall be resolved through negotiations. If the parties fail to reach an agreement, the claim for resolving the dispute shall be submitted to the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration which is granted with exclusive jurisdiction to hear, settle and/or determine any dispute, controversy or claim (including any non-contractual dispute, controversy or claim) arising out of or in connection with these Terms and Conditions, Final Terms or the Bonds. All procedural documents shall be served via parties' e-mails indicated in the Terms and Conditions or Subscription Order. The number of arbitrators shall be three. The place of arbitration shall be Vilnius. The language of arbitration shall be English.

7. FORM OF FINAL TERMS OF THE BONDS

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

FINAL TERMS OF THE BONDS

[Date]

SUTNTIB AB "TEWOX"

Issue of EUR [Aggregate Nominal Value of the Tranche] Bonds

under the EUR 35,000,000 Bond Issue

This document constitutes the Final Terms for the Bonds described herein and must be read in conjunction with the Company's base prospectus drawn up by the Company, dated 13 August 2024 (the **Prospectus**) and Terms and Conditions which are provided therein. Full information on the Company and the offer of the Bonds is only available on the basis of the combination of these Final Terms, the Terms and Conditions and the Prospectus. The Prospectus (including all its supplements (if any)) is and will be available for acquaintance at the Company's website (https://lordslb.lt/tewox_bonds/). Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Bonds.

Before making a decision to invest in the Bonds each prospective investor shall read the Prospectus, taking into account the risks outlined therein.

A summary of this Tranche of Bonds has been appended to these Final Terms. The Final Terms have been approved by a Decision of General Meeting dated 5 August 2024. The Final Terms have been filed with the Bank of Lithuania but are not subject to approval proceedings.

1.	Issuer	SUTNTIB AB "TEWOX"
2.	Number of Tranche	[number]
3.	Maximum Aggregate Nominal Value of the Issue	EUR 35,000,000
4.	Maximum Aggregate Nominal Value of the Tranche	EUR [amount]. [The aggregate Nominal Value of the Tranche may be increased by the Company up to EUR [amount] until the Issue Date]
5.	Maximum Aggregate Nominal Value of the Tranche for Offering through the Auction	EUR [amount]. [n/a]
6.	Issue currency	EUR
7.	Nominal Value	EUR 1,000
8.	Issue Price	EUR [amount]
9.	Minimum Investment Amount	EUR [amount]

10.	Issue Date	[date]
11.	Final Maturity Date	[date]
12.	Redemption/Payment Basis	Redemption at par
13.	Interest	
	(i) Interest Payment Dates	[dates]
	(ii) Interest Rate	[number]% (fixed) annually
	(iii) Interest calculation method	Act/Act (ICMA) count convention
14.	Yield	[number]% per annum. Yield is calculated based on the Nominal Amount and on the Issue Date. Actual yield may differ depending on the price paid for a specific bond by an investor.
15.	Record Date	Third Business Day before the Interest Payment Date, Final Maturity Date, Early Redemption Date, Early Maturity Date or De-listing Event or Listing Failure Put Date, whichever is relevant.
16.	Offering jurisdictions	The Republic of Lithuania, Estonia and Latvia
17.	Subscription Period	[beginning and end times of period]
18.	Payment Date	[if applicable, date]
19.	ISIN code	LT0000409567
20.	Expected listing and admission to trading on the Bond List of Nasdaq date	[date]
21.	Placing and underwriting	[Not applicable/description of entities agreeing to underwrite the Issue on a firm commitment basis and/or agreeing to place the issue without a firm commitment or on a “best efforts” basis and respective arrangements]
22.	Subscription channels	[description]
23.	Allocation rule (in case of oversubscription)	[description]

Signed on behalf of SUTNTIB AB “TEWOX”

[signatory’s full name, position]

8. REASONS FOR OFFERING AND USE OF PROCEEDS

The overall purpose of the Issue and the Offering is to finance the acquisition of retail properties by the Issuer or its Subsidiaries in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany (Baltic Sea region in general) as well as for the development of grocery shopping centres and/or retail parks in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany (Baltic Sea region in general). The proceeds raised from the Offering up to the amount of EUR 24,974,000 may also be used for the redemption of the existing unsecured bonds issued by the Company (EUR 15,000,000 – ISIN LT0000407785, maturity 7 September 2024 and EUR 9,974,000 – ISIN LT0000313603, maturity 12 February 2025), including early redemption of these bonds, provided that the Company is entitled to redeem such bonds prematurely in accordance with the applicable bond terms. Additionally, the proceeds raised from the Offering may be used for the repayment of any of the Company's debts, whether incurred before or after the date of this Prospectus.

Provided that all the Bonds under the Issue are subscribed for and issued by the Company, the expected amount of gross proceeds would be up to EUR 35,000,000 (thirty-five million euro) less the amounts of costs and expenses incurred in connection with the Offering, as prescribed below.

The Company will bear approximately up to EUR 500,000 of fees and expenses in connection with the Offering (including the maximum amount of any discretionary commission, admission to trading on the Bond List of Nasdaq related costs, legal costs, etc.) under the Issue. These costs of the Offering will be covered from proceeds of the Offering.

9. GENERAL CORPORATE INFORMATION AND ARTICLES OF ASSOCIATION

9.1. General corporate information

The legal and commercial name of the Company is Specialioji uždaroji tipo nekilnojamojo turto investicinė bendrovė (in English: *Special closed-ended real estate investment company*) (**SUTNTIB**) AB "Tewox", legal entity code 305733600.

The Company was registered in the Register of Legal Entities of the Republic of Lithuania on 9 April 2021. Legal entity identifier (LEI) code is 984500ETP929D4755B29. The Company has been established and is operating under the laws of the Republic of Lithuania (including without limitation, the Law on Companies, Civil Code, the Law on Collective Investment Undertakings of the Republic of Lithuania) in the form of a public limited company (in Lithuanian: *akcinė bendrovė*) and is established for a 50 year term, i.e. until 26 April 2071.

The latest Articles of Association of the Company have been registered in the Register of Legal Entities on 25 June 2024 (please see Section 4 "*Information Incorporated by Reference*").

Please note that according to the latest Articles of Association of the Company, the General Meeting may vote and adopt decisions on the following matters:

- (a) changing the Company's form of business to a variable capital investment company;
- (b) admitting the Company's shares to trading on a regulated market and/or multilateral trading facility; and
- (c) changing the term of the Company's operations.

Pursuant to Clause 128 of the latest Articles of Association of the Company, the General Meeting may decide on points (a) and (b) above no later than 31 December 2027 (inclusive). If no such decisions are adopted by the established deadline, another General Meeting shall be held no later than 31 December 2027 (inclusive) to decide on point (c). Specifically, the General Meeting shall determine that the Company's term of operations is 8 years from the date on which the supervisory authority (the Bank of Lithuania) authorized the Management Company to approve the Articles of Association and select the depositary, with a possibility to extend the term by an additional 2 years.

The Issuer has not been assigned with the credit rating nor such a process have been initiated.

The contact details of the Company are the following:

Registered address	Jogailos st. 4, Vilnius, the Republic of Lithuania
Country of registration	Republic of Lithuania
Phone number	+370 5 261 9470
E-mail	info@lordslb.lt
Website	www.lordslb.lt and in particular https://lordslb.lt/tewox_bonds/ where all Bonds related information and documents are uploaded or will be uploaded by the Company. The information on the website does not form part of the Prospectus, unless certain of this information is incorporated by reference into the Prospectus (please see Section 4 " <i>Information Incorporated by Reference</i> ").

10. SHARE CAPITAL, SHARES AND OWNERSHIP STRUCTURE

10.1. Share Capital and Shares

The current registered and fully paid-in share capital of the Company is EUR 160,000 which is divided into 160,000 ordinary shares of the Company (the **Shares**) with the nominal value of EUR 1. The Shares are not admitted to trading on any regulated market. According to its Articles of Association, the Company has a right to issue additional shares up to the amount of EUR 250,000,000. The actual issued and paid-up share capital of the Company on 31 December 2023 was equal to EUR 38,037,000. The Company does not have any shares that have not been fully paid up and entitle equal voting rights to their holders.

All Shares issued by the Company are dematerialized ordinary registered Shares. They are recorded in the personal securities accounts of the shareholders of the Company. These accounts are managed in accordance with the procedure established by legal acts regulating the market of financial instruments.

Pursuant to Lithuanian law, the main rights afforded to holders of ordinary shares are the right to participate in the General Meeting and in the distribution of profits and, upon dissolution, of the remaining assets of the public limited company, as well as other rights provided by law or prescribed by the Articles of Association of the Company.

10.2. Shareholders of Company

As at the date of this Prospectus, the shareholders holding directly over 5% of all Shares in the Company are the following:

Name of shareholder	Number of Shares	Proportion	Ultimate Beneficial Owner
UAB Viola invest	6,000,000.000	14,45%	Gintautas Jaugielavičius, Ignas Janukonis, Vitas Janukonis
Taikos projektas, UAB	5,500,000.000	13,24%	Mindaugas Marcinkevičius
UAB „In Group“	5,000,000.000	12,04%	Jordanas Kenstavičius Viktorija Kenstavičienė
AB ŠIAULIŲ BANKAS	3,000,000.000	7,22%	Vytautas Sinius
UAB BFIII LV	2,500,000.000	6,02%	Salva Marcinkevičienė

Source: the Company

The Company's shareholding structure may be subject to changes at any point, if any of its major shareholders divest all or a part of their equity stakes in the Issuer, or if the circumstances specified in Section 9.1 "*General corporate information*", occur. Additionally, it shall be noted that the Issuer may issue additional shares by increasing the share capital of the Company by a decision of the General Meeting of the Company according to the proposal of the Management Company or by the decision of the Management Company if the General Meeting authorizes the Management Company to issue new shares and increase the share capital of the Company.

As of the date of the Prospectus, the Company is not aware of any existing agreements between the shareholders of the Company on the use of voting rights in effect.

11. MANAGEMENT

11.1. Management Structure

The Company is a collective investment undertaking the management of which is delegated to the Management Company – UAB „Lords LB Asset Management“. The Company does not have management bodies and the rights and duties of the Management Board and General Manager prescribed in the Law on Companies of the Republic of Lithuania are performed by the Management Company.

The Management Company carries out the duties stipulated in the applicable laws and is responsible for:

- (i) management, use and disposal of the Company's assets in the right of asset trust;
- (ii) risk management of the Company;
- (iii) other functions that according to legal acts are required for proper management of the Company.

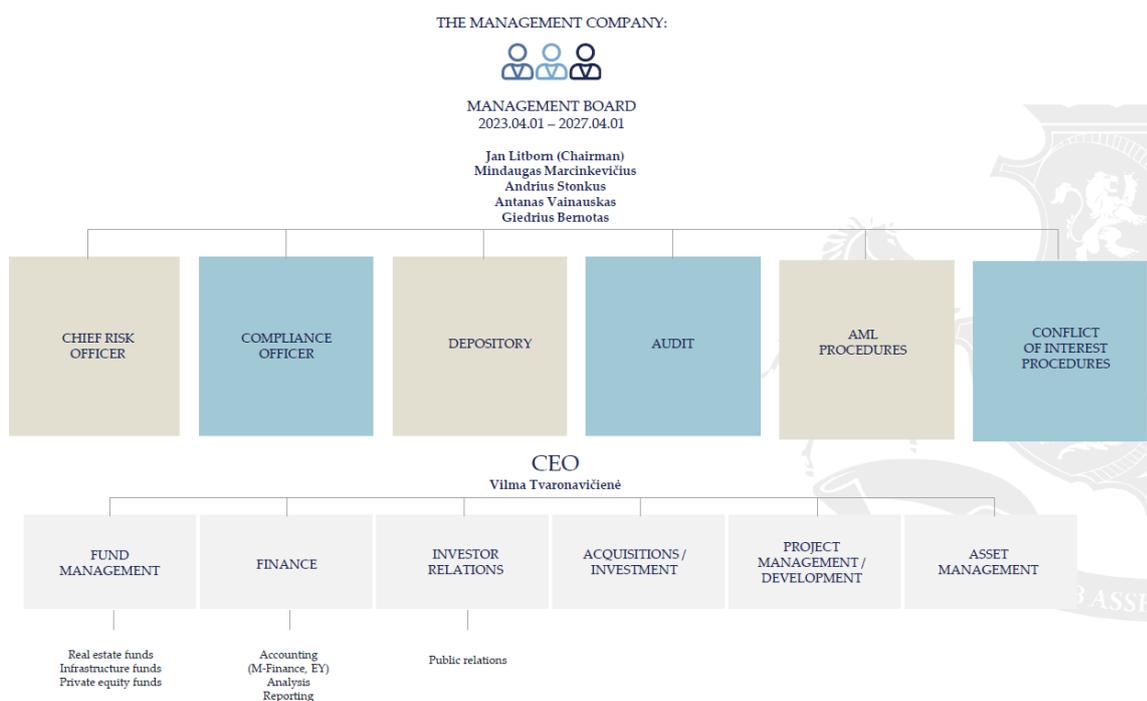
11.2. Management Company

UAB “Lords LB Asset Management” is a licensed investment management company supervised by the Bank of Lithuania. The Management Company is authorized to manage real estate and private equity collective investment undertakings (licence), collective investment undertakings established in accordance with the Law on Collective Investment Undertakings of the Republic of Lithuania for Informed Investors (licence), collective investment undertakings for professional investors (license).

The Management Company currently manages these collective investment undertakings: 15 real estate funds, 1 private capital fund, 1 energy and infrastructure fund and 3 investment companies. The total value of assets managed by the collective investment undertakings reached EUR 1.324B at the end of April 2024.

The Management Company’s organization structure is presented in figure below.

Figure 1: Organizational Structure of the Management Company



Source: the Management Company

11.3. Management of the Management Company

The management team of the Management Company is presented in Figure 2 below in order to create a full picture of the professionals contributing to the success of the Company and its investments. The experience and competence of these persons both individually and jointly ensure the operations, results and financial standing of the Company.

Figure 2: Management team of the Management Company

								
	VILMA TVARONAVIČIENĖ	KIRILAS KUNDUŠAS	RASA BARTUSEVIČIENĖ	DANA ČESUNĖ	GIEDRIUS ŽILINKSAS	ANASTASIJA POCIENĖ	RYTIS ZALOGA	ROKAS ADLIS
Position	CEO	CFO	Investor relations manager	Investor relations manager	Chief Risk Officer	Fund manager Special Fund III, Special Fund IV, Uptown Development Fund	Fund manager Small Cap Fund, European Property Fund, Baltic Residential Fund	Fund manager Baltic Opportun
Career highlights	Achema group	PwC, EY	Swedbank	SEB Bank	Danske Bank	Hanner, SBA Group	Hanner	EQT Exeter, Cerberus
								
	PAULIUS NEVINSKAS	MARIUS ŽEMAITAITIS	MARIUS ŽEMAITIS	MANTAS AURUŠKEVIČIUS	ARTŪRAS ŠILINIS	GIEDRIUS BERNOTAS	GRĖTĖ BUKAUSKAITĖ	
Position	Fund manager TEWOX	Fund manager BGFV Inter Cap Fund, Right Bank Development Fund	Fund manager Central Development Fund, Special Fund I Subfund A	Fund manager Green Energy Growth Fund	Fund manager Private Equity Fund I	Fund manager Special Fund V, VIRITAWA Development Fund	Fund manager Energy & Infrastructure SME Fund, Atsinaujinančios energetikos investicijos	
Career highlights	VP Group, SBA Group	EY, Hanner	Newsec, McKinsey & Company	EY	Kapitalo srautai, Ūkio bankas	Hanner, Lietuvos Energija	Ludwig-Maximilian-University Munich	

Source: the Management Company

11.4. Management Board of the Management Company

Andrius Stonkus – member of the Management Board, founder and shareholder of the Management Company.

Mr. Stonkus is the founder of the leading real estate advisory and asset management company in the Baltic States Re&Solution, which was later partly acquired by Newsec and became Newsec / Re&Solution.

Mr. Stonkus founded UAB “Lords LB Asset Management” in 2008 where he is responsible for raising funds and acquisitions. Before Re&Solution, during 2001 – 2004, Mr. Stonkus was the Director of real estate investment company Prime Real Estate and held several financial and management positions at Prime Investment. During his career, Mr. Stonkus was managing and participating in real estate transactions totaling EUR one billion.

Mr. Stonkus holds a bachelor’s degree in banking from Vilnius University and has taken various courses in finance and analysis.

Mindaugas Marcinkevičius – member of the Management Board, shareholder of the Management Company.

Mr. Marcinkevičius has over 21 years of experience in real estate development within Vilniaus prekyba group, the largest business consortium in the Baltics. In the Management Company, Mr. Marcinkevičius is responsible for real estate development and project management.

For ten years, he was a Chairman of Akropolis, the largest and most successful shopping centre developer in the Baltics with operations in the Republic of Lithuania, Latvia, Estonia, and Bulgaria. Under Mr. Marcinkevičius' management, Akropolis developed over 250,000 m² of flagship retail and office space, which was recognized as the most valuable commercial real estate asset in the Republic of Lithuania.

Mr. Marcinkevičius holds a master's degree in real estate valuation and management from Vilnius Gediminas Technical University.

Jan Ake Gustaf Litborn – member of the Management Board, chairman of the management board of the Management Company.

Mr. Jan Ake Gustaf Litborn is a partner and honorary chairman of Glimstedt Law Firm. Jan Litborn is also founder of the Baltic offices of Glimstedt law firm. He is a member of the Swedish and International Bar Associations, and has been practicing law as such since 1982. Jan Litborn has extensive experience representing several of the largest Swedish property and private equity companies, in matters regarding primarily merger and acquisitions, financing, and securitization.

Mr. Litborn has also been involved in several large cross-border transactions. He is a graduate from the University of Stockholm and Stockholm School of Economics.

Antanas Vainauskas – member of the Management Board, shareholder of the Management Company.

Mr. Vainauskas is a co-founder of leading oil exploration and production companies in the Republic of Lithuania TAN Oil (indirectly controlled by Tethys Oil) and LL Investicijos, which was later partly acquired by an American multinational energy corporation Chevron. In the Lords LB Management Company Mr. Vainauskas is responsible for energy and infrastructure projects.

Mr. Vainauskas has been a board member of various companies in one of the largest business groups in the Republic of Lithuania, SBA Concern, whose activities concentrate on four business areas – furniture, apparel, business centres and energy.

Mr. Vainauskas holds master's degree in European Law from Stockholm University and a bachelor's degree with specialization in law from Vilnius University.

Giedrius Bernotas – member of the Management Board of the Management Company.

Giedrius Bernotas is an experienced fund manager with a demonstrated history of working in the financial services industry. Mr. Bernotas is skilled in real estate, private equity, business development, management, business planning and public-private partnerships.

His prior experience includes Lietuvos Energija and Hanner Company.

In the Management Company, Mr. Bernotas is responsible for managing Lords LB Special Fund V and business development strategy.

Mr. Bernotas holds a bachelor's degree in Economics from the University of Southampton and a master's degree in Finance from University of St. Andrews.

11.5. Other Key Executives of the Management Company

Vilma Tvaronavičienė – CEO of the Management Company.

Mrs. Vilma Tvaronavičienė has been a part of the Management Company since 2011, starting from the investors relations manager position, she became the CEO in 2019. Her role consists of supervision of the Management Company and activities of the funds under management of the Management Company, she contributes to the development of funds investment strategies, establishment and maintaining of the relationships with the investors of the investment funds.

Mrs. Tvaronavičienė holds a degree of mechanical engineering from Kaunas University of Technology, has an international certificate “Foundation Award in Management principles” from Institute of Leadership and Management. Mrs. Tvaronavičienė is also studying at Kaunas University of Technology in master’s program “Business management”.

Paulius Nevinskas – fund manager in the Management Company.

Mr. Nevinskas has over 20 years of experience in financial advisory, investment project management, and business development. He has held C-level executive positions for over 12 years, primarily within prominent Lithuanian business groups. Notably, He led the expansion of SANO supermarkets in Poland while working for Bertona Holdings Limited, an investment vehicle of Vilnius Prekyba Group owners. Additionally, he served as an executive in the SBA Group, where he headed the modular construction division.

Kirilas Kundušas – CFO of the Management Company.

Mr. Kundušas is a financial management executive who has more than 14 years of experience in finance and asset management. His previous workplaces include BAA Training, EY Baltic, Deloitte Lithuania, National Audit Office of Lithuania.

Mr. Kundušas holds a Magna Cum Laude Master’s degree in accounting and audit from Vilnius University.

Giedrius Žilinskas – CRO of the Management Company.

Mr. Žilinskas has more than 5 years of experience working with regulatory, risk and compliance change and implementation projects. Before joining the Management Company, Mr. Žilinskas have been working in business advisory filed as a consultant and freelance consultant.

Mr. Žilinskas hold a master ‘s degree in International business and Management from Groningen university, Netherlands.

Table 3: Shares Held by the Management of the Management Company

<i>Name, surname</i>	<i>Position in the Management Company</i>	<i>Indirectly owned Shares in the Management Company, %</i>	<i>Clarifying comments</i>
Andrius Stonkus	Member of the Management Board	26,01	Mr. Andrius Stonkus is the sole shareholder of UAB “Aemulus”, legal entity code 302578408, registered address at Jogailos st. 9, Vilnius, the Republic of Lithuania that directly owns 26% of the authorized capital

<i>Name, surname</i>	<i>Position in the Management Company</i>	<i>Indirectly owned Shares in the Management Company, %</i>	<i>Clarifying comments</i>
			of the Management Company. Andrius Stonkus directly owns 0,1% of the authorized capital of the Management Company.
Mindaugas Marcinkevičius	Member of the Management Board	47	Mr. Mindaugas Marcinkevičius is the sole shareholder of UAB "Glera", legal entity code 302576414, registered address at Jogailos st. 4, Vilnius, the Republic of Lithuania that directly owns 47% of the authorized capital of the Management Company.
Antanas Vainauskas	Member of the Management Board	9	Mr. Antanas Vainauskas is the sole shareholder of UAB „Serenus“, legal entity code 300612833, registered address at Jogailos st. 9, Vilnius, the Republic of Lithuania that directly owns 9% of the authorized capital of the Management Company.

Source: the Company

11.6. Conflicts of Interests

(a) Internal conflicts of interests.

The members of the Management Board of the Management Company, Mr. Andrius Stonkus, Mr. Mindaugas Marcinkevičius and Mr. Antanas Vainauskas are direct and/or indirect shareholders of the Management Company. Therefore, it is possible that these shareholders may favour any of their own interests rather than those of the Management Company or the collective investment undertakings managed by it, also it is possible that the Company's and the Management Company's interests in certain situation may differ.

Nevertheless, it shall be noted that the Management Company being a licensed entity supervised by the Bank of Lithuania implements conflicts of interest procedures in the Management Company in order to monitor and control conflicts of interest risk and ensure transparency of investment and investment supervision.

(b) Interest of natural and legal persons involved in the Offering.

The Arranger/Dealer/Paying Agent, Luminor Bank AS operating in the Republic of Lithuania through Luminor Bank AS Lithuanian branch, is appointed by the Issuer as responsible person in the Republic of Lithuania, Latvia and Estonia for the purposes of arranging the Issue, Offering in the Republic of Lithuania, Latvia and Estonia and Admission of the Bonds to trading on the Bond List of Nasdaq, and/or for any other purposes and services as provided for in the Prospectus. The Issuer is paying fees (commissions) established in the Mandate Letter dated 16 July 2024 for the services provided to the Issuer.

The law firm Ellex Valiunas is appointed by the Issuer as legal adviser for the purposes of this Prospectus related matters and Issuer's representation at the Bank of Lithuania. The Issuer is paying fees established in the representation agreement dated 6 September 2023 for the services provided by law firm Ellex Valiunas.

The Trustee, UAB "AUDIFINA" is appointed by the Issuer as Bondholders' trustee as required under the Law on Protection of Interests of Bondholders. The Issuer is paying fees established in the Trustee's Agreement for the services provided by the Trustee.

There are no other persons appointed by the Issuer in connection with this Prospectus, Offering and Admission of the Bonds to trading on the Bond List of Nasdaq as of the date of this Prospectus.

To the best knowledge of the Issuer neither the Arranger/Dealer/Paying Agent nor the legal adviser or the Trustee has any conflict of interest pertaining to the responsibilities assigned to them by the Issuer.

11.7. Statutory Auditors

The Audited Consolidated Financial Statements for the years ended 31 December 2022 and 31 December 2023 were prepared in accordance with the IFRS and audited by the audit company UAB "KPMG Baltics", legal entity code 111494971, having its registered address at Lvivo st. 101, Vilnius, the Republic of Lithuania. Please note that in 2024, the General Meeting appointed PricewaterhouseCoopers, UAB, legal entity code 111473315, having its registered address at J. Jasinskio g. 16B, Vilnius, the Republic of Lithuania, as the Company's new auditors for the years 2024-2026.

The Audited Consolidated Financial Statements are incorporated into this Prospectus by reference.

Audit company issued an unqualified auditor's opinion with the emphasis of the matter described in the paragraph below regarding the Audited Consolidated Financial Statements for the year ended 31 December 2022.

The audit company in its report regarding the Audited Consolidated Financial Statements for the year ended 31 December 2022 draw the attention to the Note 3.27 of the report which describes that the Group's current liabilities exceed current assets by EUR 15,802 thousand. The consolidated financial statements of the Group have been prepared on a going concern basis. The going concern assessment was based on assumptions that in 2023 the Group will successfully issue public three-year bond emission of approx. EUR 50,000 thousand and non-public two-year bond emission of approx. EUR 15,000 thousand as well as successfully refinance short term loans of EUR 7,605 thousand. Accordingly, the management concluded that no material uncertainties exist in relation to the Group's ability to continue as a going concern. The Note 3.27 to the consolidated financial statements further explains how the judgment was formed. The audit company's opinion with regard to the Audited Consolidated Financial Statements for the year ending 31 December 2022 has not been modified in respect of this matter.

Audit company issued an unqualified auditor's opinion with the key audit matter described in the paragraph below regarding the Audited Consolidated Financial Statements for the year ended 31 December 2023.

The audit company in its last report draw the attention to the Note 3.28 of the report (as a key audit matter (*Significant judgments with regards to assessment of the Company's and Group's ability to continue as a Going Concern*)) which describes that the Group's current liabilities exceed current assets by EUR 23,181 thousand. The consolidated financial statements of the Group have been prepared on a going concern basis. The going concern assessment was based on assumptions that in 2024 the Group will successfully issue non-public one-year bond emission of approx. EUR 10,000 thousand and a second non-public two-year bond emission of approx. EUR 16,000 thousand in order to refinance its current liabilities. Accordingly, the management concluded that no material uncertainties exist in relation to the Group's ability to continue as a going concern. The Note 3.28 to the Audited Consolidated Financial Statements further explains how the judgment was formed by the Management.

Table 4: data of the Audited Consolidated Financial Statements

CIU specific	Special closed-end type real estate investment company.
The accounting standards according to which the financial statements were prepared	International Financial Reporting Standards adopted for use in the European Union.
Names and surnames of the auditors who performed the audit	Toma Jensen, Certified Auditor

Source: the Audited Consolidated Financial Statements

Table 5: Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Company for the year ended 31 December 2023 and 31 December 2022

	31 December 2023	31 December 2022
Income	8 209 089	4 280 483
Profit due to changes in fair value of investment property	2 078 941	142 351
Real estate and land tax expense	(380 872)	(204 050)
Maintenance and repair costs of buildings	(587 947)	(345 852)
Utilities	(145 317)	(41 988)
Administrative costs	(1 991 243)	(1 230 868)
Wages and related expenses	(347 916)	(136 769)
Other costs	(493 409)	(185 448)
Operating profit	6 341 326	2 277 859
Finance costs	(4 848 091)	(1 192 877)
Finance income	2 921 225	517 655
Profit before tax	4 414 460	1 602 637
Income tax	(924 104)	(270 611)
Net profit (loss)	3 490 356	1 332 026
Other comprehensive income:		
Other comprehensive income that will not be reclassified to profit or loss:		
Exchange rate differences on translation of foreign operations	743 330	19 918
Net other comprehensive income that will not be reclassified to profit or loss	743 330	19 918
Total comprehensive income	4 233 686	1 351 944

Source: the Audited Consolidated Financial Statements

Table 6: Consolidated Statement of Financial Position of the Company as of 31 December 2023 and 31 December 2022

	31 December 2023	31 December 2022
ASSETS		
Non-current assets		
Right of use assets	2 300 025	930 406
Investment property	127 607 886	69 004 293
Other non-current assets	374 000	661 294
Derivative financial instruments	1 235 976	514 507
Total non-current assets	131 517 887	71 110 500
Current assets		
Other current assets	4 546 625	49 346
Contract assets	627 605	237 346
Trade receivables	166 652	101 018
Derivative financial instruments	25 820	-
Cash and cash equivalents	3 338 331	3 577 277
Total current assets	8 705 033	3 964 987
TOTAL ASSETS	140 222 920	75 075 487

	31 December 2023	31 December 2022
EQUITY AND LIABILITIES		
Equity		
Share capital	38 036 364	31 430 000
Share premium	636	-
Currency revaluation reserve	763 248	19 918
Retained earnings (losses)	5 176 682	1 686 326
Total equity	43 976 930	33 136 244
Non-current liabilities		
Loans received	60 961 797	20 768 412
Lease liabilities	2 333 744	937 226
Deferred tax liabilities	982 455	347 635
Contract liabilities	81 455	118 677
Total non-current liabilities	64 359 451	22 171 950
Current liabilities		
Trade and other payables	1 138 898	903 944
Contract liabilities	247 894	26 406
Income tax liabilities	-	22 186
Loans received	2 991 225	8 670 278
Bonds issued	24 965 133	10 128 063
Payments received in advance	2 500 000	-
Lease liabilities	691	701
Employment related liabilities	42 698	15 715
Total current liabilities	31 886 539	19 767 293
TOTAL LIABILITIES	96 245 990	41 939 243
TOTAL EQUITY AND LIABILITIES	140 222 920	75 075 487

Source: the Audited Consolidated Financial Statements

Table 7: Consolidated Statement of Cash Flows summary of the Company for the year ended 31 December 2023 and 31 December 2022

	31 December 2023	31 December 2022
Net Cash flows from operating activities	3 800 823	2 153 535
Net Cash flows from investment activities	(54 684 184)	(13 783 966)
Net Cash flow from financing activities	49 452 686	13 583 452
Net change in cash and cash equivalents	(1 430 675)	1 953 021
Cash and cash equivalents at the beginning of the year	3 577 277	1 560 144
Impact of foreign exchange rate changes	1 191 729	64 112
Cash and cash equivalents at the end of the year	3 338 331	3 577 277

Source: the Audited Consolidated Financial Statements

Table 8: Consolidated Statement of Changes in Equity of the Company for the year ended 31 December 2023 and 31 December 2022

	Share capital	Share premium	Currency revaluation reserve	Retained earnings	Total
Balance as of 31 December 2021	23 475 000	-	-	354 300	23 829 300
Net profit	-	-	-	1 332 026	1 332 026
Other comprehensive income	-	-	19 918	-	19 918
Total comprehensive income for the year	-	-	19 918	1 332 026	1 351 944
Shares issued	7 955 000	-	-	-	7 955 000
Balance as of 31 December 2022	31 430 000	-	19 918	1 686 326	33 136 244
Balance as at 1 January 2023	31 430 000	-	19 918	1 686 326	33 136 244
Net profit	-	-	-	3 490 356	3 490 356
Other comprehensive income	-	-	743 330	-	743 330
Total comprehensive income for the year	-	-	743 330	3 490 356	4 233 686
Shares issued	6 606 364	636	-	-	6 607 000
Balance as of 31 December 2023	38 036 364	636	763 248	5 176 682	43 976 930

Source: the Audited Consolidated Financial Statements

The Company's current liquidity ratio as of 31 December 2023 was 0,27 and 0,2 as of 31 December 2022.

The current liquidity ratio measures the Company's ability to cover its current liabilities with its total current assets. The higher the ratio, the better the company's liquidity position. 1 meaning that the Company can cover 100 % of its current liabilities with its current assets:

$$\text{Current liquidity ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

12. BUSINESS OVERVIEW

12.1. History and development of Group; Principal Activities

The Company was incepted in 2021; it is aiming to build a portfolio comprised of stable cash flow generating properties leased to grocery retailers, land plots suitable for grocery store development straight away, as well as land plots in key strategic locations which will be suitable in longer term as the cities develop. The pipeline of investments will be built to satisfy both short and long-term growth perspectives. The key criteria for all the assets under consideration is long-term leases by major grocery retailers in the region.

The properties will be acquired only after an in-depth due diligence and evaluation of the potential value that could come from the synergy with the other Investment company portfolio assets including negotiations on the lease and financing agreements.

The Company's strategy over the assets' holding period is to continuously improve the quality of the portfolio by looking for opportunities to invest in new assets which match the expectations of investors. Extended term of the Investment company provides more flexibility to actively manage the portfolio through divesting certain assets and reinvesting into new ones. This will allow the investors to benefit from the cyclical nature of markets. All the investments will be considered by a criteria of ensuring that stable and predictable payouts are made to the investors.

As of 31st of July 2024, the Company owns 5 operating shopping centers in Lithuania, 8 retail parks in Poland and 1 in Lithuania, and has 10 land plots in the development pipeline in Lithuania.

Tewox portfolio (operating)

SUPERMARKETS



Alytus, Lithuania, GLA 6,250 m²

Klaipėda, Lithuania, GLA 3,239 m²



Vilnius, Lithuania, GLA 2,666 m²

Kuršėnai, Lithuania, GLA 1,657 m²



Kretinga, Lithuania, GLA 1,774 m²

RETAIL PARKS



Wrocław, Poland, GLA 10,567 m²

Swidnica, Poland, GLA 10,312 m²

Przemysl, Poland, GLA 8,952 m²



Kalisz, Poland, GLA 8,020 m²

Głowno, Poland, GLA 6,066 m²

Łódź, Poland, GLA 5,445 m²

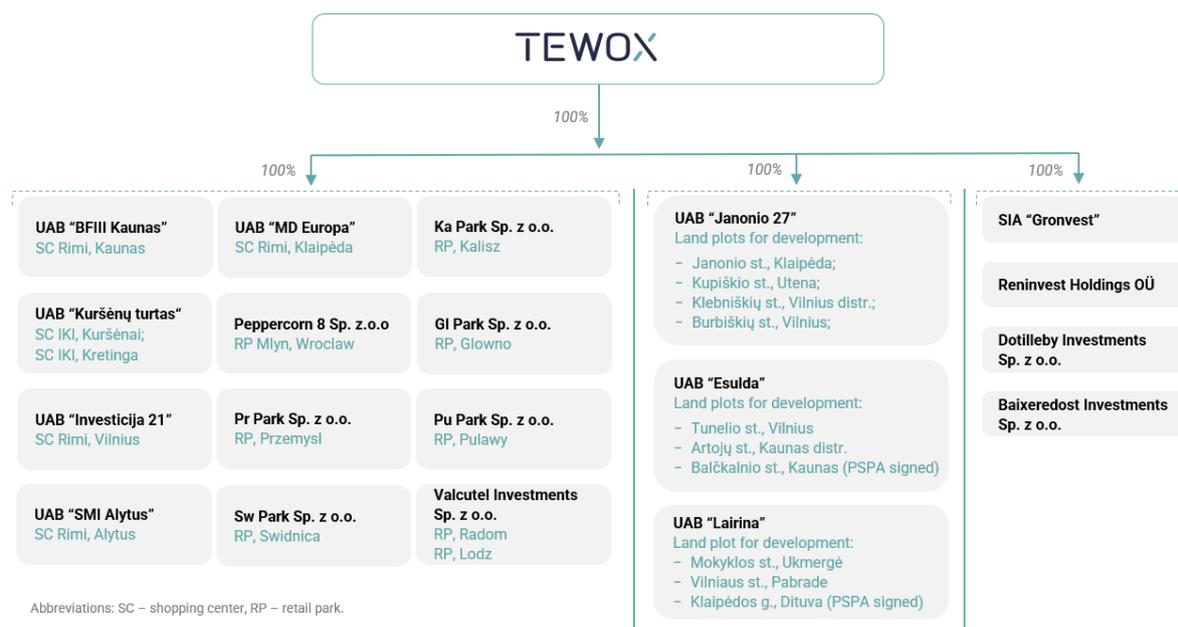


Radom, Poland, GLA 3,695 m²

Puławy, Poland, GLA 2,593 m²

Kaunas, Lithuania, GLA 7,174 m²

12.2. Group Structure



12.3. Geographical Markets

The geographical scope of the Company is the Baltic Sea Region (the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia, the Republic of Finland, the Kingdom of Denmark, the Republic of Poland and the Federal Republic of Germany). As of the date of the Prospectus, the Group is mainly active and holding assets in the Republic of Lithuania, Latvia, Estonia and the Republic of Poland. However, the expansion of the Group is planned in other listed countries as well.

12.4. Financing of Activities

The Company uses a combination of proceeds from Subsidiaries (in a form of dividends or interest payments), debt and equity to fund its activities.

The Company's income generated from interest payments from the Subsidiaries is presented in Section 12.17 "Related Party Transactions".

The equity of the Company consists of its Shares, as further described in Section 10.1 "Share Capital and Shares" of this Prospectus.

The Company has not concluded any financing agreements (credits, syndicated loans, credit lines, overdrafts, financial leasing) with external parties, except that (i) the Company has issued bonds in the amount of EUR 15,000,000 under exemption provided in Article 1(4(b)) of the Prospectus Regulation (ISIN LT0000407785, maturity 7 September 2024) and (ii) the Company has issued bonds in the amount of EUR 9,974,000 under exemption provided in Article 1(4(b)) of the Prospectus Regulation (ISIN LT0000313603, maturity date of 12 February 2025). The Company plans to redeem these bonds with funds generated by operating Subsidiaries and funds raised from the issuance of new Bonds on a basis of this Prospectus.

12.5. Competitive Position and Competitive Strengths

The Company was established after the Management Company's successful exit from a retail dominated fund Lords LB Baltic Fund III, which operated between 2013-2022. Extensive experience was gained in managing convenience shopping centres during this period. Furthermore, it enabled the

Management Company to build a long-term strategic direction for the expansion of the Issuer, building on experience acquired previously.

Having performed successful expansion in grocery anchored retail segment in Lithuania and Poland during the last two years, the Company has gained reputation on the market for being a go to party for transaction in this asset class. The team responsible for managing the Issuer's portfolio has extensive experience in shopping centres' development and management, enabling successful expansion and operations of the properties under management. It shall be noted, that on the geography and nature of business activities of the Company, no direct competition is identified as of the day of this Prospectus.

12.6. Material Agreements

The Company has not entered into material contracts other than contracts entered into in the ordinary course of business and/or contracts entered for the purposes of the financing of its activities (see more under Section 12.4 "Financing of Activities"), related party transactions (see more under Section 12.7 "Related Party Transactions") and for the purposes of the Offering, which could result in the Company being under an obligation or an entitlement that is material to the Company's ability to meet its obligations to the Bondholders in respect of the Bonds being issued.

12.7. Related Party Transactions

The Company has entered into several bond subscription and loan agreements with the Related Parties under which the Company has acquired bonds of the Related Parties and has granted loans to the Related Parties as indicated in the table below:

The name of credit institution / issuer	State	Currency	Term / Maturity	Amount, quantity	Interest rate
BONDS:					
UAB "Janonio 27"	LT	EUR	2025-06-18	3,404,962	3.75 %
UAB "Investicija 21"	LT	EUR	2026-09-13	137,651	3.77 %
UAB "Kuršėnų turtas"	LT	EUR	2027-03-04	185,660	3.77 %
UAB "Kuršėnų turtas"	LT	EUR	2027-05-31	1,235,420	3.77 %
UAB "Kuršėnų turtas"	LT	EUR	2027-05-27	767,215	6.45 %
UAB "Esulda"	LT	EUR	2027-10-28	2,947,128	6.29 %
UAB "Lairina"	LT	EUR	2028-05-23	1,407,450	5.65 %
UAB "Investicija 21"	LT	EUR	2027-04-01	260,413	3.77 %
UAB "Esulda"	LT	EUR	2029-02-26	2,310,000	7.28 %
UAB "Janonio 27"	LT	EUR	2029-03-01	40,000	7.35 %
LOANS GRANTED:					
Peppercon 8 Sp. Z.o.o.	PL	EUR	2025-04-23	3,190,320	6.43 %
PU Park Sp. z o.o.	PL	EUR	2028-02-02	2,240,000	7.78 %
GL Park Sp. z o.o.	PL	EUR	2028-02-02	4,260,186	7.78 %
PR Park Sp. z o.o.	PL	EUR	2028-02-02	6,957,000	7.78 %
SW Park Sp. z o.o.	PL	EUR	2028-02-02	7,537,047	7.78 %
KA Park Sp. z o.o.	PL	EUR	2028-02-02	6,257,000	7.78 %
Gronvest SIA	LV	EUR	2028-04-17	13,000	6.86 %
Baixeredost Investments Sp. z o.o.	PL	EUR	2027-02-28	20,000	7.00 %
Dotilleby Investments Sp. z o.o.	PL	EUR	2028-10-11	90,000	3.81 %
Valcutel Investments Sp. z o.o.	PL	EUR	2028-10-11	100,000	3.81 %
UAB "BFIII Kaunas"	LT	EUR	2028-12-19	24,110	5.91 %
Valcutel Investments sp. z o.o.	PL	EUR	2029-05-01	7,125,000	3.81 %
Baixeredost Investments sp. Z o.o.	PL	EUR	2029-05-01	30,000	5.90 %

Source: the Company

Interest from the agreements listed above forms part of the Company's income.

The Company does not guarantee the obligations of its Subsidiaries.

As it can be seen from the above, the Company enters into intra-group contractual arrangements with the Group entities, including with respect to the downstream of funds borrowed at the Company's level. Under the applicable transfer pricing regulations, companies must conduct any intra-group transactions on an arm's length basis and provide sufficient documentation thereof in accordance with the applicable regulations. Any non-compliance with transfer pricing regulations (including due to insufficient documentation) could result in material adverse effects to the Group's business, results of operations, financial condition and reputation.

12.8. Trend Information

While ecommerce has put pressure on certain retail segments, grocery stores have retained customers due to the nature of product as well as the ability to adapt to the new trends. Grocery products having arguably one of the most inelastic demands ensures relative financial strength of the operators in the long term, investors in the grocery retail assets benefit from the stability. Also, grocery stores located in the strategic areas of the cities will benefit from click&collect trends as part of the e-commerce, becoming an integral part of the omnichannel strategy.

12.9. Profit Forecasts or Estimates

The Company is not providing financial forecasts or estimates.

12.10. Significant Change in Financial Position

There has been no significant, material adverse change in the Company's financial position since the last reporting year. The Management is aware of no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year outside the course of its regular business activities.

12.11. Legal Proceedings

None of the Group Companies are involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months which may have or have had in the recent past significant effects on the Group's financial position or profitability.

13. TAXATION

Introductory remarks. The purpose of this Section is to give an overview of the tax regime applicable to the Bondholders and the Issuer. The below summary is in no way exhaustive and is not meant to constitute professional advice to any person. Tax legislation of the Bondholder's member state and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. In order to establish particular tax consequences of the Offering or the ownership of the Bonds, each Bondholder is advised and strongly encouraged to seek specialist assistance.

The tax consequences listed below are described in accordance with respective Lithuanian, Latvian, Estonian and Polish laws and provisions of tax treaties that are applicable on the date of this Prospectus, subject to any change in law that may take effect after such date.

Transfers of the Bonds will not be subject to any registration or stamp duties in Lithuania, Latvia, Estonia. Therefore, the information contained in this Section will only cover withholding and income tax issues as applicable to resident and non-resident entities as well as individuals under respective Lithuanian, Latvian, Estonian and Polish tax legislation.

Terms and definitions used for the purposes of this Section

A **"resident individual"** means a natural person who is deemed to be a resident of Lithuania under the national provisions of respectively Lithuanian / Latvian / Estonian / Polish Law on personal income tax (**PIT**) if: he / she has permanent place of residence in Lithuania / Latvia / Estonia / Poland during the tax period, or his / her personal, social or economic interests during the tax period are located in Lithuania, or he/she is present in Lithuania / Latvia / Estonia / Poland continuously or intermittently for at least 183 days in the relevant tax period or in case of Lithuania - at least 280 days in two consecutive tax periods and at least 90 days in one of these tax periods. In addition, Lithuanian / Latvian / Estonian / Polish citizen employed abroad by the government of the Lithuania / Latvia / Estonia is also considered as resident individual.

All income of a resident of Lithuania / Latvia / Estonia sourced in and outside Lithuania / Latvia / Estonia / Poland is subject to tax in respectively Lithuania / Latvia / Estonia.

A **"non-resident individual"** means a natural person who is not deemed to be a resident of Lithuania / Latvia / Estonia under the above-mentioned national provisions.

Income of a non-resident individuals sourced in Lithuania / Latvia / Estonia is subject to the respective country's income tax.

A **"resident entity"** means a legal person (except for limited partnership fund) registered in accordance with the legal acts of respectively Lithuania / Latvia / Estonia. In case of Lithuania, a collective investment undertaking established in Lithuania without a status of a legal person is also considered as resident entity.

All income of a resident entity earned in Lithuania / Latvia / Estonia and foreign states is subject to respectively Lithuanian / Latvian / Estonian corporate income tax (**CIT**) rules.

A **"non-resident entity"** means a legal person which is not established in Lithuania / Latvia / Estonia. In case of Estonia, provisions concerning non-residents also apply to a foreign association of persons or pool of assets (excluding contractual investment fund) without the status of a legal person, which pursuant to the law of the state of the incorporation or establishment thereof is regarded as a legal person for income tax purposes.

Income of non-resident entities sourced in Lithuania / Latvia / Estonia is subject to the Lithuanian / Latvian / Estonian / Polish CIT. A non-resident entity shall be considered to be operating through a permanent establishment (**PE**) in the territory of Lithuania / Latvia / Estonia, where: it permanently

carries out activities in the respective country, or carries out its activities in the respective country through a dependent representative (agent), or uses a building site, a construction, assembly or installation object in the respective country, or makes use of installations or structures in the respective country for extraction of natural resources, including wells or vessels used for that purpose. Taxation of non-resident entities acting through a PE in the respective country is the same as that of resident entities, if such a non-resident entity earns interest income through its PE in the respective country, thus, it is not separately described.

For the purposes of **capital gains taxation**, **gains** derived from the sale of securities (including the Bonds) is the difference between the acquisition cost and the sales price of such securities. Gains derived from the exchange of securities is the difference between the acquisition cost of securities subject to exchange and the market price of the property received as the result of the exchange. The expenses directly related to the sale or exchange of securities may be deducted from the gains but are generally rather limited.

13.1. Lithuanian Tax Considerations

The following is a general overview of the Lithuanian tax regime applicable in Lithuania to interest received and capital gains earned upon transfer of Bonds.

Capital Gains from Sale or Exchange of Bonds. Gains received upon disposal of the Bonds by a **Lithuanian resident individual** are taxable on a cash-basis at progressive PIT rates of:

- 15%, if the total amount of income (except for employment, self-employment income, remuneration of board members and dividends) received by an individual during a calendar year does not exceed the sum of 120 Lithuanian gross average salaries, which is determined on the basis of quarterly gross average salaries as published by the Lithuanian Department of Statistics (this figure in 2024 is EUR 228,324), and
- 20%, which applies to income of an individual received during a calendar year exceeding the above-mentioned threshold.

Capital gains up to EUR 500 received by resident individuals from the sale or exchange of Bonds (including other securities) during a calendar year are tax exempt. However, such tax relief is not applicable if the capital gains are received from entities established or individuals permanently residing in a tax haven included in the List of Target Territories approved by the Minister of Finance of Lithuania.

Capital gains derived upon the disposal of the Bonds by **Lithuanian non-resident individuals** will not be subject to Lithuanian PIT.

Capital gains on disposal of Bonds earned by **Lithuanian resident entity** are included in its taxable profit and are subject to 15% CIT rate or in certain cases a reduced tax rate may apply. Capital gains received from / by collective investment undertaking shall not be taxed with Lithuanian CIT. Banks and credit unions, including branches of foreign banks in Lithuania shall pay additional 5% CIT on profits, subject to special calculation rules, exceeding EUR 2 million. In tax years of 2023 and 2024, so called "Temporary solidarity contribution" would also apply to the credit institutions (at a 60 % rate calculated on the part of net interest income that exceeds by more than 50 % the average net interest income of four financial years).

Any capital gains on alienation of Bonds received by **Lithuanian non-resident entities** will not be subject to Lithuanian CIT.

Taxation of Interest. **Lithuanian resident individuals** are subject to paying the progressive PIT (15% / 20%, as in case of taxation of capital gains) on the interest received from loans, securities (including the Bonds) and other debt obligations. Therefore, interest (coupon payments) received by Lithuanian

resident individuals from the Bonds is subject to PIT in Lithuania. Tax is paid by a resident individual himself/herself, however the total amount of interest received by resident individuals during a calendar year not exceeding EUR 500 will be tax exempt.

When interest is earned by a **Lithuanian non-resident individual**, the Company withhold 15% PIT and if it turns out at the end of the year that a part of the amount was actually subject to the 20% rate, the individual has to pay the difference himself/herself. Separate Double Tax Treaty (**DTT**) concluded and brought into effect with Lithuania may establish a lower tax rate for non-resident individuals.

The Bond interest received by a **Lithuanian resident entity** is included in its taxable profit and are subject to 15% CIT rate or in certain cases a reduced tax rate may apply. Bond interest received from / by collective investment undertaking shall not be taxed with Lithuanian CIT. Banks and credit unions, including branches of foreign banks in Lithuania shall pay additional 5% CIT on profits, subject to special calculation rules, exceeding EUR 2 million. In tax years of 2023 and 2024, so called "Temporary solidarity contribution" would also apply to the credit institutions (at a 60 % rate calculated on the part of net interest income that exceeds by more than 50 % the average net interest income of four financial years).

Bond interest received by **Lithuanian non-resident legal entity**, which is registered or otherwise organized in a state of the European Economic Area (the **EEA**) or in a state with which Lithuania has concluded and brought into effect a DTT, will not be subject to the withholding tax in Lithuania. Other Lithuanian non-resident entities will be subject to the 10% withholding tax on Bond interest in Lithuania.

In case the Issuer cannot identify the Bondholder in order to determine its eligibility for a lower tax rate or exemption from the withholding tax, payments of Bond interest to any such Bondholder will be subject to the standard 15% CIT rate to be withheld in Lithuania.

In order to enjoy DTT benefits for Bond interest **Lithuanian non-resident individuals or entities** shall apply either (i) **a reduced rate of PIT / CIT procedure** (by completing and submitting DAS-1 form to the Company before the pay-out for each calendar year) or (ii) **a special claim for a PIT / CIT refund** (by completing and submitting DAS-2 form to the Lithuanian Tax Authorities).

13.2. Latvian Tax Considerations

The following is a general overview of the Latvian tax regime applicable to interest received and capital gains realised in Latvia as well as to acquisition and transfer of Bonds.

Capital Gains from Sale or Exchange of Bonds. Capital gains on alienation of the Bonds received by **Latvian resident individuals** will be subject to Latvian PIT at a rate of 20%. The expenses of acquisition and holding of the Bonds are also included in the acquisition value of the Bonds. The respective resident individuals are liable for paying the applicable Latvian PIT. Income tax paid from the capital gains in a foreign state may be deducted from PIT payable in Latvia only if the taxpayer submits a certificate issued by the foreign tax administrator or withholding agent certifying the payment of income tax or another tax equivalent to income tax. The capital gains on exchange of the Bonds received by Latvian resident individuals will be subject to Latvian PIT only on the day when Latvian resident individuals receive the money (if Bonds are exchanged for other type of financial instrument, then taxation is postponed till the received financial instrument is sold).

Capital gains earned in Latvia and foreign states (i.e., sourced inside and outside of Latvia) on alienation of the Bonds received by **Latvian resident entities** will not be included in resident entity's taxable profit, yet profit distributions will be subject to Latvian CIT at a rate of 20% (tax base is divided by 0.8 and then the tax is applied at the rate of 20% resulting in the effective rate of 25%).

Taxation of Interest. Payments of the Bond interest received by a **Latvian resident individual** will be subject to Latvian PIT at the rate of 20%. Income tax withheld abroad can be credited from the Latvian

income tax obligation based on the tax certificate showing the withheld amount, as issued by the relevant foreign withholder or tax authority. Payments of Bond interest received by:

- a **resident entity** is not subject to the Latvian CIT, yet profit distributions are subject to Latvian CIT at a rate of 20% (effective CIT rate – 25%);
- a **non-resident entity** is not subject to Latvian CIT.

In Latvia corporate profits are not taxed until they are distributed. Latvian CIT is imposed at the level of the company making the distributions at the time when such profit distributions are made. Profit distributions are taxed at the rate of 20% of the gross amount of the distribution (effective CIT rate – 25%). Latvia further does not levy any withholding tax on dividends, interest or royalties, except where payable to persons resident in a statutory low or no tax country.

Investment Account. Latvian resident individual may use an investment account (in Latvian: *leguldījumu konts*). An individual may carry out the transactions with the funds (including the Bonds) of the investment account and accounts associated with it within the framework of the investment account and accounts associated with it. The investment account has to be opened in a credit institution, its branch or a branch of a foreign credit institution, or a merchant which is in conformity with the Financial Instrument Market Law or regulation of the country of residence of the service provider equal thereto has obtained a license for the provision of the investment services, of Latvia or another Member State of the European Union, EEA state or Member State of the OECD, or the resident of such country with which Latvia has entered into a DTT. Payments of income, which is withdrawn from the investment account (i.e., the amount withdrawn from the account exceeds the amount which had been previously paid into the account) will be subject to Latvian PIT at the rate of 20%, to be withheld by the credit institution. Therefore, financial income held in the investment account may be reinvested tax-free until it is withdrawn from the account.

13.3. Estonian Tax Considerations

The following is a general overview of the Estonian tax regime applicable to interest received and capital gains realised in Estonia as well as to acquisition and transfer of Bonds.

Capital Gains from Sale or Exchange of Bonds. Gains realised by an **Estonian resident individual** are taxable on a cash-basis. Upon the sale or exchange of securities (including the Bonds) gains are subject to income tax at the rate of 20% (22% as from 1 January 2025). Since all earnings of **resident entity**, including capital gains, are taxed only upon distribution of profits (at a rate of 20 % (22 % as from 1 January 2025)), capital gains realised by resident entities are not subject to immediate taxation.

Taxation of Interest. **Estonian resident individuals** are subject to paying income tax of 20% (22% as from 1 January 2025) on the interest received from loans, securities (including the Bonds) and other debt obligations. Therefore, interest (coupon payments) received by Estonian resident individuals from the Bonds is subject to income tax in Estonia. Income tax withheld abroad can be credited from the Estonian income tax obligation based on the tax certificate showing the withheld amount, as issued by the relevant foreign withholder or tax authority. Since all earnings of **resident entities** are taxed only upon distribution (at a rate of 20 % (22 % as from 1 January 2025)), interest received by Estonian resident entities is not subject to immediate taxation.

Investment Account. Estonian resident individuals may defer the taxation of their investment income by using an investment account (in Estonian: *investeeringukonto*) for the purposes of making transactions with financial assets (including the Bonds). An investment account is a monetary account opened with the EEA or the OECD member state credit institution, through which the transactions with the financial assets, taxation of income from which (e.g., capital gains; interest, if paid by an Estonian-resident withholder, etc.) a person wants to defer, shall be made. The moment of taxation of the financial income held on an investment account is postponed until such income is withdrawn from the investment account

(i.e., the amount withdrawn from the account exceeds the amount which had been previously paid into the account). Therefore, financial income held at the investment account may be reinvested tax-free until it is withdrawn from the account.

Pension Investment Account. Estonian resident individuals who have decided to grow their Estonian mandatory funded pension (II Pillar) via pension investment account (PIA, in Estonian: *pensioni investeerimiskonto*), can also acquire the Bonds through PIA. Pension investment account is a separate bank account opened with an Estonian credit institution, which, on the one hand, is part of the mandatory funded pension system (incl. relevant benefits, such as additional contributions from the state), but on the other hand allows the person to make their own investment decisions. Like the ordinary investment account, PIA allows making of transactions with financial assets, whereas taxation of income from such assets (e.g., capital gains from the Bonds; interest, if paid by an Estonian-resident withholder) is deferred until income is withdrawn from PIA. Monetary means withdrawn from PIA are, generally, taxed at a 20% income tax rate (22% as from 1 January 2025), unless withdrawn after reaching the retirement age, in which case a 10% income tax rate or a tax exemption (depending on the method of payment) applies.

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Ellex[®] Valiunas

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For 2024-2026

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