

**SPECIAL CLOSED-END TYPE REAL ESTATE INVESTMENT COMPANY
INVL Baltic Real Estate**

(incorporated in Lithuania with limited liability, corporate ID code 152105644, licensed as a special closed-end type investment company, the licence issued by the Bank of Lithuania on 22 December 2016)

**Prospectus of admission of 65,750,000 ordinary registered shares, with a nominal value of EUR 0.29 each
in a special closed-end type real estate investment company INVL Baltic Real Estate
to trading on Nasdaq Vilnius AB**

This prospectus (the "Prospectus") was prepared by the special closed-end type real estate investment company INVL Baltic Real Estate (the "Company") for the purpose of admission of all the issued 65,750,000 shares of the Company (the "Shares") to trading on Nasdaq Vilnius AB ("Nasdaq").

Before the issuance of the closed-end type investment company licence (the "Licence") by the Bank of Lithuania (in Lithuanian: *Lietuvos bankas*, the "LB") on 22 December 2016 all the Shares of the Company were listed and traded on the Secondary List of Nasdaq. Following the issuance of the Licence, no new Shares of the Company were issued. However, taking into consideration the changed status of the Company (becoming a licensed closed-end type investment company), the Company prepared this document as one of its establishment documents, also aiming that the Shares of the Company would remain listed and would be continuously traded on Nasdaq. No securities issued by the Company are admitted to trading on any other regulated market.

No public offering of any part of Shares shall be executed by the Company based on this Prospectus. Consequently, information communicated by this Prospectus does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to subscribe for, underwrite or otherwise acquire, any securities of the Company or any of its subsidiaries (the "Subsidiaries") nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company or any of its Subsidiaries, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

Distribution of this Prospectus in certain jurisdictions is restricted by law. Thus, persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or under any securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

This Prospectus constitutes a prospectus for the purposes of Articles 3.3 and 5.3 of Directive 2003/71/EC of the European Parliament and of the Council, as amended (the "Prospectus Directive") and Articles 5(6) and 6(4) of the Law of the Republic of Lithuania on Securities, as amended (the "Law on Securities") and Commission Regulation (EC) 809/2004 of 29 April 2004, as amended (the "Prospectus Regulation"). The LB in its capacity as the competent authority in Lithuania under the Law on Securities has approved this document as a prospectus. The Shares of the Company will be eligible for trading on Nasdaq, once the LB approved this Prospectus and after the Prospectus has been made available to the public together with a translation of the summary into Lithuanian language.

All the Shares of the Company are ordinary registered shares and are registered with the Central Securities Depository of Lithuania (in Lithuanian: *Lietuvos centrinis vertybinių popierių depozitoriumas*, the "CSDL") under ISIN code LT0000127151. Shareholders of the Issuer may hold the Shares through the CSDL participants, such as investment firms and custodian banks operating in Lithuania.

Although the whole text of this document should be read, the attention of persons receiving this document is drawn, in particular, to the section headed "Risk Factors" contained in Part III of this document. All statements regarding the Company's and its Subsidiaries' business, financial position and prospects should be viewed in light of the risk factors set out in Part III of this document.

The date of this Prospectus is 29 December 2016

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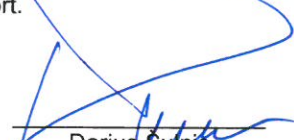
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I IMPORTANT INFORMATION

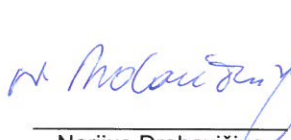
Prospectus. This Prospectus has been prepared by the Company, which was issued with a Licence by the LB in connection with the Admission, aiming that the Shares of the Company would be eligible to be continuously traded on Nasdaq solely for the informational purposes. The information contained in the Prospectus has been provided by the Issuer and other sources identified herein. This Prospectus is a prospectus in the form of a single document within the meaning of the Prospectus Directive and the Prospectus Regulation. This Prospectus has been prepared in accordance with Annex XV (Minimum Disclosure Requirements for the Registration Document for Securities Issued by Collective Investment Undertakings of the Closed-end Type) and Annex III (Minimum Disclosure Requirements for the Share Securities Note) of the Prospectus Regulation. A summary of the Prospectus contains the key information items set out in Annex XXII (Disclosure Requirements in Summaries) of the Prospectus Regulation.

1.1 Responsibility for this Prospectus

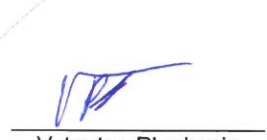
Persons Responsible. The person responsible for the information provided in this Prospectus is INVL Baltic Real Estate AB, corporate ID code 152105644, with the registered office at Gynėjų str. 14, Vilnius, Lithuania. The Company accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and members of the Board of INVL Asset Management UAB (the "Management Company") – Mr. Darius Šulnis (Chairman), Mr. Nerijus Drobavičius and Mr. Vytautas Plunksnis having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.



Darius Šulnis
Chairman of the Board
and General Manager of
the Management
Company



Nerijus Drobavičius
Member of the Board of
the Management
Company



Vytautas Plunksnis
Member of the Board of
the Management
Company

Limitations of Liability. Without prejudice to the above, no responsibility is accepted by the persons responsible for the information given in this Prospectus solely on the basis of the summary of this Prospectus, unless such summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information.

Furthermore, the legal advisor to the Company expressly disclaim any liability based on the information contained in this Prospectus, the summary of this Prospectus or individual parts thereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Prospectus or disseminated by the Company in connection with the Admission may be construed to constitute a warranty or representation, whether express or implied, made by the legal advisor to the Company.

Neither the Company nor the legal advisor to the Company will accept any responsibility for the information pertaining to the Admission of the Shares on Nasdaq, the Company, its Subsidiaries or their operations, where such information is disseminated or otherwise made public by third parties either in connection with the Admission or otherwise.

Any persons in possession of this Prospectus should not assume that the information in this Prospectus is accurate as of any other date than the date of this Prospectus. The delivery of this Prospectus at any time after the conclusion of it will not, under any circumstances, create any implication that there has been no change in the Company's (its Subsidiaries) affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date. In case until the term of validity of this Prospectus or until Admission (depending on what will happen earlier), material changes in operations of the Issuer occur, they will be reflected in supplements to the Prospectus, which will be subject to an approval by the LB. The supplement (if any) will be published in the same manner as the Prospectus.

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

1.2 Presentation of Financial and Other Information

Financial Information. This Prospectus contains incorporated by reference financial statements and financial information of the Company and its Subsidiaries (the "Group").

The Group was established on 29 April 2014 by spinning-off from Invalda INVL AB the investments into entities, the business of which is investments into investment properties held for future development, into commercial real estate and renting thereof. After completion of the indicated spin-off, the parent of the Group was INVL Baltic Real Estate AB (code 303299735, the "Former Parent Company"). On 17 August 2015 the Former Parent Company was merged to Invaldos nekilnojamojo turto fondas AB, representing more than 90% of total assets, revenues and expenses of the consolidated Group (the "Merger"). As a result of the Merger the Former Parent Company ceased to exist and Invaldos nekilnojamojo turto fondas AB changed its name to INVL Baltic Real Estate AB and became the parent of the Group. The reorganisation, being the legal merger only, had no impact on the consolidated financial statements of the Group, except

for reclassification within shareholders' equity lines. Please refer to the IFRS Financial Statements for the year ended 31 December 2015 for better understanding thereof. Accordingly, it had no impact on the Group's assets, liabilities and performance measurement. Financial information that is and will be prepared by the Group for the periods after 17 August 2015 (including the IFRS Financial Statements and the Consolidated Interim Financial Information as defined below) will represent the continuation of the financial information prepared by the Group until 17 August 2015.

For the reasons above, the historical financial statements, as indicated in Section 1.4 *Information Incorporated by Reference* are incorporated to this Prospectus.

The IFRS Financial Statements were audited by PricewaterhouseCoopers UAB (for more information please see Section 4.1 *Statutory Auditors*). Euro values for the period 2014 are not derived from the audited financial statements. They represent the numbers derived from audited financial statements and converted to EUR using official fixed conversion rate of 3.4528 for the convenience of readers. However, any financial information, expressed in EUR for the periods earlier than 1 January 2015 was not subject to audit or review. Any financial information for the six month period, ended 30 June 2016, presented in the Prospectus is derived from the Consolidated Interim Financial Information, and was neither audited nor subject to review.

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

Dating of Information. This Prospectus is drawn up based on information which was valid on 30 June 2016. Where not expressly indicated otherwise, all information presented in this Prospectus (including the financial information of the Company, the facts concerning Company's and Subsidiaries' operations and any information on the markets in which they operate) 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 30 June 2016, this is identified by either specifying the relevant date or by the use of expressions as "*the date of this Prospectus*", "*to date*", "*until the date hereof*" and other similar expressions, which must all be construed to mean the date of this Prospectus (29 December 2016).

Currencies. In this Prospectus, financial information for the periods after 31 December 2014 is presented in Euro (EUR), i.e. the official currency of the EU Member States participating in the Economic and Monetary Union, including in Lithuania (as from 1 January 2015). Financial information for the year 2014 is presented in Litas (LTL), which was the official currency of Lithuania until 31 December 2014. In addition, certain financial information for the year 2014 has been translated to EUR for convenience purposes only, using EUR. The exchange rate between Euro and Lithuanian Litas is fixed at LTL 3.4528 for EUR 1. Amounts originally available in other currencies have been converted to Euro as of the date for which such information is expressed to be valid. With respect to the state fees, taxes and similar country specific values, information may occasionally be presented in currencies other than EUR. The exchange rates between such currencies and Euro may change from time to time.

Updates. The Company will update the information contained in this Prospectus only to such extent, at such intervals and by such means as required under Article 11 of the Law on Securities. The Company is under no obligation to update or modify forward-looking statements included in this Prospectus.

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

If when describing certain parts of the Prospectus, the source is not indicated hereof, this shall mean that the respective information is prepared and presented by the Company itself.

Non-IFRS Financial Measures. The Company uses certain Non-IFRS financial measures, as provided in Section 1.5 *Definitions and Abbreviations* (Equity Ratio, Gearing Ratio, Normalized Operating Profit, Normalized Operating Profit Margin, and ROE). Non-IFRS Financial measures used in the Prospectus are not audited.

1.3 Forward Looking Statements

This Prospectus includes forward-looking statements. Such forward-looking statements are based on current expectations and projections about future events, which are in turn made on the basis of the best judgment of the Management. Certain statements are based on the belief of the Management as well as assumptions made by and information currently available to the Management. Any forward-looking statements included in this Prospectus are

subject to risks, uncertainties and assumptions about the future operations of the Company and the Subsidiaries, the macro-economic environment and other similar factors.

In particular, such forward-looking statements may be identified by use of words such as *strategy, expect, forecast, plan, anticipate, believe, will, continue, estimate, intend, project, goals, targets* 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 Company and the Subsidiaries operate in a competitive business. This business is affected by changes in domestic and foreign laws and regulations, taxes, developments in competition, economic, strategic, political and social conditions and other factors. The Company's and the Subsidiaries' 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 Company and the Subsidiaries (please see Section III *Risk Factors* for a discussion of the risks which are identifiable and deemed material at the date hereof).

1.4 Information Incorporated by Reference

The following information is incorporated in this Prospectus by reference in accordance with Article 28 of the Prospectus Regulation:

- Group's consolidated audited financial statements for the year ended 31 December 2015 together with the consolidated annual report and the independent auditor's report (they may be found at http://www.nasdaqbaltic.com/upload/reports/inr/2015_ar_en_eur_con_ias.pdf);
- Group's consolidated audited financial statements for the year ended 31 December 2014 together with the consolidated annual report and the independent auditor's report (they may be found at http://www.nasdaqbaltic.com/upload/reports/inr/2014_ar_en_ltl_con_ias.pdf);
- Group's consolidated interim condensed not-audited financial statements for the six month period ended 30 June 2016 (they may be found at http://www.nasdaqbaltic.com/upload/reports/inr/2016_q2_en_eur_con_ias.pdf);
- Articles of Association of the Company (they may be found at <https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=745458&messageId=933899>);
- Dividend Payment Policy of the Company (it may be found at <https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=692560&messageId=865353>).

It is possible to get acquaintance with the aforementioned documents on the websites of the Company at www.invlbalticrealestate.lt, of Nasdaq at www.nasdaqbaltic.com, also on the website of the central base of regulated information of Lithuania at www.crib.lt.

Documents on Display. Throughout the lifetime of this Prospectus, the aforementioned documents, as well as (i) the executive summaries of valuation reports of immovable property of the Group, registered in Lithuania (No. 39701 VAT_2016 DGR VHAN, No. 38613 VAT_2016 GDR VHAN, No. 39688 VAT_2016 DGR VHAN, No. 37890 VAT_2016 SVA VHAN, No. 39639 VAT_2016 ALA VHAN, No. 39706 VAT_2016 MKA VHAN), prepared by an independent asset appraiser Ober-Haus Nekilnojamas Turtas UAB (code 111645042, registered at Geležinio Vilko str. 18A, Vilnius, Lithuania, qualification certificate of the asset appraiser's company No. 000112, issued on 1 August 2012), (ii) the executive summaries of valuation reports of immovable property of the Group, registered in Lithuania (No. LT-16-11-11-1451, No. LT-16-11-11-1452, No. LT-16-11-11-1453, No. LT-16-11-11-1454, No. LT-16-11-11-1455, No. LT-16-11-11-1456), prepared by an independent asset appraiser Newsec valuations UAB (code 126212869, registered at Konstitucijos ave. 21C, Vilnius, Lithuania, qualification certificate of the asset appraiser's company No. 000170, issued on 1 August 2012) and (iii) the executive summaries of valuation reports of immovable property of the Group, registered in Latvia (No. 02-1555/2016 and No. 23-09-2016), prepared by independent asset appraisers Ober Haus Vertesanas Serviss SIA (code 4003411495, registered at Ropazu iela 10, Riga, Latvia, qualification certificate of the immovable property appraiser's company No. 5, issued on 4 September 2008, certificate valid till 4 September 2018) and City Real Estate Company SIA (code 40003783994, registered at Stabu iela 33 - 17, Riga, Latvia) respectively, which are attached to this Prospectus (for more information please see Section 4.18 *Third Party Information and Statement by Experts and Declarations of any Interest*) may also be inspected at the head office of the Company located at Gynėjū str. 14, Vilnius, Lithuania. Any interested party may obtain a copy of these documents from the Company without charge.

1.5 Definitions and Abbreviations

In this Prospectus, the definitions in capital letters will have the meanings 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 more importance. Other definitions may be defined elsewhere in the Prospectus.

Admission	Admission of the Shares of the Company (after the issuance of the Licence by the LB) to trading on Nasdaq, aiming that the Shares of the Company would be eligible to be continuously traded on Nasdaq
Articles of Association	Articles of Association of the Company
Audit Committee	Audit Committee of the Company

Class A office	The Building Owners and Managers Association (BOMA) definition for the most prestigious buildings competing for premier office users with rents above average for the area. Class A office buildings have high quality standard finishes, state of the art systems, exceptional accessibility and a definite market presence
Class B office	The Building Owners and Managers Association (BOMA) definition for buildings competing for a wide range of users with rents in the average range for the area. Class B building finishes are fair to good for the area and systems are adequate, but the building does not compete with Class A at the same price
Company or Issuer	INVL Baltic Real Estate AB (former name Invalda nekilnojamojo turto fondas AB), a public limited liability company, acting as a special closed-end type real estate investment company, established and existing under the laws of the Republic of Lithuania, corporate ID code 152105644, with its registered address at Gynėjų str. 14, Vilnius, Lithuania, which following the reorganisation as indicated in Section 4.3 <i>History and Development of the Group</i> has taken over of all the assets, rights and obligations of the Former Parent Company, the Shares of which shall be Admitted to trading and continuously traded on Nasdaq under the terms and conditions of this Prospectus
Consolidated Interim Financial Information	Group's consolidated interim condensed not-audited financial statements for the six month period ended 30 June 2016, prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting"
Controlled Company	A specially established company which is controlled by the Company by exercising direct decisive influence on it (currently all the Subsidiaries are deemed as Controlled Companies)
CSDL	Central Securities Depository of Lithuania
Depository	SEB bankas AB, a public limited liability company established and existing under the laws of the Republic of Lithuania, corporate ID code 112021238, with its registered address at Gedimino ave. 12, Vilnius, Lithuania, to which all the assets of the Company were transferred for keeping after issuance of the Licence
EPS	Basic earnings per share have been calculated by dividing net profit for the period attributable to equity shareholders of the parent by the weighted average number of ordinary shares of the Company
Equity Ratio	Total equity/Total assets. Equity ratio is a measure of financial leverage which highlights the ratio of shareholders' equity to total assets. The analysis of the Group's financial leverage (or capital structure) is essential to evaluate its long-term risk and return prospects
EU	European Union
EUR, €, Euro	The lawful currency of the European Union Member States that adopted the single currency, including Lithuania
Former Parent Company	INVL Baltic Real Estate AB, which existed before the Merger to Invalda nekilnojamojo turto fondas AB (currently, the Company), which was finalised on 17 August 2015 and which ceased to exist after Merger to the Company
Gearing Ratio	Net Debt/(Net Debt + Total Equity). Net Debt = Total Borrowings – Cash and cash equivalents. Gearing Ratio is analysis ratio of a level of long-term debt compared to equity capital. Lower gearing ratio means greater financial stability. However, loans and other fixed interest liabilities are a way for companies to leverage their value to increase profits for shareholders.
General Meeting	General Meeting of Shareholders of the Company
Group	Company and all its Subsidiaries collectively
IAS	International Accounting Standards as adopted by the European Union
IFRS	International Financial Reporting Standards as adopted by the European Union
IFRS Financial Statements	Group's consolidated audited financial statements for the years ended 31 December 2015 and 31 December 2014 together with the annual reports and independent auditor's reports on the financial statements and on the annual report
Investment Committee	Investment Committee of the Company, formed by the Management Company
Key Executives	The Manager (General Manager) and the Board of the Management Company as well as members of the Investment Committee of the Company collectively
Law on Accounting	Law of the Republic of Lithuania on Accounting (as amended from time to time)
Law on Collective Investment Undertakings	Law of the Republic of Lithuania on Collective Investment Undertakings (as amended from time to time)
Law on Companies	Law of the Republic of Lithuania on Companies (as amended from time to time)
Law on Insurance of Deposits and Liabilities	Law of the Republic of Lithuania on Insurance of Deposits and Liabilities to Investors (as amended from time to time)

to Investors	
Law on Markets in Financial Instruments	Law of the Republic of Lithuania on Markets in Financial Instruments (as amended from time to time)
Law on Securities	Law of the Republic of Lithuania on Securities (as amended from time to time)
LB	The Bank of Lithuania, which performs the functions of licensing and supervising activities of management companies and collective investment undertakings under the procedure set by legal acts of the Republic of Lithuania
Licence	The licence of a closed-end type investment company, issued to the Company by the LB on 22 December 2016
LTL, Lithuanian Litas	Litas, the lawful currency of the Republic of Lithuania until 31 December 2014
Major Shareholders	The Company's major shareholders Invalda INVL AB, LJB Investments UAB, Irena Ona Mišeikienė, Alvydas Banys and Indrė Mišeikytė as indicated in Section 4.12 <i>Major Shareholders</i>
Management	The Management Company and Key Executives collectively
Management Board or Board	The Board of the Management Company
Management Company	INVL Asset Management UAB, a licensed asset management company, established and existing under the laws of the Republic of Lithuania, corporate ID code 126263073, with its registered address at Gynėjų str. 14, Vilnius, Lithuania, which manages the Company and its assets after issuance of the Licence
Management Fee	The fee for management of assets of the Company payable to the Management Company
Manager	Manager of the Management Company (General Manager)
Member State	A Member State of the European Economic Area
Merger	The merger of the Former Parent Company to the Company under the Terms of Reorganisation of the Former Parent Company and the Company of 30 June 2015, approved by the general meeting of shareholders of the Former Parent Company, dated 10 August 2015 and by the sole shareholder of the Company on 10 August 2015, which was finalised on 17 August 2015
N/A	'not applicable'
Nasdaq	Nasdaq Vilnius AB (Vilnius stock exchange), a public limited liability company established and existing under the laws of the Republic of Lithuania, corporate ID code 110057488, with its registered address at Konstitucijos ave. 29, Vilnius, Lithuania
Nasdaq Corporate Governance Code	Corporate Governance Code for the Companies Listed on Nasdaq
Net Asset Value	The difference between the value of assets owned by the Company and long-term and current liabilities of the Company
Net Operating Income	Calculated by deducting from revenue premises rent costs (excluding provision for onerous contract), utilities expenses, repair and maintenance expenses, property management and brokerage costs, taxes on property and insurance costs
NNN Lease	Triple Net Lease – a lease agreement that designates the lessee (the tenant) as being solely responsible for all of the costs relating to the asset being leased in addition to the rent fee applied under the lease
Normalized operating profit	Operating profit excluding interest income, net gains (losses) from fair value adjustments on investment property and other income
Normalized operating profit margin	Normalized operating profit/Revenue. The normalized operating profit margin measures the ratio of operating and sales revenue, providing information about the Group's profitability from the operations of its business and is independent both of the Group's financing and tax items. Higher margin means higher business operations profitability.
Performance Fee	Fee payable to the Management Company for exceeding the requested minimal return to be earned for investors
Prospectus	This document, prepared for the purpose of the Admission, its annexes and all the supplements (if any)
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (as amended from time to time)
Prospectus Regulation	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (as amended from time to time)

Real Estate Company	A company, the main activities of which are real estate acquisition, reconstruction, lease, trade and/or development
Register of Legal Entities	Register of Legal Entities of the Republic of Lithuania
Related Parties	As defined in International Accounting Standard 24 <i>Related Party Disclosures</i>
ROE	Net profit/Total equity. Return on equity excludes debt in the denominator and compares net profit for the period with total average shareholders' equity. Average equity is an arithmetical average of the beginning equity and ending equity of a financial period. It measures the rate of return on shareholders' investment and is, therefore, useful in comparing the profitability of the Group with its competitors
Section	A section of this Prospectus
Shares	Any ordinary registered shares of the Company with the nominal value of EUR 0.29 each issued and outstanding at any time
Subsidiaries	Subsidiaries of the Company Roveliija UAB, DOMMO grupa SIA, Perspektyvi veikla UAB, Proprietas UAB, DOMMO biznesa parks SIA, DOMMO SIA and DBP Invest SIA collectively
Summary	The summary of this Prospectus
Takeover Directive	Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (as amended from time to time)
Term of Activities of the Company	30 years as from receipt of the Licence from the LB. The Term of Activities may be extended for no more than 20 years, under the procedure set in the Articles of Association
USD, \$, US\$ or U.S. Dollars	The lawful currency of the United States of America
VAT	The value added tax applicable in the Republic of Lithuania

II SUMMARY

This Summary is made up of disclosure requirements known as “Elements” in accordance with the Annex XXII (Disclosure Requirements in Summaries) of the Prospectus Regulation. These elements are numbered in Sections A – E (A.1 – E.7) below. This Summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the Summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of ‘not applicable’. In this Summary, the definitions in capital letters will have the meanings, as indicated in Section 1.5 *Definitions and Abbreviations*.

Section A — Introduction and warnings

<i>Element</i>	<i>Title</i>	<i>Disclosure</i>
A.1	Introduction and warnings	<p>This Summary is not the prospectus for the Admission and should be read merely as an introduction to the same. This Summary presents the facts and circumstances that the Company considers important with respect to the Company’s business and the Admission and is a summary of certain information appearing in more detail elsewhere in the Prospectus. Any decision to invest in the Company’s Shares on the secondary market should be based by each investor on the Prospectus (including any amendments or supplements thereto) as a whole and not merely on this Summary.</p> <p>Prospective investors are cautioned that where a claim relating to the information contained in the Prospectus (or this Summary) is brought before a court, the plaintiff investor might, under the national legislation of the relevant state, have to bear the costs of translating the entire Prospectus before court proceedings are initiated. The Company accepts civil liability in respect of this Summary (including any translation hereof) solely in the case where this Summary is found to be misleading, inaccurate or inconsistent when read together with the Prospectus as a whole or 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 such securities.</p>
A.2	Consent by the Issuer to the use of the Prospectus for subsequent resale or final placement of securities by financial intermediaries	Not applicable. This Prospectus was prepared solely for the purpose of the Admission, as described herein. Thus, it may not be used for any sale or subsequent resale and/or final placement of securities by financial intermediaries.

Section B — Issuer

<i>Element</i>	<i>Title</i>	<i>Disclosure</i>																									
B.1	Legal and commercial name	Special closed-end type investment company “INVL Baltic Real Estate” (INVL Baltic Real Estate UTIB).																									
B.2	Domicile/legal form/legislation/ country of incorporation	The Issuer is a public limited liability company, acting as a special closed-end type real estate investment company, with its registered address at Gynėjų str. 14, Vilnius, Lithuania. The Issuer is incorporated and operates under the Law on Collective Investment Undertakings, Law on Companies, Law on Securities and other applicable legal acts of the Republic of Lithuania.																									
B.5	Group description. Position of the Company within the Group	<p>The Issuer does not belong to the group of companies as it is described in the applicable Lithuanian laws, i.e. the Issuer is not controlled by any persons, as it is indicated in the Law on Companies – individually none of shareholders of the Company has Shares thereof, entitling to more than 1/2 of votes in the General Meeting.</p> <p>The Company together with the Subsidiaries form a Group of companies, as indicated below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Company</th> <th rowspan="2">Registration country</th> <th>as at the date of the Prospectus</th> </tr> <tr> <th>Share of the stock held by the Group (%)</th> </tr> </thead> <tbody> <tr> <td>Rovelija UAB</td> <td>Lithuania</td> <td>100</td> </tr> <tr> <td>DOMMO grupa SIA</td> <td>Latvia</td> <td>100</td> </tr> <tr> <td>Perspektyvi veikla UAB*</td> <td>Lithuania</td> <td>100</td> </tr> <tr> <td>Propietas UAB</td> <td>Lithuania</td> <td>100</td> </tr> <tr> <td>DOMMO biznesa parks SIA*</td> <td>Latvia</td> <td>100</td> </tr> <tr> <td>DOMMO SIA*</td> <td>Latvia</td> <td>100</td> </tr> <tr> <td>DBP Invest SIA*</td> <td>Latvia</td> <td>100</td> </tr> </tbody> </table> <p>* <i>Indirectly owned Subsidiaries</i></p>	Company	Registration country	as at the date of the Prospectus	Share of the stock held by the Group (%)	Rovelija UAB	Lithuania	100	DOMMO grupa SIA	Latvia	100	Perspektyvi veikla UAB*	Lithuania	100	Propietas UAB	Lithuania	100	DOMMO biznesa parks SIA*	Latvia	100	DOMMO SIA*	Latvia	100	DBP Invest SIA*	Latvia	100
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B.6	Persons, directly or indirectly, having interest in the Company's capital or voting rights notifiable under Lithuanian law and the amount of such interest. Voting rights of major shareholders. Direct or indirect control of the Company	<p>On the day of this Prospectus the authorised capital of the Company is EUR 19,067,500 and is divided into 65,750,000 ordinary registered Shares with a nominal value of EUR 0.29 each. All the Shares issued by the Company entitle to equal voting rights to their holders.</p> <p>In the table below the information is provided on shareholders of the Company having more than 5% of authorised capital of the Company on the date of this Prospectus:</p> <table border="1" data-bbox="470 309 1420 521"> <thead> <tr> <th>Shareholder</th> <th>Directly owned shares and votes</th> <th>Percentage owned directly, %</th> <th>Percentage owned indirectly, %</th> <th>Total, %</th> </tr> </thead> <tbody> <tr> <td>Invalda INVL AB</td> <td>21,089,449</td> <td>32.08</td> <td>0</td> <td>32.08</td> </tr> <tr> <td>LJB Investments UAB</td> <td>13,158,474</td> <td>20.01</td> <td>0</td> <td>20.01</td> </tr> <tr> <td>Irena Ona Mišeikienė</td> <td>12,492,979</td> <td>19.00</td> <td>0</td> <td>19.00</td> </tr> <tr> <td>Alvydas Banys</td> <td>3,318,198</td> <td>5.05</td> <td>20.01^(*)</td> <td>25.06</td> </tr> <tr> <td>Indrė Mišeikytė</td> <td>862,873</td> <td>1.31</td> <td>0</td> <td>1.31</td> </tr> </tbody> </table> <p>Source: the Company</p> <p>* According to Part 6 of Paragraph 1 of Article 26 of the Law on Securities, it is considered that Alvydas Banys has votes of LJB Investments UAB, a company controlled by him.</p> <p>No Shareholders' Agreements are in effect in the Company or its Subsidiaries.</p> <p>Apart from the information, indicated in this Section, the Company has no information about any other possible control over the Issuer.</p>	Shareholder	Directly owned shares and votes	Percentage owned directly, %	Percentage owned indirectly, %	Total, %	Invalda INVL AB	21,089,449	32.08	0	32.08	LJB Investments UAB	13,158,474	20.01	0	20.01	Irena Ona Mišeikienė	12,492,979	19.00	0	19.00	Alvydas Banys	3,318,198	5.05	20.01 ^(*)	25.06	Indrė Mišeikytė	862,873	1.31	0	1.31																																																						
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B.7	Selected historical key financial information. Narrative description of significant change to the Company's financial condition and operating results subsequent to the period covered by selected historical key financial information	<p>The Group was established on 29 April 2014 by spinning-off from Invalda INVL AB the investments into entities, which business is investment into investment properties held for future development, into commercial real estate and renting thereof.</p> <p>The following tables disclose selected financial information of the Group (EUR thousand) for the years ended 31 December 2015, 31 December 2014 and for the six month periods ended 30 June 2016 and 30 June 2015 that are extracted without material adjustment from the IFRS Financial Statements and Consolidated Interim Financial Information as well as key ratios and indicators.</p> <p>The ratios and indicators set in the table below are provided to illustrate certain aspects of the business of the Group and its financial performance. Some of these ratios and indicators are used by the Management to evaluate the performance of the Group, while others are provided for the benefit of possible investors into the Company. These ratios and indicators are not calculated in accordance with the IFRS, but they are calculated based on the data extracted from the IFRS Financial Statements. The Management believes that the ratios and indicators set forth below are customary and often used by public companies to illustrate their business and financial performance.</p> <table border="1" data-bbox="486 1288 1420 1915"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">At 30 June 2016</th> <th colspan="2">At 31 December</th> </tr> <tr> <th colspan="2">(unaudited)</th> <th>2015</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td colspan="5">ASSETS</td> </tr> <tr> <td>Investment properties</td> <td>51,810</td> <td>51,747</td> <td>33,848</td> <td></td> </tr> <tr> <td>Other non-current assets</td> <td>853</td> <td>855</td> <td>4,979</td> <td></td> </tr> <tr> <td>Current assets</td> <td>1,214</td> <td>932</td> <td>781</td> <td></td> </tr> <tr> <td>Non-current assets and assets of disposal group classified as held-for-sale</td> <td>756</td> <td>981</td> <td>-</td> <td></td> </tr> <tr> <td>Total assets</td> <td>54,633</td> <td>54,515</td> <td>39,608</td> <td></td> </tr> <tr> <td colspan="5">EQUITY AND LIABILITIES</td> </tr> <tr> <td>Total equity</td> <td>27,157</td> <td>18,587</td> <td>14,491</td> <td></td> </tr> <tr> <td>Non-current borrowings</td> <td>21,227</td> <td>22,876</td> <td>19,432</td> <td></td> </tr> <tr> <td>Deferred income tax liability</td> <td>4,159</td> <td>4,037</td> <td>3,567</td> <td></td> </tr> <tr> <td>Other non-current liabilities</td> <td>251</td> <td>378</td> <td>593</td> <td></td> </tr> <tr> <td>Current borrowings and current portion of non-current borrowings</td> <td>712</td> <td>1,740</td> <td>1,068</td> <td></td> </tr> <tr> <td>Other current liabilities</td> <td>1,127</td> <td>6,897</td> <td>457</td> <td></td> </tr> <tr> <td>Total liabilities</td> <td>27,476</td> <td>35,928</td> <td>25,117</td> <td></td> </tr> <tr> <td>Total equity and liabilities</td> <td>54,633</td> <td>54,515</td> <td>39,608</td> <td></td> </tr> </tbody> </table> <p>Source: IFRS Financial Statements, Consolidated Interim Financial Information</p>		At 30 June 2016		At 31 December		(unaudited)		2015	2014	ASSETS					Investment properties	51,810	51,747	33,848		Other non-current assets	853	855	4,979		Current assets	1,214	932	781		Non-current assets and assets of disposal group classified as held-for-sale	756	981	-		Total assets	54,633	54,515	39,608		EQUITY AND LIABILITIES					Total equity	27,157	18,587	14,491		Non-current borrowings	21,227	22,876	19,432		Deferred income tax liability	4,159	4,037	3,567		Other non-current liabilities	251	378	593		Current borrowings and current portion of non-current borrowings	712	1,740	1,068		Other current liabilities	1,127	6,897	457		Total liabilities	27,476	35,928	25,117		Total equity and liabilities	54,633	54,515	39,608	
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		6 months ended 30 June		1 January 2015 – 31 December 2015	29 April 2014 – 31 December 2014
		2016 (unaudited)	2015 (unaudited)		
		3,072	2,685	5,694	3,512
		1,032	855	5,259	882
		717	519	4,580	499
		591	436	4,096	432
		<i>Source: IFRS Financial Statements, Consolidated Interim Financial Information</i>			
		6 months ended 30 June		1 January 2015 – 31 December 2015	29 April 2014 – 31 December 2014
		2016 (unaudited)	2015 (unaudited)		
		909	565	1,763	868
		(5,605)	(250)	(5,164)	131
		5,007	(261)	3,436	(641)
		311	54	35	358
		<i>Source: IFRS Financial Statements, Consolidated Interim Financial Information</i>			
		6 months ended 30 June		1 January 2015 – 31 December 2015	29 April 2014 – 31 December 2014
		2016	2015		
		0.01	0.01	0.09	0.01
		1,017 ¹	750 ²	1,678 ³	704 ⁴
		33.11%	27.93%	29.47%	20.05%
		19.24%	16.24%	71.94%	12.30%
		2.58%	2.96%	24.77%	3.03%
		44%	57%	57%	58%
		50%	35%	34%	37%
		<i>Source: IFRS Financial Statements, the Company (unaudited)</i>			
B.8	Selected key pro forma financial information	Not applicable. The Prospectus does not contain pro forma financial information.			
B.9	Profit forecast	Not applicable. The Issuer has not made a decision to include the profit forecasts or estimates in the Prospectus.			
B.10	Qualifications in the audit report on the historical financial information	Not applicable. There are no qualifications in the audit reports on the historical financial information incorporated by reference to this Prospectus.			
B.34	Investment objective and policy, including any investment restrictions with a description of the instruments used	<p>Description of the Investment Objective and Policy</p> <p>The purpose of the Company is to accumulate and invest the shareholders' funds seeking the largest return from investments into investment objects indicated below.</p> <p>Diversifying investments and managing the risk, the Management Company shall seek to reduce the risk and to prevent possible reduction of investments value and to create value by selecting investment objects and making use of other market participants' experience.</p>			

¹ 1,032 (operating profit) – 15 (other income) = 1,017.

² 855 (operating profit) – 101 (interest income) – 4 (other income) = 750.

³ 5,259 (operating profit) – 101 (interest income) – 1,312 (other income) – 2,168 (net gains from fair value adjustment) = 1,678.

⁴ 882 (operating profit) – 135 (interest income) – 4 (other income) – 39 (net gains from fair value adjustment) = 704.

The aim of the Company is to earn return for shareholders' benefit from investments into land, buildings and/or premises that make separate real estate objects, real estate objects under construction, which are planned to be constructed within an acceptable period, securities and money market instruments of Real Estate Companies if assets of such companies are invested into real estate corresponding to the investment strategy of the Company, investment units or shares of real estate collective investment undertakings established in the European Union Member States, supervision over which is no less strict than in the Republic of Lithuania, movable property and equipment necessary for operating real estate objects in the investment portfolio of the Company, transferrable securities and money market instruments admitted to trading on the multilateral trading facility and other investment objects not prohibited by legal acts.

The Management Company shall invest up to 100% of the Net Asset Value into investment objects indicated in paragraph above directly or by use of Real Estate Companies.

Investing directly or by use of Real Estate Companies, the Management Company shall (acting on behalf of the Company) seek to acquire commercial and/or mixed purpose investment objects indicated above, which generate or can generate regular income.

The Company shall seek to increase return on investments, making efforts that assets under its management would generate regular long-term income and their value would grow. Therefore, assets held by the Company shall be managed and acquisition of new assets shall be made taking into account value creation for shareholders of the Company.

For the sake of efficiency of the Company's activities and control over its investments, an Investment Committee was formed by the decisions of the Board of the Management Company. The Investment Committee consists of 3 (three) members, representatives of the Management Company.

Members of the Investment Committee shall be appointed and removed from office by the decision of Board of the Management Company. An approval of the Investment Committee must be obtained for all investments of the Company and for their sale.

The procedure of formation, responsibilities, functions of the Investment Committee, decision-making procedure and other procedures of the Investment Committee are set in the regulations of the Investment Committee.

For the sake of efficiency of activities of the Company, an Advisory Committee may also be formed by a decision of the Board of the Management Company (currently it is not formed in the Company). The purpose of the Advisory Committee is to ensure having knowledge about investments objects, into which the Company's assets may be invested, and knowing their specifics. The Advisory Committee shall present its opinion and conclusions to the Investment Committee regarding investments of the Company.

The procedure of formation, responsibilities, functions of the Advisory Committee, decision-making procedure and other procedures of the Advisory Committee shall be set in the regulations of the Advisory Committee.

The strategy of investment of the Company's assets provided for in the Articles of Association can be changed by making relevant amendments to the Articles of Association by a decision of the General Meeting.

In case of an essential change in the Company's investment strategy, all the shareholders must be informed about that in writing at least 3 months in advance. In such cases, the shareholders must be given a possibility to demand redemption of the Shares owned by them without any additional deductions within a sufficient period of time, which cannot be shorter than 2 months after properly informing the shareholders about the planned change of the investment strategy of the Company (redemption of the Shares shall be performed following the procedure, set in the Articles of Association). Shareholders must be informed about this right by submitting a notification about the planned change of the investment strategy of the Company.

An investment object(s) of the Company can be transferred only subject to prior consent of the Depository.

The Company may own investment objects directly and it may own securities of Real Estate Companies. When investing through Real Estate Companies, the Depository is to be provided with documents in connection with investments into Real Estate Companies in order that the Depository could perform its functions provided for in legal acts.

The Company shall not use a benchmark.

Investment Restrictions

The Management Company shall manage the portfolio of investment objects of the Company following these main principles of diversification (the conformity of the portfolio of assets of the Company to the following principles shall be achieved within four years after the LB issued a permission to certify the Company's incorporation documents and to choose a Depository (after the day on which the LB issued a permission to engage in activities of a closed-end type investment company)):

1. no more than 20% of the net assets accounting for assets of the Company can be invested:

1.1. into transferrable securities and money market instruments entered onto the trade list of the market, which according to the Law on Markets in Financial Instruments is considered regulated and operating in the Republic of Lithuania or in another Member State, and/or

1.2. into transferrable securities and money market instruments, admitted to trading on the market operating, recognised, supervised and available to the public in another Member State according to set rules, and/or

1.3. into transferrable securities and money market instruments, admitted to trading on the market operating, recognised, supervised and available to the public in another state (other than Member States) according to set rules, and/or

1.4. into new transferrable securities issued by issuers established in the Member States of the European Union, if the issue terms provide for the obligation to have these securities admitted to trading on a regulated market and if they are admitted to trading no later than within one year after their issue, and/or

1.5. into investment units and shares of harmonised collective investment undertakings and into investment units and shares of such collective investment undertakings, which meet the following conditions:

1.5.1. the sole purpose of such undertakings is to accumulate persons' funds by public offering of investment units or shares and by splitting them to collectively invest them into transferrable securities and/or other planned liquid assets and investment units or shares of which must be redeemed at any time upon request of their holder, these undertakings are licensed in the Republic of Lithuania and their supervision is no less strict than in the European Union or licensed in such a State, where supervision is no less strict than in the European Union, and the supervisory authority cooperates with the relevant supervisory authority of another Member State or third country;

1.5.2. protection of rights of participants in the undertakings, including regulation of separation of assets, borrowing, lending and gratuitous transfer of assets, is no less strict than established for harmonised collective investment undertakings according to the Law on Collective Investment Undertakings;

1.5.3. the undertakings present semi-annual and annual reports on their activities, enabling to assess their assets and liabilities, profit and activities during a reporting period;

1.5.4. no more than 10% of their net assets, according to their documents of incorporation, can be invested into investment units or shares of other collective investment undertakings, and/or

1.6. into deposits for a term no longer than 12 months, which can be collected upon demand in a credit institution, domiciled in a Member State or in another State, where risk limiting supervision is no less strict than in the European Union, and/or

1.7. into financial derivatives (including those which entitle only to receipt of money), which meet the following conditions:

1.7.1. they are admitted to trading in markets, which are deemed regulated according to the Law on Markets in Financial Instruments and which operate in the Republic of Lithuania or in another Member State, and/or in a market operating, recognised, supervised and available to the public according to rules set in another Member State, and/or in a market operating, recognised, supervised and available to the public according to rules set in another State (other than Member States), or that are traded beyond the limits of the markets indicated above;

1.7.2. they are linked to investment instruments indicated in paragraphs 1.1 – 1.6 above,

financial indexes, interest rates, currencies and currency exchange rates, to which the Company will invest;

1.7.3. the counterparty to the transaction conducted beyond the limits of the markets indicated in paragraph 1.7.1 above meets criteria set by the supervisory authority and is subject to risk limiting supervision;

1.7.4. they are traded beyond the limits of the markets indicated in paragraph 1.7.1 above, but they can be checked, reliably and exactly valued every day and sold or otherwise realised for a consideration at any time at their fair value, and/or

1.8. into money market instruments, which are not admitted to trading on a regulated market, however the issue or issuer of such instruments are regulated in order to protect investors and their savings and such instruments:

1.8.1. are issued or guaranteed by the government, regional government, municipality or the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, the government of a third country or of the entities forming a federal state, or an international organisation, that at least one Member State is a member of, or

1.8.2. are issued by an entity, securities of which are admitted to trading on the regulated markets indicated in paragraph 1.7.1 above, or

1.8.3. are issued or guaranteed by the entity, whose operational risk is supervised according to requirements of the European Union law or such requirements, which are no less strict than in the European Union, or

1.8.4. are issued by a company meeting criteria approved by the supervisory authority, capital and reserves of which are equal to at least EUR 10 million and which draws up consolidated financial statements and performs the function of financing the company group, when transferrable securities of at least one company within its group are admitted to trading on a regulated market, or which is used for issuing securities financed with bank loans, and investments into such money market instruments are protected no less than indicated in paragraph 1.7.1 above, and/or

1.9. into transferrable securities and money market instruments, admitted to trading on the multilateral trading facility or not admitted to trading in the markets meeting criteria indicated in paragraph 1.7.1 above;

2. no more than 30% of net assets accounting for assets of the Company can be invested into one real estate object and/or Real Estate Company. This investment restriction does not apply to investments into Controlled Companies, if these companies invest the received funds into real estate objects, provided that:

2.1. a Controlled Company meets all requirements for investing assets applicable to the Company, when the Company invests 100% of net assets accounting for its assets into such a company;

2.2. the Company together with a Controlled Company meets all requirements for investing assets applicable to the Company, when the Company invests more than 30%, but less than 100% of net assets accounting for its assets into the Controlled Company;

2.3. the Depository is provided with all documents and information in connection with investments into the Controlled Company, which are necessary for the Depository for proper performance of its functions;

3. the total amount of investments into real estate objects under construction cannot exceed 20% of net assets accounting for the assets of the Company;

4. the total amount of investments into a real estate object and movable property and/or equipment necessary for its use cannot exceed 40% of net assets accounting for the assets of the Company;

5. the total amount of investments into securities, money market instruments issued by the same Controlled Company and liabilities of the Company due to financial derivatives transactions with that company cannot exceed 30% of net assets accounting for the assets of the Company;

6. the total amount of investments into investment instruments indicated in paragraph 5 hereof and investment objects indicated in paragraph 4 hereof, into which such Real Estate Company and the Company has invested, cannot exceed 30% of net assets

		<p>accounting for the assets of the Company.</p> <p>All investment decisions in connection with assets of the Company must be taken with regard to restrictions on investing assets of the Company provided for in applicable legal acts.</p> <p>Investment portfolio of the Company can fail to meet the set diversification requirements for 4 years after the date when the LB issued a permit to certify documents of its incorporation and choose a Depository (issued a License to engage in activities of a closed-end investment company; this was done on 22 December 2016). In all cases, the right not to meet the set diversification requirements does not cancel the duty of the Management Company to invest assets of the Company in compliance with the above requirements.</p> <p>The investment portfolio of the Company can fail to meet the set diversification requirements for 4 years after the date when the LB issued a permit to approve documents of its incorporation and choose a Depository (the permit was issued by the LB on 14 July 2016). In all cases, the right not to meet the set diversification requirements does not cancel the duty of the Management Company to invest assets of the Company in compliance with the above requirements.</p> <p>If after the end of the 4 years term investment requirements are violated for reasons that the Management Company cannot control, any non-conformity must be eliminated as soon as possible, but in any case no later than within one year. This term can be longer only in exceptional cases, when the Management Company cannot correct the situation due to reasons beyond its control. In such a case, after the end of the one-year term, the Management Company must immediately inform the LB in writing about the situation and reasons for it. The notification must also indicate the expected date of fulfilment of the requirement.</p> <p>The Company is aware of the following non-compliance to the above requirements. In the case of Vilnius Vartai business complex the investment constitutes 37 percent of Issuers Net Asset Value.</p>
B.35	Borrowing and/or leverage limits	<p>If necessary, funds may be borrowed in the name of the Company in order to additionally finance investment objects acquired by the Company (or by use of Real Estate Companies) and in this way seek higher investment return. The Management Company can take a decision to borrow in the name of the Company up to 50% of real estate value for not longer than until the end of activities of the Company. The level of borrowings of the Group was 42% of its investment property market value as of 30 June 2016 (47% as of 31 December 2015). The Company may lend its assets to companies that are directly controlled by the Company.</p>
B.36	Regulatory status together with the name of any regulator	<p>The Issuer operates its activities as a special closed-end type real estate investment company, regulated by the Law on Collective Investment Undertakings. The activities of the Issuer are supervised by the LB.</p>
B.37	A brief profile of a typical investor for whom the collective investment undertaking is designed	<p>Investment into the Company is connected with higher than average, long term risk. According to the Key Investor Information Document (KIID), Company's Shares are in the highest (7th) risk bracket. Therefore, Shares of the Company are suitable only for investors, who seek higher long term returns but could afford to take higher than average risk, including loss of principal.</p>
B.38	Where more than 20% of the gross assets may be: (a) invested, directly or indirectly, in a single underlying asset, or (b) invested in one or more collective investment undertakings which may in turn invest more than 20% of gross assets in other collective investment undertakings, or (c) exposed to the	<p>Not applicable, as the Issuer has not invested more than 20% of its gross assets in objects, indicated in this Section and is not exposed to the creditworthiness or solvency of single counter-party.</p>

	creditworthiness or solvency of any one counterparty the identity of the entity should be disclosed together with a description of the exposure (e.g. counterparty) as well as information on the market in which its securities are admitted	
B.39	Where a collective investment undertaking may invest in excess of 40% of its gross assets in another collective investment undertaking the summary should briefly explain either: (a) the exposure, the identity of the underlying collective investment undertaking, and provide such information as would be required in a summary note by that collective investment undertaking; or (b) where the securities issued by an underlying collective investment undertaking have already been admitted to trading on a regulated or equivalent market, the identity of the underlying collective investment undertaking	Not applicable, as the Issuer is not allowed investing in excess of 40% of its gross assets in another collective investment undertaking.
B.40	Description of the Issuer's service providers including the maximum fees payable	<p>The expenses incurred by the Company, which might be covered with assets of the Company, consist of:</p> <ul style="list-style-type: none"> – the management fee payable to the Management Company (the "Management Fee") is the remuneration for management of the assets of the Company, which shall be payable for each quarter of a calendar year. The Management Fee for a full quarter of a calendar year shall be 0.375% of the weighted average capitalisation of the Company; – expenses related to services provided by the Depository. According to the Depository Services Agreement the minimum amount of depository fee is EUR 5,000 per quarter while the annual fee for the services of the Depository shall not exceed 0.15% of the average annual Net Asset Value of the Company; – remuneration to property and business appraisers; – accounting expenses of the Company, expenses of services of determining the value of Shares; – expenses related to acquisition, management and sale of investment objects;

		<ul style="list-style-type: none"> – consultancy expenses; – expenses of preparing and amending prospectuses and the Articles of Association; – expenses related to obtaining and modifying licences and permits; – expenses related to Admission of Shares of the Company to trading on a regulated market and remuneration to the operator of the regulated market for its services; – expenses related to services provided by the CSDL; – expenses for notaries public and registers; – expenses related to loans obtained in the name of the Company, etc. <p>The Performance Fee shall be additionally paid to the Management Company under the procedure set in the Articles of Association. The Performance Fees and its effect expenses shall not be included in the maximum amount of expenses indicated in paragraph below.</p> <p>The total amount of expenses paid from the assets of the Company and related to the activities of the Company shall not exceed 10% of the average annual Net Asset Value of the Company. This expense limit shall not include expenses incurred by the Company, exclusively related to maintenance and/or development of real estate objects owned by it (including, without limitation, expenses of construction of real estate objects, public utilities expenses, object cleaning services, expenses for manned security, expenses of geodesic and cadastre measurements, etc.).</p> <p>Expenses of the Company, exclusively related to improvement of a specific real estate object, shall be deemed a part of the Company's investments into a relevant real estate object and shall not be subject to the total limit of expenses indicated in paragraph above.</p>
B.41	Identity and regulatory status of any investment manager, investment advisor, custodian, trustee or fiduciary (including and delegated custody arrangements)	<p>The investment manager (Management Company), which manages the assets of the Issuer is INVL Asset Management UAB, a licensed asset management company (holding the licence of management company No. VJK-005, issued by the LB), established and existing under the laws of the Republic of Lithuania, corporate ID code 126263073, with its registered address at Gynėjų str. 14, Vilnius, Lithuania.</p> <p>The custody (Depository), which keeps the assets of the Company is SEB bankas AB, a public limited liability company established and existing under the laws of the Republic of Lithuania, corporate ID code 112021238, with its registered address at Gedimino ave. 12, Vilnius, Lithuania, holding the licence of a bank No. 2, issued by the LB.</p>
B.42	Description of how often the Net Asset Value is determined and how such Net Asset Value is communicated to investors	<p>The Management Company must ensure that real estate objects forming the investment portfolio of the Company or planned to be acquired are valued by at least two independent property appraisers, having the right to engage in real estate valuation business, who shall present separate conclusions. In case the investment portfolio of the Company contains real estate objects located outside the Republic of Lithuania, the Management Company must ensure that its value is determined by at least one real property appraiser meeting requirements for real property appraisers set in legal acts of a relevant foreign state.</p> <p>Heads or employees of the Management Company, the Company or the Depository cannot be a real property appraiser. The same real property appraiser can perform valuation of assets the Company for no longer than 3 years in sequence.</p> <p>The Net Asset Value shall be calculated by deducting liabilities, including the Management Fee commitments and the Performance Fee commitments, from the assets of the Company.</p> <p>The calculation of the Net Asset Value must be based on the fair value of the assets and liabilities of the Company. The fair value is the value, for which it is possible to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date. Calculations of the Net Asset Value shall be performed at least once per three months based on property valuations performed by independent property appraisers, having the right to engage in such a business.</p> <p>An external property appraiser can be replaced by reason of negative comments of the auditor, the LB, a material breach or improper fulfilment of the agreement for provision of services, material deterioration of the appraiser's reputation, cancellation of the qualification certificate issued by a competent governmental authority, discontinuation of the appraiser's business and in other cases for important reasons.</p> <p>Real estate objects forming assets of the Company shall be deemed valued if their value has been established no earlier than 6 months before and only in case there have been no essential economic changes or essential changes in real estate market prices, due to which new valuation must be performed. Management Company should give a</p>

		<p>decent evaluation should material changes in real estate value occur.</p> <p>The value of Real Estate Companies shall be determined according to their values presented by an independent business appraiser, having the right to engage in such a business. The business appraiser must meet the qualification, transparency and experience requirements provided for in the accounting policy of the Management Company and the rules for calculation of the Net Asset Value and in legal acts.</p> <p>The calculation of the Net Asset Value shall be performed as on the last day of a calendar quarter and the set value shall be announced:</p> <ul style="list-style-type: none"> – for the first quarter of a calendar year and for the first three cumulative quarters of a calendar year – no later than within one month after the end of the reporting quarter; – for half a year – no later than within 2 months after the end of the reporting half a year; – for a year – no later than within 4 months after the end of the reporting year. <p>The calculation of the Net Asset Value is discussed in detail in the accounting policy of the Management Company and the rules for calculation of the Net Asset Value.</p>										
B.43	In the case of an umbrella collective investment undertaking, a statement of any cross liability that may occur between classes or investment in other collective investment undertaking	Not applicable as the Issuer acts as a special collective investment undertaking, and not as an umbrella collective investment undertaking.										
B.44	Where a collective investment undertaking has not commenced operations and no financial statements have been made up as at the date of the registration document, a statement to that effect	Not applicable.										
B.45	A description of the collective investment undertaking's portfolio	<p>The Company acts as an investment subject and seeks to invest funds solely for capital appreciation and investment income. The Company actively looks for new acquisitions and seeks to improve the structure of its investment portfolio. The Company takes an active role in setting the portfolio objects' strategic goals, development and budgeting process. Furthermore, the Company constantly monitors the value of its Portfolio objects and takes decisions on the exit routes maximizing the value.</p> <p>The largest and key investments of the Company currently are investments into real estate objects in Lithuania and Latvia. These are IBC business center, Office building at Palangos str. 4/Vilnius str. 33, Vilnius, Lithuania, Žygio Business Center, Office and logistics building at Kirtimų str. 33, Vilnius, Lithuania, Dommoo Business Park manufacturing/warehouse and office premises complex in Latvia, Residential house at Kalvarijų str. 11, Vilnius, Lithuania, and Vilnius vartai complex at Gynėjų str. 14, Vilnius Lithuania.</p> <p>The value of separate real estate objects, owned by the Group is provided in table below (EUR thousand).</p> <table border="1"> <thead> <tr> <th>Object</th> <th>Value as at the date of the Prospectus (Newsec/City Real Estate)</th> <th>Value as at the date of the Prospectus (Ober-Haus)</th> <th>Percentage of all the portfolio (Newsec/City Real Estate)</th> <th>Percentage of all the portfolio (Ober-Haus)</th> </tr> </thead> <tbody> <tr> <td>IBC business center block A, Vilnius</td> <td>2,001</td> <td>2,140</td> <td>3.9%</td> <td>4.0%</td> </tr> </tbody> </table>	Object	Value as at the date of the Prospectus (Newsec/City Real Estate)	Value as at the date of the Prospectus (Ober-Haus)	Percentage of all the portfolio (Newsec/City Real Estate)	Percentage of all the portfolio (Ober-Haus)	IBC business center block A, Vilnius	2,001	2,140	3.9%	4.0%
Object	Value as at the date of the Prospectus (Newsec/City Real Estate)	Value as at the date of the Prospectus (Ober-Haus)	Percentage of all the portfolio (Newsec/City Real Estate)	Percentage of all the portfolio (Ober-Haus)								
IBC business center block A, Vilnius	2,001	2,140	3.9%	4.0%								

		IBC business center block B, Vilnius	6,670	6,550	13.0%	12.3%
		IBC business center block C, Vilnius	165	230	0.3%	0.4%
		IBC business center block D, Vilnius	1,413	1,270	2.7%	2.4%
		IBC business center block F, Vilnius	5,223	6,670	10.1%	12.5%
		IBC business center block G, Vilnius	6,590	5,440	12.8%	10.2%
		Office and logistics building at Kirtimų str. 33, Vilnius	823	790	1.6%	1.5%
		Office building block A at Palangos str. 4, Vilnius	4,056	4,570	7.9%	8.6%
		Office building block B at Palangos str. 4, Vilnius	3,437	3,130	6.7%	5.9%
		Žygio business center, Vilnius	2,405	2,570	4.7%	4.8%
		Residential house at Kalvarijų str. 11, Vilnius	336	350	0.7%	0.7%
		Dommo business park, Riga	8,074	8,040	15.7%	15.1%
		Vilniaus vartai complex at Gynėjų str. 14, Vilnius	10,307	11,505	20.0%	21.6%
		Total	51,500	53,255	100.0%	100.0%
		<i>Source: Asset valuation reports, the Company</i>				
B.46	An indication of the most recent net asset value per security (if applicable)	As of 30 September 2016 the number of Shares issued was 65,750,000, net asset value of the Company was EUR 27,475 thousand, net asset value per Share was EUR 0.42.				

Section C — Securities

<i>Element</i>	<i>Title</i>	<i>Disclosure</i>
C.3	Number of shares issued and fully paid/issued but not fully paid. Nominal value of share	As of the day of this Prospectus the authorised capital of the Company is EUR 19,067,500 and is divided into 65,750,000 ordinary registered Shares with a nominal value of EUR 0.29 each. As of the day of this Prospectus all the Shares issued are fully paid and there are no other types of shares issued by the Company.
C.7	Dividend policy	<p>The Company has approved its dividend payment policy in its General Meeting, dated 15 January 2016. General principles of this policy are as follows:</p> <ul style="list-style-type: none"> – based on the fact that valid legal acts and contractual obligations of the Company don't restrict the Company's right to pay dividends and there is enough of reporting period net profit and retained profit from the previous periods, dividends make such a part of the profit that for every single ordinary registered share it is 0.012 euro; – in case net profit of the reporting period is larger than previously described portion of the profit attributable for dividends, the Board taking into consideration a need for investments and working capital as well as market conditions, projected cash flows and other in the opinion of the Board significant conditions can propose to the General Meeting to pay as dividends higher portion of the profit than described earlier; – in case net profit of the reporting period and retained profit of the previous periods is not sufficient to pay 0.012 euro dividends for every single ordinary registered share, the Board shall propose to the General Meeting to attribute all profit available for distribution for the dividends. <p>Decision to pay dividends is approved by the General Meeting distributing profit of the Company available for distribution. The Company has not projected to pay dividends for the shorter period than a financial year.</p> <p>Apart from that the Articles of Association (Part X thereof) foresee the following rules of dividend payment:</p> <p>Decision on payment of dividend shall be taken by the General Meeting taking into account the recommendations of the Management Company.</p> <p>In case of payment of interim dividend, a set of financial statements of the Company must be drawn up and audited no earlier than 30 days before making a decision to distribute</p>

		<p>dividend.</p> <p>The Company shall pay the distributed dividend within one month after the date of the decision of the General Meeting to pay dividend, except for those cases when the Management Company decides to postpone payment of dividend following the Articles of Association.</p> <p>The Management Company can, by its reasoned decision, postpone payment of dividend if payment of dividend:</p> <ul style="list-style-type: none"> – would result in violation of the requirements for diversification of investments of the Company; or – would pose a threat for sustainable finances of the Company; – would pose a risk for proper fulfilment of obligations assumed by the Company or would pose a risk that the Company would be unable to complete the transactions of acquisition of investment objects or of additional investments into them that started to be implemented (implementation of a transaction in this case is understood as a process from commencing negotiations with a counterparty until closing (fulfilment) of the transaction). <p>The Management Company must take a relevant decision and resume payment of dividend, ensuring that dividend would be paid to shareholders no later than within one month after the moment of disappearance of the grounds for suspension of payment of dividend, but in any case payment of dividend cannot be postponed for more than one year after the date of taking a relevant decision of the General Meeting to pay dividend.</p> <p>Dividend payable to shareholders shall be transferred to the bank accounts indicated by the shareholders or (if a shareholder's data is unknown) to a deposit account under the procedure set by legal acts.</p> <p>The Company shall pay dividend in Euros. The right to receive dividend shall be vested in persons who were shareholders or had the right to dividend on any other lawful grounds at the end of the record date of the General Meeting.</p> <p>Following the above dividend payment policy, the Company suggested and the General Meeting approved payment of dividends for the financial year 2015 in an amount of EUR 789,000, i.e. EUR 0.012 for one share. For the year 2014 no dividends were paid to the shareholders of the Company.</p>
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Section D – Risks

Element	Title	Disclosure
D.2	Key risks specific to the Issuer	<p>Risk factors characteristic of the Group:</p> <p><i>Risk factor, related to the change of the legal status of the Company.</i> After the issuance of the Licence by the LB on 22 December 2016, the Company started to operate not only according to the Law on Companies and Law on Securities and other related legal acts, as it was until obtaining a Licence, but also under the Law on Collective Investment Undertakings and other related legal acts, which establish certain specific obligations in respect of the protection of Company's shareholders and certain operating restrictions, e.g. the Company is entitled to invest the managed funds following the requirements of the investment strategy of the Company, certain limitations of the applicable laws are applied to the Company with regards its investments, their diversification, management thereof, etc. Furthermore, the Company's operating expenses might be increased because of the requirements to conduct periodic property's assessment, protect the Company's property in the Depository and other. Also investments into Shares of the Company (holding a Licence) are related to higher than average, long-term risk. The Company cannot guarantee that the shareholders will get invested funds back. It should also be noted that redemption of the Shares of the Company is limited, i.e. a shareholder cannot demand that the Company or the Management Company would redeem the Shares. But a shareholder of the Company has a possibility to sell Shares of the Company in the secondary market.</p> <p><i>Real estate development risk.</i> Real estate projects developed by the Company can take longer than planned or cost more than planned and return on investments of the Company may decrease for this reason. Managing this risk, the Company will assign sufficient resources for control over the budgets and performance terms of real estate development projects.</p> <p><i>Risk of the management and human resources.</i> The success of the Company's investments will largely depend on decisions taken by persons in the Management Company who are responsible for management of the Company and on experience and</p>

	<p>capabilities of the said persons. There is no guarantee that the same persons will always remain responsible for management of the Company, however efforts will be used that activities of the Company would always be taken care of by properly qualified persons.</p> <p>Risk of spin-off from Invalda INV L AB. On 29 April 2014 the Company took over 30.9% of the assets, equity and liabilities of Invalda LT AB (currently, Invalda INV L AB). If certain obligations of Invalda INV L AB were not known at the time of the spin-off and for this reason were not distributed to all companies operating after the spin-off, all the companies operating after the spin-off will be liable for them jointly and severally. The liability of each of those companies for these obligations will be limited by the amount of the equity, assigned to each of them according to the terms of spin-off. Thus, there is a risk that if the obligations of Invalda INV L AB are not distributed, the Company will be liable for obligations of Invalda INV L AB, which according to the terms of spin-off are assigned to the Company. The Company does not have any information that the reorganisation of Invalda INV L AB was performed improperly and/or that some of the obligations of Invalda INV L AB are not distributed.</p> <p>Risk of valuation of the Company's assets. The assets of the Company will be evaluated according to the main rules set in the Articles of Association and the Accounting Policy. Valuation of individual assets held by the Company shall be performed by a two property appraisers, however such valuation of assets shall be only determining the value of the assets, which does not automatically mean the exact sale price of an investment held by the Company, which depends on many circumstances, for example, economic and other conditions, which cannot be controlled. Thus, the sale price of investments held by the Company can be higher or lower than the value of assets determined by a property appraiser.</p> <p>Risk related to possible liability of the Company. There is a risk that the activities of the Company and the general performance results of the Company can be negatively affected by demands and claims regarding non-disclosed or non-identified obligations and/or violations in connection with investments acquired by the Company, which may result in the Company's liability for such obligations and/or violations and for this reason the value of the Company's investments and, at the same time, the price of the Shares can significantly decrease.</p> <p>Risk related to the duty to redeem shares of the Company. Legal acts provide for a duty of the Company in certain circumstances to redeem its Shares from the shareholders that requested such redemption. Accordingly, if the Company becomes subject to the duty to offer to the shareholders redemption of its own Shares and if such a redemption is requested by the shareholders holding a significant number of Shares, the Company can be forced to sell its investments urgently, which can significantly reduce the return earned by the Company from sale of its investments.</p> <p>Competition risk. The Company, investing into investment objects, will compete with other investors, including, without limitation, with other investment companies or real estate investment funds. Thus, there is a risk that competition with other investors will demand that the Company would conduct transactions at less favourable conditions than it would be possible in other cases.</p>
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Section E – Offer

Element	Title	Disclosure
E.1	Total net proceeds. Estimate of total expenses of the Admission (including estimated expenses charged to the investor)	<p>Not applicable, as this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.</p> <p>There is no public issue/offer of the Shares (or any part thereof). Furthermore, no proceeds will be received by the Company as a result of the Admission.</p> <p>Following the preliminary calculations, the Issuer's fixed expenses, related to the Admission, shall comprise of approximately EUR 15 (fifteen) thousand (including, without limitation, the fixed fees (if any) for the Lithuanian legal counsel, state fee for approval of the Prospectus, fees to the CSDL and Nasdaq, fees for preparation of the Prospectus).</p> <p>The Issuer does not intend to charge any expenses to the investors, related to the Admission.</p>
E.2a	Reasons for the offering/Use of proceeds/Estimated net amount of	Not applicable, as this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.

	proceeds	There is no public issue/offer of the Shares (or any part thereof). Furthermore, no proceeds will be received by the Company as a result of the Admission.
E.3	Terms and conditions of the offering	<p>Not applicable. This Prospectus was not prepared for the public offering of the Shares (or any part thereof) and was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.</p> <p>Following the requirements of the applicable Lithuanian laws, the Shares of the Company cannot be offered publically and introduced to trading in other Member States (other than in the Republic of Lithuania).</p>
E.4	Interests material to the offering/ Conflicting interests	Not applicable. Taking into consideration that this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq as well as that there is no public issue/offer of the Shares (or any part thereof), there are no interests, including conflicting ones related to the Admission of the Shares to trading on Nasdaq.
E.5	Name of the person or entity offering to sell the security. Lock-up agreements: parties involved; period of lock-up	<p>Not applicable. This Prospectus was not prepared for the public offering of the Shares (or any part thereof) and was drafted exclusively for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.</p> <p>Furthermore, as far as it is known to the Company, there are no lock-up agreements regarding the Shares, related to the Admission.</p>
E.6	Immediate dilution. Amount and percentage of immediate dilution if existing shareholder not subscribing during offering	Not applicable, as there is no public offering of the Shares (or any part thereof) and the Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.
E.7	Estimated Expenses charged to the investor by the Company	Not applicable. The Issuer does not intend to charge any expenses to the investors.

III RISK FACTORS

The risk factors exist, related to activities of the Issuer and investment into its securities. If any of the events described below actually occur, the business, financial condition or results of operations of the Company and/or its Subsidiaries could be materially adversely affected, and the value and trading price of the Shares may decline, resulting in a loss of all or a part of any investment in the Shares. Furthermore, the risks described below are not the only risks the Company and its Subsidiaries face. The order of the risk factors described below is not an indication of their relative importance for the Company and its Subsidiaries, the probability of their occurrence or their potential influence on the activity of the Company and its Subsidiaries. Additional risks not currently known or which are currently believed to be immaterial may also have a material adverse effect on the business, financial condition and results of operations of the Company and its Subsidiaries.

3.1 General Risk Factors in the Business Field Where the Group Operates

Risk factor, related to the change of the legal status of the Company

After the issuance of the Licence by the LB on 22 December 2016, the Company started to operate not only according to the Law on Companies and Law on Securities and other related legal acts, as it was until obtaining a Licence, but also under the Law on Collective Investment Undertakings and other related legal acts, which establish certain specific obligations in respect of the protection of Company's shareholders and certain operating restrictions, e.g. the Company is entitled to invest the managed funds following the requirements of the investment strategy of the Company, certain limitations of the applicable laws are applied to the Company with regards its investments, their diversification, management thereof, etc. Furthermore, the Company's operating expenses might be increased because of the requirements to conduct periodic property's assessment, protect the Company's property in the Depository and other.

It should also be noted that investments into Shares of the Company (holding a Licence) are related to higher than average, long-term risk. The Company cannot guarantee that the shareholders will get invested funds back. Therefore, Shares of the Company are suitable only for investors, who seek higher long term returns but could afford to take higher than average risk, including loss of principal.

General risk

The value of an investment into real estate can fluctuate in the short term depending on the general economic situation, real estate lease and sale prices, demand and supply fluctuations. Investments into real estate should be made for a medium or long period in order that the investor could avoid the risk of short-term price fluctuations. Investments into real estate are related to higher than average risk. If investments are not profitable or in case of other unfavourable circumstances (inability to pay creditors in time), bankruptcy proceedings can be instituted against the Company. Redemption of the Shares is limited, i.e. a shareholder cannot demand that the Company or the Management Company, which took over its management, would redeem the Shares. But a shareholder will have a possibility to sell Shares in the secondary market.

Real estate development risk

Real estate projects developed by the Company can take longer than planned or cost more than planned and return on investments of the Company may decrease for this reason. Managing this risk, the Company will assign sufficient resources for control over the budgets and performance terms of real estate development projects.

The recent global sovereign debt crisis could result in higher borrowing costs and more limited availability of credit

Due to on-going recession and financial disturbance in Europe the availability of capital can be limited and therefore the cost of borrowing can increase. Poor economic situation in Greece, Spain, Cyprus and some other EU member states might further negatively affect the commercial situation of many banks operating in Europe. In addition, the risk of lower consumer confidence can have an adverse impact on financial markets and economic conditions in the EU and throughout the world and, in turn, the market's anticipation or reflection of these impacts could have a material adverse effect on the business of the Group's business in a variety of ways:

- difficulty or inability to acquire capital for further Group's acquisitions and to cover financial obligations of current debt;
- increased risk of weak financial condition of the Group's debtors resulting from current economic situation, etc.

Risk of inflation and deflation

There is a risk that in case of inflation the value of a Share will grow slower than the inflation, which would result in the return lower than inflation. In such a case, the real return earned by persons who sold the Shares of the Company in the market from increase in the value of the Shares can be smaller than expected. In case of deflation, there would be a risk that the value of the Company's investments will decrease by reason of the drop of the general price level.

Geopolitical risk

There is a risk that geopolitical changes can have an effect on activities of the Company (e.g. conflicts of States, internal

conflicts in neighbouring States, insurrections, wars) and for this reason the investment value of the Company can decrease or it may be impossible to sell the Company's investments at the desired time for the desired price.

Macroeconomic environment

Real estate development tends to follow the general developments in the macroeconomic environment. Interest rates, unemployment, inflation, private consumption, capital expenditure and other macroeconomic indicators have significant influence on real estate developments and hence the operations and the potential profitability of the Group.

Favourable developments in the macroeconomic environment increase demand for real properties, allow the real estate companies to increase rent rates of properties and other prices related to activities of the Group. Adverse developments increase pressure on real estate prices, rent rates and yields. Hence the Group's results are dependent on general macroeconomic environment and adverse developments in the environment might lead to reconsideration of some of the Group's development plans, negative pressure on prices and rents of the Group's properties or other changes in relation to the Group's properties that might have a material adverse effect on the Group's business, results of operations, financial condition and profitability.

Eurozone risk

Recent turmoil related to some of the Eurozone economies may affect the Group's operating environment, either directly or indirectly through common currency and monetary policy changes. Prolonged and deep national budget deficits of certain Eurozone countries may adversely impact all the area's attractiveness. Full or partial collapse of the Eurozone might have a material impact on the Group's business.

Cyclicity of the real estate sector

Real estate development is a cyclical sector. The number of real estate related transactions fluctuates significantly depending on the stage of the real estate cycle. Cyclicity in the Baltic countries has been relatively high lately as a fast growth in prices fuelled by availability of cheap financing was followed by a steep decline as a result of financial crisis. In the future the Baltic real estate market might regain the lost momentum, again inflating the price levels, which might be followed by overheating of the market and downward pressure on the prices, thus, starting the next real estate cycle.

Risks relating to doing business in the Baltic States

Lithuanian, Latvian and Estonian markets as emerging markets are subject to greater risks than more mature markets, including legal, economic and political risks. Lithuania, Latvia and Estonia have experienced significant political, legal and economic changes and liberalization during the last two decades of transition from the planned economy to a market economy.

For the purposes of accession to the EU, Lithuania, Latvia and Estonia implemented significant social and economic changes, as well as reforms of their legal and regulatory framework. As a result, the volume of Lithuanian, Latvian and Estonian legislation and other regulations has increased and is expected to increase further pursuant to the obligation to apply European Community law.

Lithuanian, Latvian and Estonian civil codes and corporate, competition, securities, environmental and other laws have been substantially revised during the last two decades as part of Lithuania's, Latvia's and Estonia's transition to a market economy and to meet EU requirements and standards. The new legislation remains in part largely untested in courts and no clear administrative or judicial practice has evolved.

Changes in customer preferences

Real estate sub-markets where the Group is operating in (commercial real estate) are subject to changing customer trends, demands and preferences. In particular, customer trends, demands and preferences may vary depending on economic factors, as well as customer preferences for the style of developments. The Group reassesses different risks, including potential changes in customer preferences, at different phases of a project. Should the Group find changes in customer preferences or other potential threats to the profitability of a project, the Group tries to adjust the project outline to meet the changed market expectations. However, there can be no assurance that the Group will be able to recognise such changes and adapt its existing developments or planned developments in timely fashion to suit such changes in customer preferences. If customer preferences in the markets where the Group operates cease to favour the Group's developments, this could have an adverse effect on the business, results of operations and financial condition of the Group.

Increase of salaries

The Group is dependant on administrative services which are labour cost sensitive. Though workforce is cheaper in Lithuania and in Latvia than in western EU Member States, the difference should decrease constantly as the Lithuanian and Latvian economies are catching up with the average of the EU. Willing to remain competitive and retain its relations with administrators, contractors and other third parties the Issuer may be forced to increase its expenses on administrative services at a faster pace than it used to do previously. If the Issuer fails to retain healthy relations with third party service providers by increasing these costs, this may have a considerable adverse effect on the Issuer's financial situation and business results.

3.2 Risk Factors Characteristic of the Group

Risk of the management and human resources

The success of the Company's investments will largely depend on decisions taken by persons in the Management Company who are responsible for management of the Company and on experience and capabilities of the said persons. There is no guarantee that the same persons will always remain responsible for management of the Company, however efforts will be used that activities of the Company would always be taken care of by properly qualified persons.

Transactions with related parties

There are quite a few transactions with related parties. Detailed information about such transactions is presented in Section 4.13 *Related Party Transactions*. Following applicable taxation legislation, transactions with related parties must be conducted at arm's length. In spite of the fact that the Company's Management uses all efforts in order to ensure the conformity with the above-mentioned standard, a theoretical taxation risk remains here, i.e. the risk that applicable taxes will be calculated according to prices applicable at arm's length in case it is determined that certain transactions were conducted disregarding this principle, also the risk that relevant fines and default interest will be imposed. Besides, neither the Company nor its Subsidiaries have approved their transfer pricing policy.

Dependence on external financing

The Group's cash inflows currently are sufficient to finance operating cash outflows and to pay monthly instalments of repayments and interests payments of bank borrowings. However, further development of the Group's activities will require substantial amounts of capital to fund capital expenditures. For this reason, failure to secure adequate levels of external financing might limit the Group's growth plans and place it at competitive disadvantage as compared to well-capitalized peers. Failure to obtain external financing may lead to forced sale of assets at unfavourable prices or even cause insolvency which may have a material adverse effect on the Group's business, results of operation or financial condition and may destroy the shareholders' value.

The Group is exposed to various risks due to long duration of real estate development projects

The core business of the Group is to ensure steady return from the current portfolio of assets. However, in order to achieve that the Group has to work on real estate development projects. The process of real estate development from the identification of the potential project to the disposal of the developed property usually lasts several years. Accordingly, the Group's acquisition and development activities are subject to significant risks of non-completion and loss due to:

- changing market conditions, which may result in diminished opportunities for acquiring desired properties, higher than expected development costs, lower than expected rental rates and lower than expected disposal prices;
- competition from other market participants, which may diminish the Group's opportunities for acquiring desired properties on favourable terms or at all;
- the Group's inability to acquire land at commercially acceptable terms or obtain detailed planning, including construction rights to the acquired land;
- budget overruns and completion delays;
- the Group's potential inability to obtain financing on favourable terms or at all for individual projects or in the context of multiple projects being developed at the same time;
- failure to meet the covenants in financing agreements, which may result in the lenders accelerating the repayments of loans under cross-default provisions;
- defects in the legal title to land acquired by the Group, or defects in approvals or other authorisations relating to land held by the Group;
- defects in acquired or developed properties, including latent defects in construction work that may not reveal themselves until many years after the Group has put a property in service and potential environmental damages;
- potential significant amendments to the existing governmental rules and regulations or fiscal or monetary policies or introducing of a new governmental rules and regulations or fiscal or monetary policies applicable to the Group's existing and future operations;
- potential liabilities relating to the acquired land (incl. for example obligation to make certain investments and potential environmental damages), properties or entities owning properties for which the Group may have limited or no recourse;
- property appraisers use assumptions, which are not stable and subject to changing market conditions which leads to fluctuations in property values.

Although many of these risks are beyond the control of the Group, any negative change in one or more of the factors listed above could adversely affect the business, results of operations and financial condition of the Group.

Dependence on small number of large projects

A small number of large projects in or near the capital cities of Lithuania and Latvia form substantially all of the Group's development business. Concentration of large projects may increase the volatility of the Group's results and increase its exposure to risks attaching to individual projects. Larger projects may also lead to proportionally larger cost overruns, which may negatively affect the Group's operating margins. Geographic focus on capital cities of Lithuania and Latvia makes the Group vulnerable in case of a downturn in the property market in any of those cities.

Management believes that relatively few major projects in a limited number of geographic locations will continue representing a major part of the Group's business in the foreseeable future. If the Group fails to achieve the expected margins or suffers losses on one or more of these large projects or if the property markets significantly deteriorate in Riga or Vilnius, this could have a material adverse effect on the Group's results of operations or financial condition.

Inaccuracy of the forecasts

The Group's profitability partly depends on its ability to forecast market prices, rents, property related costs, anticipated working capital needs, availability of financing, property values, etc. In connection with the Group's acquisition of property for its development business, the Group bases the purchase prices it agrees for the property in part on projections of development costs, property values at the time of sale, future market rents, availability of financing and anticipated working capital etc. If the Group's projections are inaccurate, it could experience lower profits, which could have a material adverse effect on its results of operations and financial condition.

Lack of insurance cover and specific reserves for indemnifying damages

The properties belonging to the Group could suffer physical damage caused by natural disasters, fire or other causes, resulting in losses which may be not fully compensated by insurance. The Group has obtained insurance coverage for its properties, which it believes to be in line with standard industry practice. The insurance covers, for example, losses and liability resulting from fire, break-in, diffusion, robbery, vandalism, pipe leakages, lightning, explosion, implementation of the extinguishing system storm, etc.

However, liability insurance aimed to cover damage caused to third parties is only some of the Group Subsidiaries' insurance policies. A number of the Subsidiaries have valid business interruption insurance. However, insurance coverage is subject to limits and limitations and some risks (e.g. certain natural disasters and terrorist acts) are not covered by insurance for various reasons (e.g. because such risks are uninsurable or the cost of insurance is, according to Management's belief, prohibitively high when compared to risk).

Even if the insurance is adequate to cover Group's direct losses, the Group could be adversely affected by loss of earnings caused by or relating to its properties. The occurrence of any of the above referred harmful effects or insufficient insurance coverage may have a material adverse effect on the business, results of operations and financial conditions of the Group. This *inter alia* means that the Group could:

- lose capital invested in the affected property as well as anticipated future lease income or sale proceeds from that property;
- be held liable to repair damage caused by the event; and
- remain liable for any debt or other financial obligation related to that property.

In addition to that the Group does not maintain separate funds nor does it set aside reserves for the above-referred types of events.

Risk related to lease agreements

The Group's lease agreements may be divided into two categories: non-cancellable fixed-term lease agreements and cancellable lease agreements entered into for an unspecified term. For the cancellable lease and sublease agreements, tenants must notify the administrator 3–6 months in advance, if they wish to cancel the rent agreement and have to pay 3–12 months' rent fee penalty for the cancellation. According to non-cancellable lease and sublease agreements tenants must pay the penalty equal to rentals receivable during the whole remaining lease period.

The Group seeks to use both types of agreements, depending on the market situation and the properties in question. Lease agreements entered into for an unspecified term involve nevertheless a risk that a large number of such agreements may be terminated within a short period of time. The Group aims at renewing the fixed term lease agreements flexibly in cooperation with its tenants. There are, however, no guarantees that the Group will be successful in this. In order to prevent tenants from terminating the lease agreements, the Group may also be forced to agree on the reduction of rent fees. The reduction of rent fees payable to the Group under a large number of lease agreements and/or concurrent termination of a large number of lease agreements could have a material adverse effect on the Group's business, results of operations and financial condition.

Reliance on the administrator of the Company's property

On 2 January 2013 the Company has entered into an agreement with a third party for property management and administration services on part of Company's asset portfolio. The detailed list of buildings, administered, based on this agreement is provided in Section 4.20 *Investment Restrictions*. Under this agreement the third party, as an administrator of the property, is committed to increase Company's value and maintain high quality of service for buildings' tenants and employees. In case of change in administrative prices in the market, new contracts under less favourable conditions can be entered into with administrator, which may directly influence the increase in Company's costs.

Interest rate risk

There is a risk that in case of fast recovery of the global economy or increase in inflation, central banks will increase interest rates and it will be more expensive to service loans in connection with the Company's investments, therefore, the

value of the Company's investments can decrease. In order to avoid this risk, the Management Company shall seek that the Company would get most of its loans at fixed interest rates. If it seems necessary, the Company shall hedge against interest rate risk when entering into relevant transactions.

Furthermore, interest rate risk mainly includes loans with a variable interest rate. On 26 August 2014 the Company and Šiaulių Bankas AB entered into a credit agreement for EUR 15.35 million credit (on 29 January 2016 a credit was increased by EUR 4.5 million) with variable interest rate – 6 month EURIBOR and fixed margin. In addition to that, on 15 July 2015 the Subsidiary Dommoo Biznesa Parks SIA and ABLV Bank AS entered into a credit agreement in an amount of 3 million with variable interest rate – 3 month EURIBOR and fixed margin. Rising interest rates will increase the Group's debt service costs, which will reduce the return on investment. If considered necessary, the Group will manage interest rate risk by entering into financial derivatives' contracts.

Leverage risk

Leverage risk is related to possible depreciation of real estate objects acquired with borrowed money. The bigger the leverage, the higher probability of this risk is. The level of borrowings of the Group was 42% of its investment property market value as of 30 June 2016 (47% as of 31 December 2015).

Credit risk

The Company has given and may have given loans to other companies, therefore, in case of deterioration of the financial condition of those companies, there is a risk that the Company will not get back all the loans granted by it.

Risk of spin-off from Invalda INVL AB

On 29 April 2014 the Company took over 30.9% of the assets, equity and liabilities of Invalda LT AB (currently, Invalda INVL AB). If certain obligations of Invalda INVL AB were not known at the time of the spin-off and for this reason were not distributed to all companies operating after the spin-off, all the companies operating after the spin-off will be liable for them jointly and severally. The liability of each of those companies for these obligations will be limited by the amount of the equity, assigned to each of them according to the terms of spin-off. Thus, there is a risk that if the obligations of Invalda INVL AB are not distributed, the Company will be liable for obligations of Invalda INVL AB, which according to the terms of spin-off are assigned to the Company. The Company does not have any information that the reorganisation of Invalda INVL AB was performed improperly and/or that some of the obligations of Invalda INVL AB are not distributed.

Reorganisation risk

The Company after the reorganisation – the Merger of Former Parent Company with the Company (previous name – Invalda nekilnojamojo turto fondas AB), which continues its activities after the Merger, took over all the assets, equity and liabilities of the Former Parent Company (for more information on the reorganisation please see Section 4.3 *History and Development of the Group*). For any and all the obligations of the Former Parent Company after the reorganisation, the Company took responsibility.

Liquidity risk

This is a risk to incur losses due to low liquidity of the market, when it becomes difficult to sell assets at the desired time at the desired price. In management of this risk, the Company will regularly monitor the real estate market, will get ready for the property sale process in advance, in this way reducing the liquidity risk. Acquiring Shares, the shareholders also assume the risk of securities liquidity – in case of a drop in demand for Shares or delisting them from the stock exchange, investors would find it difficult to sell them. In case of deterioration of the Company's financial situation, the demand for Shares, as well as their price may decrease. Liquidity risk also covers the cash flow disruption risk incurred by the Company due to late payments and/or full default on monetary obligations by insolvent tenants.

Total investment risk

The value of the investment in real estate can vary in the short term, depending on the general economic conditions, rent and purchase prices of real estate, demand and supply fluctuations, etc. Investment in real estate should be carried out in the medium and long term, so that the investor could avoid short-term price fluctuations. Investing in real estate is related to higher than medium risks. Failure of investments of the Group or under other ill-affected circumstances (having been unable to pay for the creditors) can have a significant adverse effect on the Group's performance and financial situation or in the worst case scenario bankruptcy proceedings may be initiated.

Investment diversification risk

This is a risk that one bad investment can have a significant effect on the results of the Company. In order to reduce this risk, the Company will have a sufficient number of different real estate objects in its portfolio, in this way maintaining the proper diversification level.

Tenants' risk

The Company will seek to let real estate objects at as high prices as possible. Though currently the rent is paid in time (overdue obligations of tenants are very small and are not significant for activities of the Company), there is a risk that upon change (deterioration) of the economic situation the tenants will default on their obligations – this would have a

negative impact on the profit and cash flows of the Company. In case of late performance of a large part of obligations, the ordinary business of the Company may be disrupted, it may be necessary to search for additional sources of financing, which may be not always available. The Company, in case of failure to earn planned income from lease or to maintain a high percentage of occupation of the buildings, can face the problem of costs that are not compensated by permanent tenants. This risk may manifest itself in case of big increase in the supply of rented premises and reduction in demand, drop in rental fees. In case of a failure to let the premises at planned prices or in planned scopes, also in case current tenants terminate their lease agreements, the income of the Company could decrease, whereas fixed costs would remain the same. Accordingly, the profit of the Company would decrease.

Risk of financial intermediaries

The Company will also incur risk by keeping funds in bank accounts or investing into short-term financial instruments. Currently, no short-term financial instruments are being acquired, excess funds are kept in bank accounts or are used to cover obligations of the Company.

Risk of insolvency of the Company

In case of realisation of one or several of the risks indicated in this Section, which would have a negative effect on the value and/or liquidity of investments of the Company, this can result in the Company's solvency problems, when the Company will be incapable of fulfilling its obligations. In such a case, shareholders can lose all their funds invested into the Company.

Sub-lease agreement risk

In 2007 the Company has sold 5 real estate properties and entered into the operating lease agreement with the buyer until August 2017. For more information on this agreement please see Section 4.16 *Material Contracts*. All these properties are sub-leased to third parties. For the remaining part of the contract the Company is incurring about EUR 20,000 loss (future rent income from subleased premises minus contractual lease payments and estimates of maintenance and management expenses of leased premises) per month due to this sublease arrangement. This amount varies depending on the income from the sub-lease, property maintenance costs incurred and the rent fees paid.

The Group's reputation may be damaged

The Group's ability to attract purchasers of property, attract and retain tenants, raise the necessary financing for the development projects as well as retain personnel in its employment may suffer if the Group's reputation is damaged. Matters affecting the Group's reputation may include, among other things, the quality and safety of its premises and compliance with laws and regulations. Any damage to the Group's reputation due to, for example, including but not limited to the aforementioned matters, may have a material adverse effect on the business, results of operations and financial condition of the Group.

Dependence on IT systems

The Group is dependent on a variety of 3rd party developed and used IT systems and web-based solutions for operations, including internal accounting and management information systems, handling of customer and tenant information, project designs and specifications, and general administrative functions. Failures or significant disruptions to the 3rd parties' IT systems could prevent them from providing their services to the Group efficiently. Furthermore, should the 3rd parties experience a significant security breakdown or other disruption to their IT systems, sensitive information could be compromised and their operations could be disrupted which in turn could harm Group's relationship with its customers and suppliers, or otherwise have a material adverse effect on the Group's business, results of operations and financial condition.

Risk of valuation of the Company's assets

The assets of the Company will be evaluated according to the main rules set in the Articles of Association and the Accounting Policy of the Management Company. Valuation of individual assets held by the Company shall be performed by two property appraisers, however such valuation of assets shall be only determining the value of the assets, which does not automatically mean the exact sale price of an investment held by the Company, which depends on many circumstances, for example, economic and other conditions, which cannot be controlled. Thus, the sale price of investments held by the Company can be higher or lower than the value of assets determined by a property appraiser.

Competition risk

The Company, investing into investment objects, will compete with other investors, including, without limitation, with other investment companies or real estate investment funds. Thus, there is a risk that competition with other investors will demand that the Company would conduct transactions at less favourable conditions than it would be possible in other cases.

Risk related to the duty to redeem shares of the Company

Legal acts provide for a duty of the Company in certain circumstances to redeem its Shares from the shareholders that requested such redemption (please see Articles of Association). Accordingly, if the Company becomes subject to the duty to offer to the shareholders redemption of its own Shares and if such a redemption is requested by the shareholders

holding a significant number of Shares, the Company can be forced to sell its investments urgently, which can significantly reduce the return earned by the Company from sale of its investments. This risk is planned to be managed by means stipulated in the Articles of Association.

3.3 Risk Factors Related to the Company's Shares (investments thereto)

Past performance risk

The past performance of the Company and its investments is not a reliable indication of the future performance of the investments held by the Company.

No guarantee of return

The shareholders and investors of the Company should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

Market risk

Acquisition of Shares entails the risk to incur losses due to unfavourable changes in the Share price in the market. A drop in the price of the Shares can be caused by negative changes in the value of assets and profitability of the Company, general share market trends in the region and in the world. Trade in Shares can depend on comments of financial brokers and analysts and announced independent analyses about the Company and its activities. If the analysts give an adverse opinion about prospects of the Shares, this can also have a negative effect on the price of Shares in the market. In assessing Shares, non-professional investors are advised to address intermediaries of public trading or other specialists in this field for help.

Turmoil in emerging markets could cause the value of the Shares to suffer

Financial or other turmoil in emerging markets has in the recent past adversely affected market prices in the world's securities markets for companies operating in the affected developing economies. There can be no assurance that renewed volatility stemming from future financial turmoil, or other factors, such as political unrests that may arise in other emerging markets or otherwise, will not adversely affect the value of the Shares even if the Lithuanian economy remains relatively stable.

The market value of Shares may be adversely affected by future sales or issues of substantial amounts of Shares

All the Shares of the Company may be provided for sale without any restrictions and there can be no assurance as to whether or not they will be sold on the market.

The Company cannot predict what affect such future sales or offerings of Shares, if any, may have on the market price of the Shares. However, such transactions may have a material adverse effect, even if temporary, on the market price of the Shares. Therefore, there can be no assurance that the market price of the Shares will not decrease due to subsequent sales of the Shares held by the existing shareholders of the Company or a new Share issue by the Company.

The marketability of the Shares may decline and the market price of the Shares may fluctuate disproportionately in response to adverse developments that are unrelated to the Company's operating performance

The Company cannot assure that the marketability of the Shares will improve or remain consistent. Shares listed on regulated markets, such as Nasdaq, have from time to time experienced, and may experience in the future, significant price fluctuations in response to developments that are unrelated to the operating performance of particular companies. The market price of the Shares may fluctuate widely, depending on many factors beyond the Company's control. These factors include, amongst other things, actual or anticipated variations in operating results and earnings by the Company and the Subsidiaries and/or their competitors, changes in financial estimates by securities analysts, market conditions in the industry and in general the status of the securities market, governmental legislation and regulations, as well as general economic and general market conditions, such as recession. These and other factors may cause the market price and demand for the Shares to fluctuate substantially and any such development, if adverse, may have an adverse effect on the market price of the Shares which may decline disproportionately to the operating performance of the Company and/or the Subsidiaries. The market price of the Shares is also subject to fluctuations in response to further issuance of Shares by the Company, sales of Shares by the Company's existing shareholders, the liquidity of trading in the Shares and capital reduction or purchases of Shares by the Company as well as investor perception.

Dividend payment risk

Though the Company has approved its dividend payment policy, payment of dividend to Shareholders is not guaranteed and will depend on profitability of activities, investments plans and the general financial situation. For more information regarding payment of dividend by the Company please see Section 4.14.3 *Dividend Policy* as well as Part X of the Articles of Association, which is incorporated by reference to this Prospectus.

Liquidity of the Issuer's Shares is not guaranteed

It may be possible that in case an investor wants to urgently sell the Issuer's securities (especially a large number of them), demand for them on the exchange will not be sufficient. Therefore, sale of shares can take some more time or the investor may be forced to sell shares at a lower price. Analogous consequences could appear after the exclusion of the Company's Shares from the Secondary List of Nasdaq. Besides, in case of deterioration of the Company's financial situation, demand for the Shares of the Company and, at the same time, their price may decrease.

Risk of conflicts of interest

There is a risk that there will be situations when interests of the Management Company (or persons related to it) and the Company or shareholders will differ or interests of individual shareholders will differ, i.e. there will be a conflict of interest. When it is impossible to avoid a conflict of interest, the Management Company must ensure that shareholders are treated fairly. Employees of the Management Company must immediately, as soon as they become aware of such information, notify the Investment Committee about a potential or existing conflict of interest. The Investment Committee, approving of investment decisions, shall take into account the information presented to it about potential or existing conflicts of interest. The Investment Committee shall immediately inform the head and the Board of the Management Company about conflicts of interest it is aware of. Following legal acts regulating organisation of activities of collective investment undertakings, the Management Company has implemented appropriate measures for avoiding and managing conflicts of interest, which enable to perform the activities of managing the risk of conflicts of interest and managing conflicts of interest independently, in order to avoid/reduce the risk of conflicts of interest or properly manage a conflict of interest when it occurs.

Risk of major shareholders

Most Shares (approx. 80%) and votes carried by them are held by several Major Shareholders, who controls Invalda INVL AB and the Management Company, and therefore they can exercise material impact on the Company. There are no guarantees that the position of these shareholders will always coincide with the opinion and interests of the Management Company, minor shareholders. For more information on Major Shareholders of the Company please see Section 4.12 *Major Shareholders*.

Risk related to forward looking statements (statements in the future tense)

This Prospectus includes forward looking statements, which are based on estimate, opinion, expectations and forecasts regarding future events and financial trends that will possibly have an effect on the activities of the Company. Forward looking statements include information about possible or presumable results of the Company's activities, investment strategy, contractual relationships, borrowing plans, investment conditions, effect of future regulation and other information. For more information on the forward looking statements please see Section 1.3 *Forward Looking Statements*. The Company cannot assure that forward looking statements will reflect future events and circumstances fully and correctly. The Company, the Management Company and its employees do not undertake to adjust or modify statements in the future tense, except to the extent required by laws and the Articles of Association.

3.4 Legal and Taxation Risk Factors

Risk of changes in laws and regulations

There is a risk that upon changes in legal acts of the Republic of Lithuania or the states where assets of the Company are invested, such changes in legal acts can have a negative effect on the protection of the Company's investments, their profitability and value or such changes in legal acts can have a negative effect on rights and interests of the Company otherwise. Taking that into account, the Company will invest only into assets located in the Member States of the EU.

Risk related to possible liability of the Company

There is a risk that the activities of the Company and the general performance results of the Company can be negatively affected by demands and claims regarding non-disclosed or non-identified obligations and/or violations in connection with investments acquired by the Company, which may result in the Company's liability for such obligations and/or violations and for this reason the value of the Company's investments and, at the same time, the price of the Shares can significantly decrease.

Risk related to uncertainty of legal regulation of activities of the Company

Legal acts of the Republic of Lithuania do not clearly regulate the legal status and activities of a closed-end type investment company. Therefore, there is a risk that legal actions may be taken against the Company and/or the Management Company, including, without limitation, disputing obtaining of a License for a closed-end type investment company, powers of the Management Company to manage the Company, also enforcing recovery from the assets of the Company for fulfilment of obligations to creditors of shareholders and/or the Management Company or demanding that shareholders and/or the Management Company fulfil outstanding obligations of the Company.

Tax risk

Lithuanian tax legislation which was enacted or substantively enacted at the end of the reporting period may be subject to varying interpretations. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be successfully challenged by relevant authorities. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Management is not aware of any circumstances that could lead to significant tax charges and penalties in the future that have not been provided for or disclosed in these financial statements. Uncertain tax positions of the Company and of the Subsidiaries are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognized based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

There is also a risk that upon changes in economic conditions, political situation in the country or due to any other reasons, new taxes on shareholders, the Company or investment objects of the Company will appear or the rates of current taxes will increase, therefore the price, liquidity and/or attractiveness of the Shares or the value of investments of the Company may decrease.

Taxation and legal risk

Upon change of legal acts related to equity securities or the national taxation policy, this may result in the change of attractiveness of the Shares. For this reason, the liquidity and/or the price of the Shares may decrease.

The Issuer does not fully comply with Nasdaq Corporate Governance Code

The Issuer does not fully comply with Nasdaq Corporate Governance Code: it has not formed the Nomination and Remuneration Committee, no public statements are made regarding the Company's remuneration policy, etc. (exhaustive information about its compliance with the Code is given in Appendix 2 of the Annual Report of the Company for the year 2015).

IV INFORMATION ABOUT THE ISSUER

4.1 Statutory Auditors

The separate and consolidated financial statements for the year ended 31 December 2014 of the Former Parent Company (which ceased to exist after completion of the Merger), as well as separate and consolidated financial statements for the year ended 31 December 2015 of the Company, incorporated by reference in this Prospectus, have been audited by PricewaterhouseCoopers UAB ("PwC"), independent auditors, who issued unqualified auditor's reports on the abovementioned financial statements.

PwC, independent auditors, holds the audit company's licence No. 001273. The registered office address of PwC is J. Jasinskio str. 16B, LT-03163 Vilnius, Lithuania. On behalf of PwC the auditor's reports of the Former Parent Company and of the Company were signed by audit partner Rimvydas Jogėla, auditor's certificate No. 000457, and the statutory auditor Rasa Radzevičienė, auditor's certificate No. 000377.

The Consolidated Interim Financial Information was neither audited nor reviewed by an independent auditor.

4.2 Selected Financial Information

The Group was established on 29 April 2014 by spinning-off from Invalda INVL AB the investments into entities, which business is investment into investment properties held for future development, into commercial real estate and renting thereof.

The following tables disclose selected financial information of the Group (EUR thousand) for the years ended 31 December 2015, 31 December 2014 and for the six month periods ended 30 June 2016 and 30 June 2015 that are extracted without material adjustment from the IFRS Financial Statements and Consolidated Interim Financial Information as well as key ratios and indicators.

The ratios and indicators set in the table below are provided to illustrate certain aspects of the business of the Group and its financial performance. Some of these ratios and indicators are used by the Management to evaluate the performance of the Group, while others are provided for the benefit of possible investors into the Company. These ratios and indicators are not calculated in accordance with the IFRS, but they are calculated based on the data extracted from the IFRS Financial Statements. The Management believes that the ratios and indicators set forth below are customary and often used by public companies to illustrate their business and financial performance.

Table 1. Statement of the financial position, EUR thousand

	At 30 June 2016 (unaudited)	At 31 December	
		2015	2014
ASSETS			
Investment properties	51,810	51,747	33,848
Other non-current assets	853	855	4,979
Current assets	1,214	932	781
Non-current assets and assets of disposal group classified as held-for-sale	756	981	-
Total assets	54,633	54,515	39,608
EQUITY AND LIABILITIES			
Total equity	27,157	18,587	14,491
Non-current borrowings	21,227	22,876	19,432
Deferred income tax liability	4,159	4,037	3,567
Other non-current liabilities	251	378	593
Current borrowings and current portion of non-current borrowings	712	1,740	1,068
Other current liabilities	1,127	6,897	457
Total liabilities	27,476	35,928	25,117
Total equity and liabilities	54,633	54,515	39,608

Source: IFRS Financial Statements, Consolidated Interim Financial Information

Table 2. Statement of the comprehensive income, EUR thousand

	6 months ended 30 June		1 January 2015	29 April 2014
	2016 (unaudited)	2015 (unaudited)	- 31 December 2015	- 31 December 2014
Revenue	3,072	2,685	5,694	3,512
Operating profit	1,032	855	5,259	882
Profit for the reporting period before tax	717	519	4,580	499
Net profit for the reporting period	591	436	4,096	432

Source: IFRS Financial Statements, Consolidated Interim Financial Information

Table 3. Statement of the cash flows, EUR thousand

	6 months ended 30 June		1 January 2015	29 April 2014
	2016 (unaudited)	2015 (unaudited)	– 31 December 2015	– 31 December 2014
Net cash flows from (to) operating activities	909	565	1,763	868
Net cash flows from (to) investing activities	(5,605)	(250)	(5,164)	131
Net cash flows from (to) financial activities	5,007	(261)	3,436	(641)
Net (decrease) increase in cash and cash equivalents	311	54	35	358

Source: IFRS Financial Statements, Consolidated Interim Financial Information

Table 4. Key ratios and indicators

	6 months ended 30 June		1 January 2015	29 April 2014
	2016	2015	– 31 December 2015	– 31 December 2014
Earnings per share (EPS), EUR	0.01	0.01	0.09	0.01
Normalized operating profit	1,017 ⁵	750 ⁶	1,678 ⁷	704 ⁸
Normalized operating profit margin, %	33.11%	27.93%	29.47%	20.05%
Net profit for the period margin (%)	19.24%	16.24%	71.94%	12.30%
Return on equity (ROE), %	2.58%	2.96%	24.77%	3.03%
Gearing ratio, %	44%	57%	57%	58%
Equity ratio, %	50%	35%	34%	37%

Source: IFRS Financial Statements, the Company (unaudited)

4.3 History and Development of the Group

Legal name of the Issuer	special closed-end type investment company "INVL Baltic Real Estate"
Commercial name of the Issuer	INVL Baltic Real Estate UTIB
Place of registration of the Issuer (registered office)	Gynėjų str. 14, Vilnius, Lithuania
Corporate ID code of the Issuer	152105644
Legal form of the Issuer	public limited liability company, acting as a special closed-end type real estate investment company
Legislation under which the Issuer operates	Lithuanian
Country of incorporation of the Issuer	Republic of Lithuania
Date of incorporation of the Issuer	28 January 1997
Term of Activities of the Company	30 years as from receipt of the Licence from the LB. The Term of Activities may be extended for no more than 20 years, under the procedure set in the Articles of Association
Telephone number	+370 5 279 0601
Fax number	+370 5 279 0530
Email	breinfo@invl.com
Internet address	www.invlbalticrealestate.lt

Pastana UAB (current name INVL Baltic Real Estate AB) was established on 28 January 1997. However, the Company became an active player in Lithuania's real estate market only in 2003, after it had acquired the first buildings in Šeimyniškių str. 1A, Vilnius, Lithuania. On 1 September 2004 the Company acquired premises in Juozapavičiaus str. 6, Vilnius, Lithuania.

On 25 June 2004 the Company was transformed from the private limited liability company into a public limited liability company. On 1 October 2004 Invalda INVL AB, Gildeta AB and Kremlis AB have finalized the reorganization process. As a result of the reorganization the real estate located at Šeimyniškių str. 3, Juozapavičiaus str. 6/2 and Jasinskio str. 16, Vilnius, Lithuania, was taken over by the Company. On 24 December 2004 the name of Pastana AB was changed to Invaldos nekilnojamojo turto fondas AB, or INTF. The core activity of the Company was investment into real estate for

⁵ 1,032 (operating profit) – 15 (other income) = 1,017.

⁶ 855 (operating profit) – 101 (interest income) – 4 (other income) = 750.

⁷ 5,259 (operating profit) – 101 (interest income) – 1,312 (other income) – 2,168 (net gains from fair value adjustment) = 1,678.

⁸ 882 (operating profit) – 135 (interest income) – 4 (other income) – 39 (net gains from fair value adjustment) = 704.

lease. INTF was a subsidiary of the Invalda INVL AB group at that time. All the assets of the Company were managed under a contract, entered with a related party.

At the end of 2005 the Company signed an agreement with certain companies of Lietuvos Telekomas AB group (current name TEO LT AB) regarding acquisition of eight real estate objects in Vilnius for a total price of EUR 20.3 million. The transaction was finalized in June 2006. In the month of December of the same year the Company acquired warehousing and logistics centers in Vilkpėdės str. (Vilnius) and Ateities rd. (Kaunas) from Naujoji Švara UAB for a total price of EUR 12 million.

In 2006 INTF had plans to list 49% of its shares on Nasdaq. However, the initial public offering did not take place. On 25 July 2007 two office buildings and two logistics centers in Vilnius and Kaunas owned by the INTF were sold to Irish private investors for a total price of EUR 21.345 million. A lease agreement was signed with a buyer for these same real estate properties and for one additional office building, under which it was agreed by the parties to sub-lease this property until August 2017 (for more information on this agreement and exception thereof please see Section 4.16 *Material Contracts*).

On 1 February 2008 the Company has signed sales agreements of three investment properties at Vytenio str. and J. Jasinskio str. in Vilnius for a total price of EUR 5.39 million.

On 4 November 2008 the Company signed an agreement regarding sale of real estate objects located at Savanorių ave. 28, Vilnius. Land plot (1.50 hectare), office building (12 thousand sq. m) and industrial building (565 sq. m) were sold for a total price of EUR 8.689 million.

In the end of 2013 Invalda INVL AB acquired the creditor's claims in Dommo biznesa SIA parks for a total amount of EUR 2.25 million. Invalda INVL AB owned 50% of creditors' claims in this entity and in Dommo grupa SIA. Dommo biznesa parks SIA and Dommo grupa SIA own about 12.8 thousand sq. m of warehouse space and over 58 hectares of land around Riga, Latvia, suitable for the development of logistics purposes.

On 21 March 2014 Invalda LT AB informed about the prepared split-off terms of the company. According to the terms three companies INVL Baltic Farmland AB, INVL Baltic Real Estate AB and INVL Technology AB were split-off from Invalda LT AB. The split-off was applied in order to redesign Invalda LT AB business model according to the classic asset management principles. 52.05% of assets stayed in Invalda LT AB (current name Invalda INVL AB), 14.45% were transferred to INVL Baltic Farmland AB, 30.9% – to INVL Baltic Real Estate AB (Former Parent Company) and 2.6% were transferred to INVL Technology AB. On 4 June 2014 INVL Technology AB, INVL Baltic Farmland AB and INVL Baltic Real Estate AB were listed on Nasdaq.

On 2 July 2015 INVL Baltic Real Estate AB completed acquisition process and increased its share in nearby Riga located logistics complex Dommo from 50% to 100% for a total price of EUR 3.1 million.

On 17 August 2015 Merger of the Former Parent Company to the Company was completed, as a result of which Invaldos nekilnojamojo turto fondas AB took over all the rights and duties including the name of INVL Baltic Real Estate AB from the Former Parent Company, which ceased its activity, whereas the Company continues its operations under the new name INVL Baltic Real Estate AB. The shareholders of the Former Parent Company, which ceased to exist after the Merger, became direct shareholders of the Company.

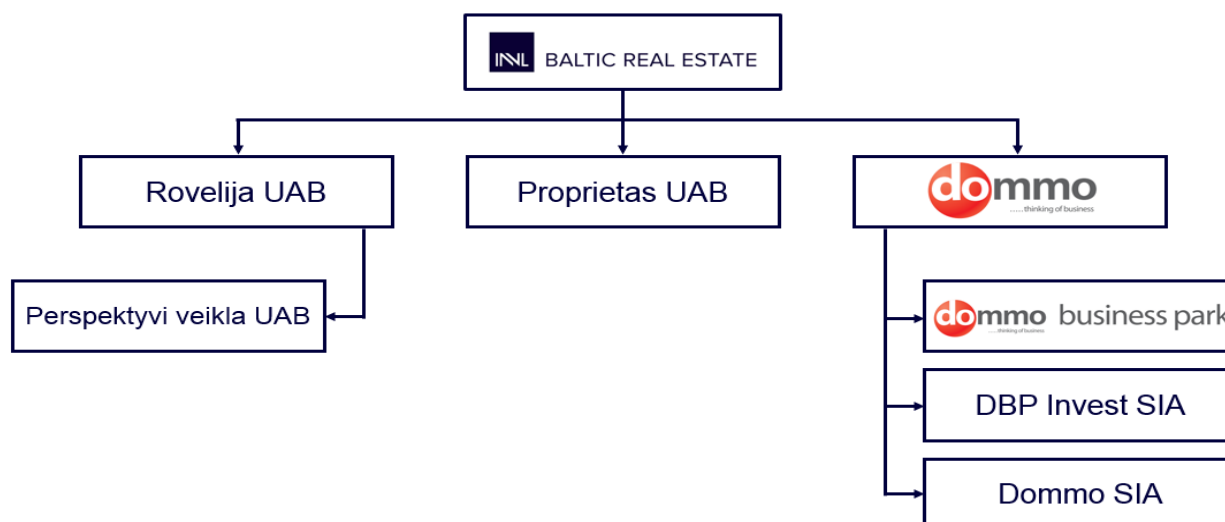
On 1 October 2015 the Company acquired 6.5 thousand sq. m of commercial premises at Vilnius Gates complex located at Gynėjų str. 14, Vilnius, Lithuania.

In January-March 2016 the secondary public offering of shares of the Company was successfully executed. As a result of the offering the Company raised EUR 9,009,499.20, and issued 22,523,748 new Shares, with a nominal value of EUR 0.29 and the issue price of EUR 0.40 each. Following the capital increase, the authorized capital of the Company was increased to EUR 19,067,500 and currently it is divided into 65,750,000 ordinary registered Shares, with a nominal value of EUR 0.29 each.

Following the decisions of the General Meeting, dated 28 October 2015, the Company has applied on 6 May 2016 to the LB for issuance of the closed-end type investment company Licence. Upon issuance of this Licence on 22 December 2016, the Company started acting under the Law on Collective Investment Undertakings, management of the Company was transferred to INVL Asset Management UAB – a licensed asset management company, controlled by the subsidiary of one of the largest investment and asset management groups in the Baltic States Invalda INVL AB. The term of the closed-end type investment Company is 30 years (with an option to extend thereof for no more than 20 years). SEB bankas AB is selected to act as the Depository (custodian) of assets of the Company. After the issuance of the Licence the Shares of the Company remains listed on Nasdaq. However, in order to ensure continuous possibility to trade in Shares of the Company this Prospectus was drafted and announced.

4.4 Organisational Structure

Figure 1. Structure of the Issuer and its Subsidiaries as of the date of the Prospectus



Source: the Company

The Issuer does not belong to the group of companies as it is described in the applicable Lithuanian laws, i.e. the Issuer is not controlled by any persons, as it is indicated in the Law on Companies – none of shareholders of the Company has shares thereof, entitling to more than 1/2 of votes in the General Meeting.

The Company together with the Subsidiaries form a Group of companies, as indicated below.

Table 5. Shareholdings of the Company, held in the Subsidiaries as on the date of the Prospectus

Company of the Group	State of registration	Status	Amount of shares and votes, held by the Company (%)
Rovelija UAB	Lithuania	Subsidiary	100
DOMMO grupa SIA	Latvia	Subsidiary	100
Perspektyvi veikla UAB	Lithuania	Subsidiary	100 ^(*)
Proprietas UAB	Lithuania	Subsidiary	100
DOMMO biznesa parks SIA	Latvia	Subsidiary	100 ^(**)
DOMMO SIA	Latvia	Subsidiary	100 ^(**)
DBP Invest SIA	Latvia	Subsidiary	100 ^(**)

Source: the Company

*The indicated shares are held by Rovelija UAB, i.e. by the 100% Subsidiary of the Company.

**The indicated shares are held by DOMMO grupa SIA, i.e. by the 100% Subsidiary of the Company.

The main registration data on the Subsidiaries are provided below:

Table 6. Registration information of the Subsidiaries

Name of the company	Rovelija UAB
Legal form	Private limited liability company
Country of incorporation	Republic of Lithuania
Administrator of the register	State Enterprise Centre of Registers
Code	302575846
Date of incorporation	20 December 2010
Registered address	Gynėjų str. 14, Vilnius, Lithuania

Name of the company	DOMMO grupa SIA
Legal form	Limited liability company
Country of incorporation	Republic of Latvia
Administrator of the register	Register of Enterprises of the Republic of Latvia
Code	40003733866
Date of incorporation	17 March 2005
Registered address	Lapegles, Stūnīši, Olaines pag., Olaines nov., LV-2127 Latvia

Name of the company	Perspektyvi veikla UAB
Legal form	Private limited liability company
Country of incorporation	Republic of Lithuania

Administrator of the register	State Enterprise Centre of Registers
Code	302607087
Date of incorporation	25 March 2011
Registered address	Gynėjų str. 14, Vilnius, Lithuania

Name of the company	Proprietas UAB
Legal form	Private limited liability company
Country of incorporation	Republic of Lithuania
Administrator of the register	State Enterprise Centre of Registers
Code	303252098
Date of incorporation	27 February 2014
Registered address	Gynėjų str. 14, Vilnius, Lithuania

Name of the company	DOMMO biznesa parks SIA
Legal form	Limited liability company
Country of incorporation	Republic of Latvia
Administrator of the register	Register of Enterprises of the Republic of Latvia
Code	40003865398
Date of incorporation	13 October 2006
Registered address	Lapegles, Stūnīši, Olaines pag., Olaines nov., LV-2127 Latvia

Name of the company	DOMMO SIA
Legal form	Limited liability company
Country of incorporation	Republic of Latvia
Administrator of the register	Register of Enterprises of the Republic of Latvia
Code	40003787271
Date of incorporation	5 December 2005
Registered address	Lapegles, Stūnīši, Olaines pag., Olaines nov., LV-2127 Latvia

Name of the company	DBP Invest SIA
Legal form	Limited liability company
Country of incorporation	Republic of Latvia
Administrator of the register	Register of Enterprises of the Republic of Latvia
Code	40103463830
Date of incorporation	28 September 2011
Registered address	Brīvības iela 74-3, Rīga, LV-1011 Latvia

4.5 Operating and Financial Review

Operating and financial overview accommodates the discussion on the results of the operation of the Group for the years ended 31 December 2015 and 31 December 2014 and for the six months, ended 30 June 2016 and 30 June 2015. This Section should be read in conjunction with the IFRS Financial Statements and the Consolidated Interim Financial Information, and in conjunction with other parts of the Prospectus which include important information on the operations and financial condition of the Group.

4.5.1 Financial Condition

Reorganisations

The Group was established on 29 April 2014, following the split-off of 30.90% assets, equity and liabilities from Invalda INVL AB. More details on this process are disclosed in Note 7 of the IFRS Financial Statements for the year 2015. As a result of the split-off, the entities, the business of which is investment into investment properties held for future development and in commercial real estate and its rent, were transferred to the Former Parent Company. On 17 August 2015 the Former Parent Company was reorganised by way of the Merger to the Company. As a result of the Merger the Former Parent Company ceased to exist and Invaldos nekilnojamojo turto fondas AB changed its name to INVL Baltic Real Estate AB and became the parent of the Group. The reorganisation, being the legal merger only, had no impact on the consolidated financial statements of the Group, except for reclassification within shareholders' equity lines. Please refer to the IFRS Financial Statements for the year 2015 for better understanding thereof (Note 6). Accordingly, it had no impact on the Group's assets, liabilities and performance measurement.

Financial position

The financial condition of the Group is disclosed in the statements of financial position (see Section 4.2 *Selected Financial Information* and 4.14.2 *Audited Financial Information*, IFRS Financial Statements and the Consolidated Interim Financial Information). The main assets of the Group are investment properties and the main liabilities are borrowings from banks (for more information please see Section 4.6 *Capital Resources* and Section 5.1 *Working Capital Statement*).

Changes in financial position

In 2015 the Group through business combination has obtained a control over Latvian entities holding the investment properties in Riga, Latvia, with a fair value of EUR 8,027 thousand. After these acquisitions the Group has signed EUR 3,000 thousand borrowing agreement with ABLV Bank AS. The borrowing was disbursed on 27 July 2015.

On 1 October 2015 the Group has acquired 6,400 sq. m of commercial premises including 0.26 hectare of land and 1,683 square metres of parking area at Gynėjų str. 14, Vilnius, Lithuania. In July 2016 the Group has acquired 11 parking spaces at Gynėjų str. 14, Vilnius, Lithuania. In September 2016 the Group has completed the first phase of reconstruction of the commercial premises located at Gynėjų str. 14. The works involved facade renovation and the adaptation of more than 3,000 sq. m of commercial premises for use as offices. By the end of the year 2016 the Group intends to complete the technical design for the next phase. After finalization of these works, a leasable space should grow by approximately 1,000 sq. m. The ground floor will be dedicated to restaurants and other providers of services, and the first floor to exclusive offices. As at 30 September 2016 acquisition cost of premises at Gyneju str. 14, Vilnius, Lithuania, including reconstruction costs amounted to EUR 8,697 thousand. The fair value of these premises according to the last valuations amounted to EUR 11,505 thousand according to Ober-Haus nekilnojamas turtas UAB valuation and EUR 10,307 thousand according to Newsec valuations UAB valuation.

During the year 2015 the Group has recognised EUR 2,168 thousand gains from fair value adjustment of investment properties.

Excluding acquisitions and property revaluation, operating activities during 2015-2016 did not impact Group's financial position significantly.

4.5.2 Operating Results

During the year 2015 the Group had an audited net profit of EUR 4.1 million (EUR 0.4 million during the year 2014). The main impact to the Group's net profit for the year ended 31 December 2015 was EUR 1.0 million gains from bargain purchases of Latvian entities, EUR 0.4 million gain from sale of shares of INTF Investicija UAB and EUR 2.2 million gains from fair value adjustment of investment properties. Therefore, during the year 2015 normalized operating profit amounted to EUR 1.7 million (EUR 0.7 million during the year 2014). The Group's financial year in 2014 continued not 12 months, but 8 months, as the Group was established on 29 April 2014. From 1 July 2015 till 31 December 2015 the Group's results included net profit of EUR 0.2 million from Latvian entities. In 2015 the Group has recognised reversal of impairment of assets of EUR 0.1 million (Notes 12 and 21 of the IFRS Financial Sstatements for the year 2015). In October 2015 the Group has acquired premises at Gyneju str. 14 and this transaction also had positive impact to the Group's net profit for the year 2015. Due to above the financial results of the Group for the year 2015 were better as compared to 2014.

During six months of 2016 the Group had an unaudited net profit of EUR 0.6 million (EUR 0.4 million during six months of 2015). During six months of 2016 normalized operating profit amounted to 1.0 EUR million (EUR 0.75 million during six months of 2015). Operating results for the year 2016 were better than in 2015, as in 2015 the Group had no real estate at Gynėjų str. and Latvian companies' positive result was included only starting from 1 July 2015. On 30 June 2016 the gearing ratio was lower and equity ratio was higher than on 31 December 2015, as the Group has raised over EUR 9 million during the public offering, which was finalised on 8 March 2016.

Composition of operating expenses

Detailed split of operating expenses is provided in the IFRS Financial Statements and Consolidated Interim Financial Information of the Group, incorporated by reference into the Prospectus. The key item of operating expenses for the Group are premises' rents costs, utilities, repair and maintenance costs, property managements costs and taxes on property.

Apart from the circumstances, indicated in Section 3.1 *General Risk Factors in the Business Field Where the Group Operates* (risk factor *Risks relating to doing business in the Baltic States*) the Issuer is not aware of other governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the Issuer's operations.

4.6 Capital Resources

The Group's operating activity and settlement of current liabilities are funded by cash inflows from rent and other related revenue arising from lease agreements. Historically the Group used bank borrowings to finance acquisition of investment properties.

Table 7. Funding structure of the Group, EUR thousand

	6 months ended 30 June 2016 (unaudited)	Year ended 31 December	
		2015	2014
Non-current bank borrowings	21,227	16,631	14,810
Long term borrowing from Invalda INVL AB	-	6,245	4,622
Current portion of non-current bank borrowings	708	1,117	478
Short term borrowing from Invalda INVL AB	-	617	590

	6 months ended 30 June 2016 (unaudited)	Year ended 31 December	
		2015	2014
Other borrowings	4	6	-
Total	21,939	24,616	20,500
Equity	27,157	18,587	14,491
Gearing ratio (unaudited)	44%	57%	58%

Source: IFRS Financial Statements, Consolidated Interim Financial Information, the Company

The Group has no material unused source of liquidity.

Current indebtedness of the Group (as at 30 September 2016) is provided in Section 5.2 *Capitalisation and Indebtedness*. Information about the Group's liquidity risk and its management is provided in Note 3 of the IFRS Financial Statements.

All the cash flows of the Group are denominated in euro.

Borrowings with fixed and floating interest rate (with changes in 3 and 6 months period) were as follows:

Table 8. Borrowings with fixed and floating interest rate (EUR thousand)

Interest rate type:	6 months ended 30 June 2016 (unaudited)	Year ended 31 December	
		2015	2014
Fixed	4	6,868	5,212
Floating	21,935	17,748	15,288
Total	21,939	24,616	20,500

Source: IFRS Financial Statements, Consolidated Interim Financial Information

On 26 September 2014 the Group has signed EUR 15,350 thousand borrowings agreement with Šiaulių bankas AB, which was used to refinance borrowings from the other bank. The investment properties located in Vilnius, Lithuania, with carrying amount as at 30 June 2016 of EUR 43,989 thousand are pledged to Šiaulių bankas AB as collateral for the borrowings. No financial covenants are established in the borrowing agreement with Šiaulių bankas AB.

On 26 January 2016 the Company has signed the amendment to the borrowing agreement with Šiaulių bankas AB. Therefore, the amount of borrowing was increased from EUR 14,754 thousand to EUR 19,254 thousand, the maturity of the agreement was extended from 25 September 2019 until 5 January 2023, and the settlement schedule was changed. In 2016 the Company has to repay the amount of EUR 466 thousand instead of the amount of EUR 862 thousand. The investment properties located at Gynėjų str. 14, Vilnius, were pledged to Šiaulių bankas AB and the pledge to the seller's bank was removed accordingly.

On 15 July 2015 the Group has signed EUR 3,000 thousand borrowing agreement with ABLV Bank AS. Borrowing was used to repay part of loans granted by the Former Parent Company to Latvian entities. The investment properties located in Riga, Latvia, with carrying amount as at 30 June 2016 of EUR 8,027 thousand are pledged to ABLV Bank AS as collateral for the borrowings. The borrowing agreement with ABLV Bank AS established the following financial covenants: Debt Service Ratio (Earnings before interest, depreciation and amortization/the Lender Debt service (sum of interest and principal payments), loan to value ratio (loan amount/value of collateral). The Group has not breached these financial covenants.

The Company has a right to pay dividends without the consent of the bank in the future, if the ratio of EBITDA (earnings before interest, taxes, depreciation and amortization) divided by the sum of debt service payments (interest and principal repayments) and dividends would be higher than 1.1.

The loans granted by the Company to Latvian entities are subordinated to borrowing from ABLV Bank AS. The Subsidiary Dommo Biznesa parks AS has no right to pay dividends without the consent of the bank according to borrowings agreements with this bank.

4.7 Profit Forecasts

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

4.8 Administrative, Management and Supervisory Bodies and Senior Management

No management bodies are formed in the Company. Supervisory body (Supervisory Council) is also not formed in the Company.

Management of the Company is transferred to the Management Company. Therefore, following the Law on Collective Investment Undertakings, the rights and duties of the Board and the head of the Company (the Manager), as set in the Law on Companies, are transferred to the Management Company.

The Management Company is responsible for convocation and organisation of the General Meetings, giving notices about publically not disclosed information (inside information) under the procedure set by legal acts, organisation of activities of the Company, proper management of information about activities of the Company and performance of other functions assigned to the Management Company as provided in Articles of Association, which are incorporated by reference to this Prospectus.

For the sake of efficiency of the Company's activities and control over its investments, an Investment Committee was formed by the decisions of the Board of the Management Company. The Investment Committee consists of 3 (three) members, which are the representatives of the Management Company. An approval of the Investment Committee must be obtained for all investments of the Company and for their sale.

The procedure of formation, responsibilities, functions of the Investment Committee, decision-making procedure and other procedures of the Investment Committee are set in the regulations of the Investment Committee. The regulations of the Investment Committee are available on the Company's website www.invbalticrealestate.lt.

For the sake of efficiency of activities of the Company, an Advisory Committee may be formed by a decision of the Board of the Management Company. The purpose of the Advisory Committee is to ensure having knowledge about investment objects, into which the Company's assets may be invested, and knowing their specifics. The Advisory Committee shall present its opinion and conclusions to the Investment Committee regarding investments of the Company. Currently no Advisory Committee is formed in the Company.

The procedure of formation, responsibilities, functions of the Advisory Committee, decision-making procedure and other procedures of the Advisory Committee shall be set in the regulations of the Advisory Committee, which shall be made public on the Company's website www.invbalticrealestate.lt.

4.8.1 Management Structure of the Company

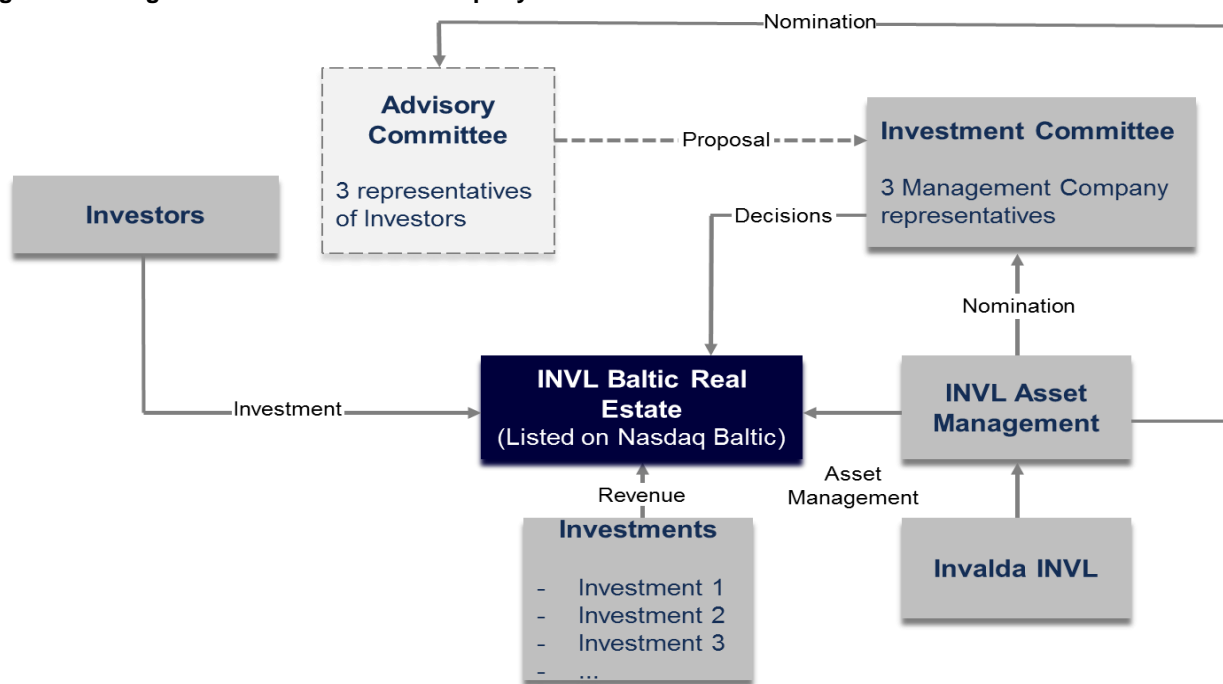
Management of the Company is transferred to the Management Company – a fully-licensed asset management company which is supervised by the LB, based on the Management Agreement, dated 10 November 2016, which came into force as from 22 December 2016. The Management Company being a manager of the investment funds, provides back office functions to the Company (financial, administrative and accounting services) and manages activities of the Company in order to realise value from the asset, owned by the Company.

The Management Company has appointed 3 (three) representatives to the Investment Committee under the procedure, indicated in the Articles of Association of the Company, which are incorporated by reference to this Prospectus.

The purpose of the Investment Committee is to maintain professional and effective deployment of the capital, set investment policies and oversee their implementation.

For more information on the functions and competences of the Management Company and management of the Company, please see Section 4.15.2 *Articles of Association*. For more information on the competence of the Investment Committee please see Section 4.19 *Investment Objective and Policy*.

Figure 2. Management structure of the Company



4.8.2 Members of the Administrative, Management Bodies and Key Executives

As it was mentioned above, the management of the Company is transferred to the Management Company. Therefore, the governing bodies of the Management Company are also to be deemed as the Management in the Company and information in this Prospectus is provided accordingly.

Table 9. Members of the Board of the Management Company

Name	Position in the Management Company
Darius Šulnis	Chairman of the Board and General Manager
Vytautas Plunksnis	Member of the Board
Nerijus Drobavičius	Member of the Board

Source: the Company

Darius Šulnis. Darius Šulnis (45 years) acquired university education by graduating from Vilnius University. He gained Master's degree in Accounting and Audit. He also finished Duke University (USA), whereby he obtained Global Executive MBA. Darius Šulnis holds a financial broker's licence (general) No. A109. Places of his employment for the last 5 years:

INVL Asset Management (Latvia) IPAS – member of the Supervisory Council (since February 2015);
INVL atklatais pensiju fonds (Latvia) AS – member of the Supervisory Council (since February 2015);
INVL Asset Management UAB – Chairman of the Board (since January 2015), General Director (since January 2015);
Finasta Bank AB – member of the Supervisory Council (from January 2015 till September 2015);
MP Pension Funds Baltic UAB – Chairman of the Board (from September 2014 till October 2015);
INVL Baltic Farmland – member of the Board (since April 2014), Director (from April 2014 till June 2015);
Invalda INVL Investments UAB – member of the Board (from February 2014 till June 2016), Director (from February 2014 till June 2016);
Invalda INVL AB – member of the Board (since February 2006), President (since May 2013);
Litagra UAB – member of the Board (since December 2011);
INVL Technology AB – member of the Board (from April 2014 till February 2015), Director (from April 2014 till February 2015);
INVL Baltic Real Estate – member of the Board (from April 2014 till December 2014), Director (from April 2014 till December 2014);
BAIP grupė UAB – Chairman of the Board (from June 2013 till December 2014);
Invaldos neklinojamo turto fondas AB – member of the Board (from June 2007 till December 2014), Chairman of the Board (from May 2013 till December 2014);
Cedus Invest UAB – member of the Board (from May 2013 till June 2014);
Vilniaus baldai AB – member of the Board (from April 2007 till June 2014);
Kelio ženklai UAB – member of the Board (from October 2013 till June 2014);
Įmonių grupė Inservis UAB – member of the Board (from July 2013 till May 2014);
Inservis UAB – member of the Board (from May 2013 till May 2014);
Burusala SIA – Chairman of the Supervisory Council (from May 2006 till May 2014);
DOMMO SIA – Chairman of the Supervisory Council (from May 2006 till May 2014);
Invalda INVL AB – Advisor (from January 2012 till April 2013);
Umega UAB – member of the Board (from April 2007 till February 2012);
Sanitas AB – member of the Board (from May 2009 till August 2011);
Tiltra Group AB – member of the Supervisory Council (from June 2008 till May 2011).

Darius Šulnis directly holds no Shares in the Company. His indirect shareholding is disclosed in Section 4.8.4 *Conflicts of Interest of the Management*.

Vytautas Plunksnis. Vytautas Plunksnis (36 years) acquired university bachelor's education by graduating from Kaunas Technology University, gained Bachelor's degree in Business Management. He holds a financial broker's licence (General) No. G091. Places of his employment for the last 5 years:

NRD CS UAB – member of the Board (since May 2016);
INVL Finasta UAB – member of the Board (since March 2016);
Algoritų sistemos UAB – Chairman of the Board (since March 2016);
INVL Asset Management UAB – Head of Private Equity Department (since February 2016);
Inventio UAB – Director (since December 2015);
INVL Farmland Management – Chairman of the Board (since November 2015);
INVL Asset Management (Latvia) IPAS – Deputy Chairman of the Supervisory Council (since August 2015);
INVL atklatais pensiju fonds (Latvia) AS – Deputy Chairman of the Supervisory Council (since August 2015);
INVL Asset Management UAB – member of the Board (since January 2015);
MP Pension Funds Baltic UAB – member of the Board (from September 2014 till October 2015);
Finasta Bank AB – member of the Supervisory Council (from January 2015 till September 2015);
Consult Invalda UAB – Director (since June 2014);
NRD UAB – member of the Board (since May 2012);
Vernitas AB – member of the Supervisory Council (since April 2012);
Norway Registers Development AS (Norway) – member of the Board (since December 2011);
Inservis UAB – Chairman of the Board (from November 2011 till April 2015);
Kelio ženklai UAB – member of the Board (from May 2013 to April 2015);
Invalda Nekilnojamo Turto Fondas AB – member of the Board (from May 2013 in April 2015);

Įmonių grupė Inservis UAB – Chairman of the Board (from November 2011 till April 2015);
 Jurita UAB – Chairman of the Board (from August 2011 to May 2015);
 Invalda INVL AB – Investment Manager (from September 2009 till January 2016);
 Investors' Association – Chairman of the Board (since June 2009);
 Vilkaviškio Ekotra UAB – Director (in August 2013);
 Duonis UAB – Director (in August 2013);
 Vilkaviškio Žemynėlė UAB – Director (in August 2013);
 Pušaitis UAB – Director (in August 2013);
 Avižėlė UAB – Director (in August 2013);
 Žalvė UAB – Director (in August 2013);
 Sėja UAB – Director (in August 2013);
 Dirvolika UAB – Director (in August 2013);
 Linažiedė UAB – Director (in August 2013);
 Beržytė UAB – Director (in August 2013);
 Panevėžio Vasarojus UAB – Director (in August 2013);
 Marijampolės Puškaitis UAB – Director (in August 2013);
 Kupiškio Žemgalė UAB – Director (in August 2013);
 Pakruojo Laukaitis UAB – Director (in August 2013);
 Pakruojo Kvietukas UAB – Director (in August 2013);
 Pasvalio Lauknesys UAB – Director (in August 2013);
 Pasvalio Žiemkentys UAB – Director (in August 2013);
 Ente UAB – Director (from December 2010 till May 2013).

Vytautas Plunksnis holds 5,000 Shares in the Company.

Nerijus Drobavičius. Nerijus Drobavičius (39 years) acquired university education by graduating from Vytautas Magnus University. He gained Master's degree in Business Administration. Places of his employment for the last 5 years:

Andmevara AS – Chairman of the Supervisory Council (since May 2016);
 Etronika UAB – member of the Board (since July 2015);
 INVL Asset Management UAB – Head of Finance and IT Departments (since February 2015);
 INVL Asset Management (Latvia) IPAS – member of the Supervisory Council (since February 2015);
 INVL atklatais pensiju fonds (Latvia) AS – member of the Supervisory Council (since February 2015);
 INVL Asset Management UAB – member of the Board (since January 2015), CFO (since February 2015);
 INVL Fondai UAB – Director (since June 2014);
 Inservis UAB – member of the Board (since June 2014), Chairman of the Board (since April 2015);
 Įmonių grupė Inservis UAB – member of the Board (since June 2014), Chairman of the Board (since April 2015);
 Jurita UAB – Chairman of the Board (since May 2015);
 Invalda INVL Investments UAB – Finance Director (from March 2014 till May 2016);
 Finasta Bank AB – Chairman of the Supervisory Council (from January 2015 till September 2015);
 MP Pension Funds Baltic UAB – member of the Board (from September 2014 till October 2015);
 Invalda INVL AB – Project manager (from February 2014 till January 2015);
 Freelance consultant (from January 2012 till February 2014);
 Umega AB – member of the Board (from January 2012 till January 2014);
 Sanitas AB – Finance Director (from July 2007 till December 2011);
 Jelfa S.A. – member of the Board (from July 2007 till June 2011).

Nerijus Drobavičius holds no Shares in the Company.

Key Executives

Taking into consideration the specifics of management of the closed-end type investment companies, the Issuer considers that members of the Board and General Manager of the Management Company (described in Section above) should be attributed to the Key Executives of the Company.

In addition to that, the Issuer also considers as Key Executives the members of the Investment Committee of the Company.

Egidijus Damulis, Andrius Daukšas and Vytautas Bakšinskas were elected to the Investment Committee of the Company by the decisions of the Management Company.

Table 10. Key Executives

Name	Position
Egidijus Damulis	Member of the Investment Committee
Andrius Daukšas	Member of the Investment Committee
Vytautas Bakšinskas*	Member of the Investment Committee
Nerijus Drobavičius	Member of the Board of the Management Company
Vytautas Plunksnis	Member of the Board of the Management Company
Darius Šulnis	Chairman of the Board and General Manager of the Management Company

Source: the Company

* Effective as of 2 January 2017.

Egidijus Damulis. Egidijus Damulis (46 years) acquired university education by graduating from Kaunas Technical University and Vilnius University. He gained Executive Master of Business Administration degree in ISM University and BI Norwegian Business School. Places of his employment for the last 5 years:

INVL Baltic Real Estate AB – Director (from January 2016 till December 2016);
Baltic Sea Properties AS – member of the Management Board (since December 2014);
Lithuanian Real Estate Development Association – member of the Management Board (since April 2010);
Oslo Namai UAB – Managing director (since December 2007);
EICORE UAB – member of the Management Board and managing director (since August 2008);
Selvaag Lietuva UAB – Managing director (since May 2001).

Egidijus Damulis holds 5,000 Shares in the Company.

Andrius Daukšas. Andrius Daukšas (34 years) acquired university education by graduating from Vilnius University. He gained Master's degree in Banking. Places of his employment for the last 5 years:

INVL Baltic Real Estate AB – Deputy Director (since January 2016);
INVL Baltic Real Estate AB – Director and member of the Board (from August 2015 till January 2016);
INVL Baltic Real Estate AB (Former Parent Company) – Director (from December 2014 till August 2015);
Informacinio verslo paslaugu imone AB – member of the Management Board (since April 2016);
Vilniaus Baldai AB – member of the Audit Committee (from September 2013 till June 2014);
Kelio Ženklaai UAB – member of the Management Board (since May 2013);
Jurita UAB – member of the Management Board (since August 2011);
Įmonių grupė Inservis UAB – member of the Management Board (since December 2010);
Įmonių grupė Inservis UAB – Director (since December 2010);
Invalda INVL AB – Investment Manager, Analyst (since March 2010);
Umega UAB – member of the Management Board (from October 2010 till February 2012);
Bank Finasta AB – Director of the Treasury Department (from June 2008 till February 2010);
Alzida UAB – Accountant (from December 2002 till December 2015).

Andrius Daukšas holds 25,000 Shares in the Company.

Vytautas Bakšinskas. Vytautas Bakšinskas (29 years). Places of his employment for the last 5 years:

Variagis UAB – Director (from August 2016 till December 2016);
Riešės investicija UAB – Director (from March 2014 till December 2016);
Dipolio valda UAB – Director (from November 2013 till December 2016);
Etanija UAB – Director (from October 2013 till December 2016);
Justiniškių valda UAB – Director (from January 2012 till December 2016);
Dizaino institutas UAB – Director (from January 2012 till December 2016);
Inreal valdymas UAB – Manager of the Lease department (from September 2011 till December 2016);
Akvilas UAB – Director (from June 2015 till January 2016);
Aikstentis UAB – Director (from March 2014 till July 2015);
Trakų kelias UAB – Director (from March 2014 till July 2015);
Inreal valdymas UAB – Project Manager (from November 2008 till September 2011).

Vytautas Bakšinskas holds no Shares in the Company.

Information on other Key Executives of the Company is indicated in Section 4.8.2 *Members of the Administrative, Management Bodies and Key Executives* above.

4.8.3 Declarations

To the best knowledge of the Company, for the last five years neither member of the Management of the Company (i) was convicted for any fraud offences, (ii) was associated with any bankruptcies, receiverships or liquidations in their capacity as members of the administrative, management or supervisory bodies, partners with unlimited liability, founders or senior managers, or (iii) was subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of the Company or from acting in the management or conduct of the affairs of any entity.

4.8.4 Conflicts of Interest of the Management

2 (two) members of the Investment Committee – Egidijus Damulis and Andrius Daukšas are direct shareholders of the Company, holding 0.01% and 0.04% of Shares respectively and 1 (one) member of the Board of the Management Company Vytautas Plunksnis is also a direct shareholder of the Company, holding 0.01% of Shares. The second member of the Board of the Management Company – Darius Šulnis through his 100% controlled entity Lucrum investicija UAB controls 1.862% of Shares and 3.175% of votes in the Company. Darius Šulnis is also a CEO and Board member of Invalda INVL AB, which holds 32.08% of Shares in the Company.

It is possible that the direct and indirect shareholders of the Company (two of which are members of the Management Board and two – members of the Investment Committee) may favour their own interests rather than those of the Company.

The Management Company (INVL Asset Management UAB) is 100% owned by Invalda INVL AB, which is also a shareholder of the Company. Shareholders of the Company LJB Investments UAB, Irena Ona Mišeikienė, Indrė Mišeikytė and Alvydas Banys (together with Lucrum investicija UAB) have 91.59% of votes in Invalda INVL AB. It is possible that the above mentioned persons may favour their own interests or interests of Invalda INVL AB, rather than those of the Company.

Apart from the above, the Company is not aware of any potential conflict of interests between any duties to the Company of the members of the Board of the Management Company or the Key Executives.

Furthermore, none of the members of the Board of the Management Company is related to any other member of this body as well as to any Key Executives by blood or marriage.

There are no arrangements with the major shareholders of the Issuer, customers, suppliers or others, pursuant to which any member of the Board of the Management Company and/or the Key Executive was selected as a member of the administrative, management or member of senior management.

There are no restrictions on transferring the Issuer's Shares for the members of the Board of the Management Company and/or the Key Executives except the restrictions, foreseen in the Law on Markets in Financial Instruments, which forbids trading in securities during certain time periods.

4.9 Remuneration and Benefits

During the year 2015 the amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to the management (being the management at that time) by the Issuer and its Subsidiaries (before the transfer of the management of the Company to the Management Company) for services in all capacities to the Issuer and its Subsidiaries amounted to EUR 6,826. The information on such amounts is provided in the table below.

Table 11. Remuneration and benefits provided to members of the Board of the Company and its Key Executives, who held these positions during the year 2015

Name	Former position in the Company before transfer of the management to the Management Company	Amount, EUR
Alvydas Banys	Chairman of the Board of the Company	-
Indrė Mišeikytė	Member of the Board of the Company	-
Andrius Daukšas*	Director and member of the Board of the Company	6,826
Egidijus Damulis**	Director and member of the Board of the Company	-

Source: the Company

* Andrius Daukšas held these positions from 10 August 2015 till 4 January 2016.

** Member of the Board since 15 January 2016 and Director since 4 January 2016.

Neither the Issuer nor any Subsidiary has set aside or accrued any amounts to provide pension, retirement or similar benefits to any member of the Management.

There are no loans granted by the Issuer or any Subsidiary to members of the Management. Furthermore, there are no guarantees or warranties provided, according to which execution of their obligations is ensured, also there were no paid or counted amounts or transfer of assets.

4.10 Board Practices

Term of office

The management of the Company is transferred to the Management Company, as indicated in Section 4.8 *Administrative, Management and Supervisory Bodies and Senior Management*. Therefore, the Company provides information about the Management of the Company hereof.

The term of office of the Board of the Management Board and the Key Executives of the Company as well as the period, during which respective persons hold positions are provided herein below.

Table 12. Tenure of the Management of the Company

Name	Position in the Company	In the position	
		Since	Until
Egidijus Damulis	Member of the Investment Committee	Issuance of the Licence by the LB and formation of the Investment Committee on 22 December 2016	Revocation from the Investment Committee
Andrius Daukšas	Member of the Investment Committee	Issuance of the Licence by the LB and formation of the Investment Committee on	Revocation from the Investment Committee

Name	Position in the Company	In the position	
		Since	Until
		22 December 2016	
Vytautas Bakšinskas	Member of the Investment Committee	2 January 2017	Revocation from the Investment Committee
Vytautas Plunksnis	Member of the Board of the Management Company	19 January 2015	The annual General Meeting of the Management Company, to be held in 2019 (unless revoked earlier)
Nerijus Drobavičius	Member of the Board of the Management Company	19 January 2015	The annual General Meeting of the Management Company, to be held in 2019 (unless revoked earlier)
Darius Šulnis	Chairman of the Board of the Management Company	19 January 2015	The annual General Meeting of the Management Company, to be held in 2019 (unless revoked earlier)
	General Manager of the Management Company	21 July 2003	Revocation from the position of General Manager of the Management Company

Source: the Company

According to the Law on Companies, the tenure of the Board may not last longer than until the annual General Meeting convened in the last year of the tenure of the Board. Thus, the current members of the Board of the Management Company are elected until the annual general meeting of the Management Company in the year 2019 (unless revoked earlier). There is no limitation on the number of terms of office a member of the Board may serve.

The Key Executives have employment/service relations with the Management Company (not with the Company) which are of unlimited duration, thus, the Company may not incur any expenses, related to termination of employment/service provision to any of Key Executives and all of them would be incurred by the Management Company.

Information about members of the administrative or management bodies' service contracts with the Issuer or any of its Subsidiaries providing for benefits upon termination of employment

The management of the Company is transferred to the Management Company based on the Management Agreement concluded by the Company with the Management Company on 10 November 2016, which came into force as from 22 December 2016. Under the Management Agreement the Management Company is entitled to receive certain payments for its services, including after termination of the agreement (for more information on the please see *Section 4.21 The Issuer's Service Providers*).

Apart from this agreement there are no other direct services contracts with separate members of the administrative or management bodies concluded by the Issuer.

Audit Committee and Nomination and Remuneration Committee

The Regulations of the formation and activity of the Audit Committee were approved and its members were elected according to the decision of the General Meeting, dated 10 November 2016.

According to the Regulations of the formation and activity of the Audit Committee the main functions of this committee are as follows:

- to provide recommendations to the Management Company regarding selection, appointment, reappointment and removal of an external audit company of the Company as well as the terms and conditions of engagement with the audit company;
- to monitor the process of external audit of the Company;
- to monitor how the external auditor and audit company follow the principles of independence and objectivity;
- to observe the process of preparation of financial reports of the Company;
- to monitor the efficiency of the internal control and risk management systems of the Management Company directly related to the management of the Company. Once a year review the need of the dedicated internal audit function for the Company within the Management Company;
- to monitor if the Management Company gives due consideration to the recommendations or comments provided by the audit company regarding management of the Company.

Members of the Audit Committee shall be appointed by the General Meeting. The Audit Committee consists of 2 members. One member of the Audit Committee has to be the independent member having at least 3 years of work experience in the field of finances, accounting or law. The criteria of independency are determined in the Regulations of the formation and activity of the Audit Committee. The General Meeting has the right to withdraw the entire Audit Committee *in corpore* or its individual member and to appoint a new committee or individual members of the committee.

Members of the Audit Committee may receive remuneration for their work in the Audit Committee. Remuneration shall be approved by the General Meeting fixing the maximum hourly rate.

The Audit Committee may take decisions and its meeting should be considered valid, when both members of the committee participate in it. The decision is passed when both members of the Audit Committee vote for it.

Current members of the Audit Committee are the following: Danutė Kadanaitė and Tomas Bubinas (independent member).

The Issuer has not formed the Nomination and Remuneration Committee.

Compliance with the Corporate Governance Regime

Information on Company's compliance with Corporate Governance regime is provided in Appendix 2 of the Annual Report of the Company for the year 2015.

Following the issuance of the Licence, the Company as a Nasdaq listed issuer will continue acting in compliance with the Corporate Governance regime to the widest possible extent.

4.11 Employees

Shareholdings and stock options

Information on the Shares of the Company, held by the members of the Management is provided in Section 4.8.4 *Conflicts of Interest of Members of the Management*.

Arrangements for involving the employees in the capital of the Issuer

There are no such arrangements.

4.12 Major Shareholders

On the day of this Prospectus the authorised capital of the Company is EUR 19,067,500 and is divided into 65,750,000 ordinary registered Shares with a nominal value of EUR 0.29 each. All the Shares issued by the Company entitle to equal voting rights to their holders.

In the table below the information is provided on shareholders of the Company having more than 5% of authorised capital of the Company on the date of this Prospectus.

Table 13. Shareholders of the Company, holding more than 5% of the authorised capital of the Company

No.	Shareholder	Number of owned shares and votes directly	Percentage owned directly, %	Indirectly held votes, %	Total, %
1.	Invalda INVL AB	21,089,449	32.08	0	32.08
2.	LJB Investments UAB	13,158,474	20.01	0	20.01
3.	Irena Ona Mišeikienė	12,492,979	19.00	0	19.00
4.	Alvydas Banys	3,318,198	5.05	20.01 ^(*)	25.06
5.	Indrė Mišeikytė	862,873	1.31	0	1.31

Source: the Company

* According to Part 6 of Paragraph 1 of Article 26 of the Law on Securities, it is considered that Alvydas Banys has votes of LJB Investments UAB, a company controlled by him.

No Shareholders' Agreements are in effect in the Company or its Subsidiaries.

Apart from the information, indicated in this Section, the Company has no information about any other possible control over the Issuer.

Voting rights of major shareholders of the Issuer

All the Shares of the Issuer entitle equal voting rights to its shareholders.

Arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer

The issuer is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Issuer.

4.13 Related Party Transactions

General overview

Transactions within the Related Parties fall under the following categories:

- Loans granted/received;

- Sale of goods and services;
- Purchase of goods and services (including accounting, maintenance and repair services, etc.).

The Management believes that all arrangements between the Related Parties are entered on the arm's length basis. The Management believes that there are no arrangements between Related Parties influencing main business of the Group either directly or indirectly.

The Related Parties of the Group on 30 June 2016 and in 2015 were the shareholders of the Company, key management personnel, including the companies under control or joint control of key management and shareholders having significant influence, and joint ventures. Invalda INV L AB and the entities controlled by Invalda INV L AB are also considered to be related parties, because the shareholders of the Company, having significance influence, also have a joint control over Invalda INV L AB group through shareholders' agreement.

Transactions of the Company with the Related Parties as at 31 December 2015 and 2014 and the balances thereof as at the respective date are disclosed in the IFRS Financial Statements (Note 24 of the IFRS Financial Statements for the year 2015 and Note 19 of the IFRS Financial Statements for the year 2014), incorporated by reference in this Prospectus.

Below are disclosed the Group's transactions with related parties during the six months of 2016 and related half-end balances:

Table 14. Related Party Transactions as at 30 June 2016, EUR thousand

	Revenue and other income from related parties	Purchases and interest from related parties	Receivables from related parties	Payables to related parties
Invalda INV L AB (accounting services)	-	5	-	1
Invalda INV L AB (loans)	-	58	-	-
Inservis UAB (maintenance and repair services)	-	211	-	12
Entities of facility management segments of Invalda INV L AB (rent utilities and other)	108	3	2	-
Other entities of the group of Invalda INV L AB (asset management, banking activities)	-	187	-	-
Total	108	464	2	13

Source: Consolidated Interim Financial Statements

During the 1st half year of 2016 the Group has received EUR 800 thousand of loans from Invalda INV L AB. During the 1st half year of 2016 the Group has repaid the loans with accrued interest (amount of EUR 1,501 thousand was repaid in cash and amount of EUR 6,219 thousand was offset against the new shares subscribed during the public offering).

During the 1st half year of 2016 to the former Board members of the Company, which are shareholders of the Company, the dividends were paid in an amount of EUR 43 thousand, net of tax. To the entities, which are controlled by the former Board members, the dividends were paid in an amount of EUR 203, net of tax. To the natural persons related to the former Board members the Company the dividends were paid in an amount of EUR 127 thousand, net of tax. To Invalda INV L AB the Company has paid EUR 253 thousand of dividends, net of tax.

4.14 Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses

4.14.1 Unaudited Interim Financial Information

Group's consolidated interim condensed not-audited financial statements for the six month period ended 30 June 2016 is incorporated in this Prospectus by reference in accordance with Article 28 of the Prospectus Regulation (it may be found at http://www.nasdaqbaltic.com/upload/reports/inr/2016_q2_en_eur_con_ias.pdf). These financial statements are neither audited nor reviewed by the auditor.

4.14.2 Audited Financial Information

The Group was established on 29 April 2014 by spinning-off from Invalda INV L AB the investments into entities, the business of which is investments into investment properties held for future development, into commercial real estate and renting thereof. After completion of the indicated spin-off, the parent of the Group was INV L Baltic Real Estate AB (code 303299735, the "Former Parent Company"). On 17 August 2015 the Former Parent Company was merged to Invaldos nekilnojamojo turto fondas AB, representing more than 90% of total assets, revenues and expenses of the consolidated Group (the "Merger"). As a result of the Merger the Former Parent Company ceased to exist and Invaldos nekilnojamojo turto fondas AB changed its name to INV L Baltic Real Estate AB and became the parent of the Group. The reorganisation, being the legal merger only, had no impact on the consolidated financial statements of the Group, except for reclassification within shareholders' equity lines. Please refer to the IFRS Financial Statements for better understanding thereof.

Accordingly, it had no impact on the Group's assets, liabilities and performance measurement. Financial information that is and will be prepared by the Group for the periods after 17 August 2015 (including the IFRS Financial Statements and the Consolidated Interim Financial Information) will represent the continuation of the financial information prepared by the Group until 17 August 2015.

Historical financial information of the Company (Former Parent Company) is indicated in IFRS Financial Statements, incorporated by reference to this Prospectus.

Summary of Independent Auditors' Reports

The separate and consolidated financial statements for the years ended 31 December 2015 and 31 December 2014 of the Group, incorporated by reference in this Prospectus, have been audited by PricewaterhouseCoopers UAB ("PwC"), independent auditors, who issued an unmodified auditor's reports on the abovementioned financial statements. Complete statements of auditors' reports are provided in the IFRS Financial Statements.

4.14.3 Dividend Policy

The Company has approved its dividend payment policy, which is incorporated by reference to this Prospectus, in its General Meeting, dated 15 January 2016. General principles of this policy are as follows:

- based on the fact that valid legal acts and contractual obligations of the Company don't restrict the Company's right to pay dividends and there is enough of reporting period net profit and retained profit from the previous periods, dividends make such a part of the profit that for every single ordinary registered share it is 0.012 euro;
- in case net profit of the reporting period is larger than previously described portion of the profit attributable for dividends, the Board taking into consideration a need for investments and working capital as well as market conditions, projected cash flows and other in the opinion of the Board significant conditions can propose to the General Meeting to pay as dividends higher portion of the profit than described earlier;
- in case net profit of the reporting period and retained profit of the previous periods is not sufficient to pay 0.012 euro dividends for every single ordinary registered share, the Board shall propose to the General Meeting to attribute all profit available for distribution for the dividends.

Decision to pay dividends is approved by the General Meeting distributing profit of the Company available for distribution. The Company has not projected to pay dividends for the shorter period than a financial year.

Apart from that the Articles of Association (Part X thereof), which are incorporated by reference to this Prospectus, foresee the following rules of dividend payment:

Decision on payment of dividend shall be taken by the General Meeting taking into account the recommendations of the Management Company.

In case of payment of interim dividend, a set of financial statements of the Company must be drawn up and audited no earlier than 30 days before making a decision to distribute dividend.

The Company shall pay the distributed dividend within one month after the date of the decision of the General Meeting to pay dividend, except for those cases when the Management Company decides to postpone payment of dividend following the Articles of Association.

The Management Company can, by its reasoned decision, postpone payment of dividend if payment of dividend:

- would result in violation of the requirements for diversification of investments of the Company; or
- would pose a threat for sustainable finances of the Company;
- would pose a risk for proper fulfilment of obligations assumed by the Company or would pose a risk that the Company would be unable to complete the transactions of acquisition of investment objects or of additional investments into them that started to be implemented (implementation of a transaction in this case is understood as a process from commencing negotiations with a counterparty until closing (fulfilment) of the transaction).

The Management Company must take a relevant decision and resume payment of dividend, ensuring that dividend would be paid to shareholders no later than within one month after the moment of disappearance of the grounds for suspension of payment of dividend, but in any case payment of dividend cannot be postponed for more than one year after the date of taking a relevant decision of the General Meeting to pay dividend.

Dividend payable to shareholders shall be transferred to the bank accounts indicated by the shareholders or (if a shareholder's data is unknown) to a deposit account under the procedure set by legal acts.

The Company shall pay dividend in Euros. The right to receive dividend shall be vested in persons who were shareholders or had the right to dividend on any other lawful grounds at the end of the record date of the General Meeting.

Following the above dividend payment policy, the Company suggested and the General Meeting approved payment of dividends for the financial year 2015 in an amount of EUR 789,000, i.e. EUR 0.012 for one share. For the year 2014 no dividends were paid to the shareholders of the Company.

4.14.4 Legal and Arbitration Proceedings

Neither the Company nor any of its Subsidiaries have, during the 12 months preceding the date of this Prospectus, been or are currently involved in any material governmental, legal or arbitral proceedings (including any such proceedings which are pending or threaten of which the Company is aware) or material disputes which may have or have had a significant adverse effect on the business, results of operations or financial position or profitability of the Company and/or the Group as a whole.

4.14.5 Significant Changes in the Issuer's Financial or Trading Position

There were no significant changes in the Issuer's financial or trading position, which has occurred since the end of 30 June 2016, except that on 22 December 2016 the Company was issued by the LB the Licence of the closed-end type investment company. Upon issuance of this Licence the Company became similar and started acting as an investment fund.

In addition to that, on 12 December 2016 the Company has entered into the Real Estate Sale-Purchase Agreement. Following this Agreement the Company has sold part of newly built premises at the address Žygio str. 97, Vilnius, and lease rights to part of land plot of 2,800 sq. m (out of 5,997 sq.m). In the future the buyer, having executed the separation of the land plot, may return to the Company the lease right to part of land plot of up to 1,300 sq. m. Price of the Agreement is EUR 1,189 thousand (plus VAT). In case the buyer would return the lease right to part of land plot of up to 1,300 sq. m as indicated above, the price of the Agreement would be reduced proportionally. Thus, the fixed minimal price, for which the asset was sold is EUR 756 thousand (plus VAT).

The Company also informs that as it was indicated in the notification on material event, dated 23 December 2015, following the changed legal requirements, the Company decided that instead of interim financial statements it will publish preliminary operating results and factsheet. On 3 November 2016 the Company has announced its preliminary operating results and factsheet for 9 months of the year 2016.

The Management hereby confirms that, to the best its knowledge, the preliminary operating results are prepared in accordance with IFRS as adopted by the European Union, give true and fair view of the assets, liabilities, financial position and profit or loss. However, these results were neither audited nor subject to review. The respective numbers are presented in the table below.

Table 15. Balance sheet

Balance sheet, million EUR	At 30 September 2016	At 31 December 2015	At 31 December 2014
Investment properties	52.2	51.8	33.8
Other non-current assets	0.9	0.8	5.0
Cash	0.4	0.4	0.4
Other current assets	1.4	1.5	0.4
TOTAL ASSETS	54.9	54.5	39.6
Borrowings from credit institutions	21.8	17.8	15.3
Borrowings from Invalda INVL	-	6.8	5.2
Other liabilities	5.6	11.3	4.6
TOTAL LIABILITIES	27.4	35.9	25.1
EQUITY	27.5	18.6	14.5
Equity per share, EUR	0.42	0.43	0.34

Source: Key information for 9 months of 2016

Table 16. Profit (loss) statement

Profit (loss) statement, million EUR	9 months ended 30 September 2016	9 months ended 30 September 2015	29 April 2014 – 30 September 2014
Revenue	4.6	4.2	2.1
<i>from own properties</i>	2.7	2.1	1.1
<i>from subleased properties</i>	1.2	1.3	0.7
<i>other revenue</i>	0.7	0.8	0.3
Profit before taxes	1.1	2.0	0.3
Net profit	0.9	1.9	0.3
Earnings per share, EUR	0.02	0.04	0.01

Source: Key information for 9 months of 2016

During nine months of 2016 the Group had an unaudited net profit of EUR 0.9 million (EUR 1.9 million during nine months of 2015). Compared to the same period last year and excluding the impact of one-off transactions in 2015 (the sale of INTF Investicija UAB and the acquisition of Dommo logistics centre in Latvia), the Company's net profit increased by 92%. At the end of the third quarter, the occupancy rate of the Company's properties was 85% (in 2015 it was 86%). Operating results during nine months of 2016 were better as compared to nine months of 2015, as in 2015 the Group had no real estate at Gynėjų str. and Latvian Subsidiaries' positive result was included only starting from 1 July 2015. Furthermore, the nine-month revenue for the largest property owned by the Group (IBC Business Centre at Šeimyniškių

str.) grew by 7% as compared to the same period last year, while its net operating income grew by more than 3%. Early in the year 2017 the Company plans start working on a feasibility study for further development of the entire business centre. The Company is currently consulting with existing tenants on their needs and how the services could be improved, and plans in the near future to reorganise common areas and seek to attract more providers of food, sport and other services that appeal to tenants.

4.15 Additional Information

4.15.1 Share Capital

Table 15.

Name of securities	Number of securities	Nominal value, EUR	Total nominal value, EUR	Part in the share capital, %
Ordinary registered shares	65,750,000	0.29	19,067,500	100

Source: the Company

All the Shares of the Company currently are freely floated and the Company is not aware on any lock-ups thereon.

Amendments to share capital of the Issuer within 3 last years

Table 16.

Registration of the amended share capital	Amount of share capital prior to amendment	Amendment	Reason	Share capital after the amendment
17-08-2015	LTL 33,265,440 (approx. EUR 9,646,977.60)	+ EUR 2,888,635.48	Conversion of the authorised capital and nominal value of shares from LTL to EUR and Merger of the Former Parent Company to the Issuer	EUR 12,535,613.08, divided into 43,226,252 shares par value of EUR 0.29 each
08-03-2016	EUR 12,535,613.08	+ EUR 6,531,886.92	Increase of the share capital by additional contributions	EUR 19,067,500

Source: the Company

Information on shares, not representing capital

The Issuer has not issued shares, not representing its capital.

The number, book value and face value of shares in the Issuer held by or on behalf of the Issuer itself or by its Subsidiaries

The Issuer has no shares of its own, held by itself or which are held on Issuer's behalf or which are held by the Subsidiaries.

The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription

The Issuer has not issued any convertible securities, exchangeable securities or securities with warrants.

Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital

The Issuer has not issued any acquisition rights and has no obligations over authorised but unissued capital or an undertaking to increase the capital.

Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate

None of the aforementioned transactions are signed either by the Company or by the Subsidiaries.

4.15.2 Articles of Association

Issuer's objects and purposes

The purposes and the object of activities of the Company are provided for in Part III of the Articles of Association, pursuant to which the aim of the Company is to accumulate shareholders' funds by public offering of shares under the procedure set in the Articles of Association and, diversifying the risk, to invest them collectively into assets indicated in the Articles of Association in compliance with investment requirements indicated in legal acts. For this purpose, the Company shall perform investment and reinvestment activity.

Management of the Issuer shall be assigned to the Management Company, whereas assets of the Company shall be transferred to the Depository for keeping.

Bodies of the Company

The Issuer's management is described in Part VIII of the Articles of Association.

Following this Part, no management bodies shall be formed in the Company. Management of the Company shall be transferred to the Management Company, therefore, following the Law on Collective Investment Undertakings, the rights and duties of the Board and the head of the Company, as set in the Law on Companies, shall be transferred to the Management Company. For more information, please see below.

The General Meeting

The competence of the General Meeting, the procedure of its convocation and taking of decisions thereat does not differ from the competence and procedures set in the Law on Companies to the extent the Articles of Association or the Law on Collective Investment Undertakings do not indicate otherwise. The competence, procedure of convocation of the General Meeting is described in Part IX of the Articles of Association.

Part IX of Articles of Association foresees the following different rules, related to General Meetings from the ones, established under the Law on Companies.

The right to initiate convocation of the meeting shall be vested in the Management Company and shareholders, Shares owned by which carry at least 1/10 of all the votes in the General Meeting.

The convocation of a General Meeting shall be organised by the Management Company.

All decisions of the General Meeting shall be taken by a 3/4 majority of votes carried by Shares of the shareholders present in the meeting, except for the decisions indicated below, which shall be taken by a 2/3 majority of votes carried by Shares of the shareholders present in the meeting, i.e. decisions:

- to elect and remove a certified auditor or audit firm and establish terms of payment for audit services;
- to approve sets of annual and interim financial statements;
- on extension of the Term of Activities of the Company and making related amendments to the Articles of Association.

The below-indicated decisions of the General Meeting can be taken only after taking into account the recommendations given by the Management Company and with regard to consequences of a relevant decision indicated by the Management Company, i.e. decisions regarding:

- amending the Articles of Association of the Company;
- redemption of Shares;
- distribution of the profit (loss) of the Company;
- formation, use, reduction and cancellation of reserves;
- increase or reduction of the authorised capital;
- reorganisation, spin-off or transformation of the Company;
- merger of the Company with other collective investment undertakings;
- approval of the agreement with the Depository, appointment of the person authorised to sign the approved agreement with the Depository on behalf of the Company, change of the Depository;
- liquidation of the Company or extension of the Term of Activities of the Company;
- restructuring of the Company.

The Management Company must present its recommendations on draft decisions on issues indicated above together with the announced draft decisions proposed by the Management Company. In case draft decisions are proposed not by the Management Company but by the shareholders, the Management Company must, no later than within 5 (five) business days after presentation of such a draft decision to the Company, prepare a relevant recommendation and announce it in the manner in which draft decisions are announced. In any case recommendations of the Management Company regarding all draft decisions on relevant issues of the agenda must be announced no later than 3 (three) business days until the date of the General Meeting.

In case the General Meeting takes a decision not following the recommendations given by the Management Company, the Management Company shall not be responsible if such decisions violate requirements for management of the Company or there are other negative consequences.

An annual General Meeting must take place no later than by 30 April of the current year.

Representatives of the Management Company shall have the right to take part in all General Meetings.

An extraordinary General Meeting must be convened if:

- that is requested by shareholders having the right to initiate convocation of the General Meeting or by the Management Company;
- the auditor or audit firm terminates its agreement with the Company or for any other reasons cannot audit the set of annual financial statements of the Company;
- the Management Company seeks to terminate the management agreement with the Company or there are reasons why the agreement between the Company and the Management Company cannot be performed;
- in other cases, set in legal acts of the Republic of Lithuania and in the Articles of Association.

The General Meeting can take decisions and shall be deemed quorate irrespective of the number of votes carried by Shares held by the shareholders present thereat.

The General Meeting shall not have the right to take decisions, which are assigned to the competence of the Management Company by the Articles of Association or which are management decisions by their essence.

The Management Company

There are no management bodies formed in the Issuer and management of the Company is transferred to the Management Company, as indicated in Part VIII of the Articles of Association, incorporated by reference to this Prospectus.

As management of the Company is transferred to the Management Company, therefore, following the Law on Collective Investment Undertakings, the rights and duties of the Board and the head of the Company, as set in the Law on Companies, are transferred to the Management Company.

The Management Company shall be responsible for convocation and organisation of the General Meeting, giving notices about publically not disclosed information (inside information) under the procedure set by legal acts, organisation of activities of the Company, proper management of information about activities of the Company and performance of other functions assigned to the Management Company.

The Management Company shall have the right:

- to perform all actions of management bodies of the Company and other actions assigned to the competence of the Management Company according to effective legal acts and/or the Articles of Association;
- to get the Management Fee and the Performance Fee, as they are defined in the Articles of Association;
- to conduct and perform transactions in connection with management of the assets of the Company at the expense and in the interests of the Company;
- to make deductions from assets of the Company provided for in the Articles of Association;
- subject to approval of the General Meeting, to instruct a company, having the right to provide relevant services, to perform some of its management functions;
- other rights established in the Articles of Association and legal acts of the Republic of Lithuania.

The Management Company must:

- act in a fair, correct and professional manner on the terms best for the Company and its shareholders and in their interests and ensure integrity of the market;
- act carefully, professionally and prudently;
- have and use means and procedures necessary for its activities;
- have reliable administration and accounting procedures, electronic data processing control and security measures and a proper mechanism of internal control, including the rules on personal transactions in financial instruments conducted by employees of the Management Company and transactions in financial instruments conducted at the expense of the Management Company;
- ensure that documents of and information about taken investment decisions, conducted transactions would be kept for at least 10 years after the date of taking an investment decision, conduction of a transaction or performance of an operation, unless legal acts set a longer term of keeping documents;
- have such an organisational structure that would help to avoid conflicts of interest. When it will be impossible to avoid conflicts of interest, the Management Company must ensure that shareholders are treated fairly;
- ensure that persons taking decisions on management of the Company would have qualification and experience established by the LB, be of sufficiently good repute;
- ensure that assets of the Company would be invested according to the investment strategy set in the Articles of Association and requirements set in legal acts of the Republic of Lithuania;
- prepare the prospectus, the key investor information document, annual and semi-annual reports under the procedure set by legal acts;
- perform other duties set in the Articles of Association and legal acts of the Republic of Lithuania.

The Management Agreement of the Company with the Management Company was approved by the General Meeting, dated 10 November 2016 and signed by the parties on the same day. The Management Agreement came into force as

from issuance of the Licence by the LB on 22 December 2016. A copy of the Management Agreement was also presented to the LB and the Depository.

The Management Company can be replaced by a decision of the General Meeting. The Management Company can be replaced by a decision of the General Meeting in cases when:

- the Management Company is being liquidated;
- the Management Company undergoes restructuring;
- bankruptcy proceedings are initiated against the Management Company;
- the LB takes a decision to restrict or cancel the rights provided for in the license of the Management Company related to management of investment companies;
- the Management Company commits a material breach of the agreement, the Articles of Association or legal acts;
- in other circumstances in compliance with applicable legislation.

The Management Company shall be replaced after receipt of a prior permission of the LB.

The Manager

There are no management bodies (including the Manager) in the Issuer and management of the Company is transferred to the Management Company. For more information, please see Section above.

Rights conferred by the Shares of the Company

All the Shares confer equal rights to all the shareholders.

The Issuer's Articles of Association foresee the following different rules related to shareholders' rights, from the ones, established under the Law on Companies (they described in Part VI of the Articles of Association).

The value of the Shares of the Company will change depending on the Net Asset Value of the Company.

The shareholders shall have the following property rights:

- to receive a share of profit (dividend) of the Company if the General Meeting decides to distribute it;
- to sell or otherwise transfer all or some of their Shares to the ownership of other persons on the secondary market;
- under the procedure set in the Articles of Association, to receive a part of the funds of the Company, which are disbursed in case the General Meeting takes a decision to redeem some of the Shares;
- under the procedure set in legal acts of the Republic of Lithuania and in the Articles of Association, to receive a part of funds of the Company, disbursable in case of winding up of the Company (i.e. liquidation of the Company);
- other property rights provided for in legal acts and the Articles of Association.

Shares of the Company shall give the shareholders the following personal non-property rights:

- to take part in the General Meetings;
- to vote at the General Meetings according to rights carried by the Shares. One Share shall give one vote in the General Meeting;
- to obtain information about the Company under the procedure set by legal acts of the Republic of Lithuania;
- to give questions to the Management Company in advance, related to issues on the agenda of the General Meetings;
- other non-property rights provided for in legal acts of the Republic of Lithuania and in the Articles of Association.

New Shares can be issued by increasing the authorised capital of the Company by a decision of the General Meeting upon a proposal of the Management Company. The proposal of the Management Company regarding increase of the authorised capital must *inter alia* discuss in detail the procedure of issue of new Shares and terms of payment for them, as well as the reason why it is proposed to increase the authorised capital of the Company.

Current shareholders of the Company will have the pre-emptive right to acquire newly issued Shares pro rata to the number of Shares held by them (on the rights record date).

Newly issued Shares can be offered to persons other than the shareholders only in case the current shareholders did not subscribe for all the Shares planned to be issued within a period set by a decision of the Management Company, which cannot be shorter than 10 calendar days and longer than 30 calendar days.

Shares of a new Share issue must be paid within the term set in the Share subscription agreement, which cannot be longer than 30 business days.

New Shares shall be issued only after the money is credited to the bank account of the Company. Shares of the Company shall be paid only in cash. Shares shall be purchased in Euros.

Newly issued Shares of the Company can be publicly offered only after the Company has announced the prospectus approved by the LB under the procedure set by legal acts of the Republic of Lithuania. The Company shall announce the approved prospectus without delay, no later than by the start of the public offering of the Shares or their admission to

trading on the regulated market. After public announcement of the prospectus, the Company must publish it in the Central Base of Regulated Information under the procedure set by the Law on Securities.

Procedure of amending the Articles of Association of the Company

Under Part XVII of the Articles of Association the Articles of Association may be amended pursuant to the following procedure:

- the Articles of Association shall be changed under the decision of the General Meeting;
- the adopted amendments to the Articles of Association shall come into effect when they are registered with the Register of Legal Entities under the procedure set by laws;
- amendments and additions to the Articles of Association shall be registered with the Register of Legal Entities under the procedure set by laws after they are approved by the LB.

Procedures of the General Meeting

Generally, the procedure of the General Meeting does not differ from the procedure set in the Law on Companies, subject to certain exceptions, indicated in the Articles of Association.

The main rules of convocation of and attending the General Meeting are as follows:

The right of initiative to convene the General Meeting is vested in the Management Company and the shareholders, Shares owned by which carry at least 1/10 of all votes. The convocation of the General Meeting shall be organised by the Management Company.

General Meetings are annual and extraordinary. An annual General Meeting must be held not later than by 30 April of the current year. The extraordinary General Meeting must be convened if: (i) that is requested by shareholders having the right to initiate convocation of the General Meeting or by the Management Company; (ii) the auditor or audit firm terminates its agreement with the Company or for any other reasons cannot audit the set of annual financial statements of the Company; (iii) the Management Company seeks to terminate the management agreement with the Company or there are reasons why the agreement between the Company and the Management Company cannot be performed; (iv) in other cases set in legal acts of the Republic of Lithuania and in the Articles of Association.

A notice of convocation of the General Meeting is to be made public no later than 21 days before the date of the General Meeting through Nasdaq distribution system as a material event, and is also to be published on the Company's website www.invlbalticrealestate.lt.

Subject to certain additional rules, indicated in the Articles of Association, additional matters to be included into the agenda of the General Meeting may be proposed by the Management Company and one or several shareholders holding shares that carry at least 1/20 of all votes no later than 14 days prior to the meeting. In addition, they may propose new draft decisions on the matters in the agenda prior to and during the General Meeting.

The General Meeting can take decisions and shall be deemed quorate irrespective of the number of votes carried by Shares held by the shareholders present thereat.

The persons who were shareholders of the Company at the close of the record date of the General Meeting (i.e. the fifth business day prior the date of the General Meeting) have the right to attend and vote at the General Meeting. The shareholder's right to attend the General Meeting also includes the right to speak and to ask questions regarding the items on the agenda of the meeting. The questions given to the Company by the shareholder regarding the items on the agenda of the General Meeting must be answered before the General Meeting, if such questions were received not later than 3 business days before the General Meeting.

Shareholders or persons authorised by them or persons with whom an agreement on assignment of voting rights is concluded may attend and vote at the General Meeting.

A person attending the General Meeting and entitled to vote must present a document which is a proof of his identity. A person who is not a shareholder must additionally present a document attesting to his right to vote at the General Meeting.

A shareholder or his proxy has the right to vote in advance in writing, by filling in a general ballot paper. If the shareholder requests so, the Company, no later than 10 days before the General Meeting, must dispatch a general ballot paper by registered mail free of charge or delivered by hand. The general ballot paper shall also be available on the Company's website www.invlbalticrealestate.lt no later than 21 days before the General Meeting. The filled-in general ballot paper and the document attesting to the right to vote must be submitted to the Company prior to the General Meeting (it may be delivered by sending to the Company at the address Gynėjų str. 14, Vilnius, the Republic of Lithuania, by registered mail, or delivered by hand). If the general ballot paper is signed by a person, who is not a shareholder of the Company, a document attesting to his right to vote at the General Meeting must be additionally presented.

The Company does not provide a possibility to attend the General Meeting and to vote by means of electronic communications.

A description of any provision of the Articles of Association, statutes, charter or bylaw that would have an effect of delaying, deferring or preventing a change in control of the Issuer

There are no such provisions.

An indication of the Articles of Association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed

There are no such provisions.

A description of the conditions imposed by the memorandum and Articles of Association statutes, charter or bylaw governing changes in the capital, where such conditions are more stringent than is required by law

There are no more stringent provisions.

4.16 Material Contracts

For 2 years preceding the date of this Prospectus neither the Company nor any Subsidiary has entered into material contract, other than contracts entered into in the ordinary course of business. Furthermore, there are no other agreements entered by any of the Group companies (except being entered into in the ordinary course of business), which contains any provision under which any Group company has any obligation or entitlement which is material to the Group as at the date of the Prospectus. Below are described material contracts entered into in the ordinary course of business which are valid as at the date of the Prospectus.

In 2007 the Company has sold 4 real estate properties and entered into the lease agreement with the buyer, under which they agreed to sub-lease the sold properties and one additional property until August 2017. Currently, the Company is incurring about EUR 20,000 loss (future rent income from subleased premises minus contractual lease payments and estimates of maintenance and management expenses of leased premises) per month due to this sublease. This amount varies depending on the income from the sub-lease, property maintenance costs incurred and the rent paid. Furthermore, the Company had paid a one off deposit in the amount of EUR 0.82 million corresponding to the 6 months' rental fee amount which will be set-off against the last part of the lease payment at the termination of the lease. The rent payments are subject to an indexation at the end of August each year on the basis of harmonised consumer price index, if the latter is more than 1%, but there is a cap for annual indexation of 3.8%. After the end of this contract in August 2017 the Company will not have any obligation related to the sold properties, except one property where the tenant prolonged the lease contract till January 2026. The loss anticipated in connection with this contract is recognised in the statement of financial position as provision.

On 2 January 2013 the Company has entered into an agreement with the third party for property management and administration services of the Company's asset portfolio. Under this agreement, third party company, as an administrator of the property, is committed to increase Company's value and maintain high quality of service for buildings' tenants and employees. The Company is paying 7% administration fee of its net revenue for these services. The agreement also establishes, that the Company will compensate the brokerage costs and bad debts of customers up to EUR 29,000 per year. The agreement is signed for a term until 30 September 2017.

4.17 Information on Holdings

There are no undertakings in which the Issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

4.18 Third Party Information and Statement by Experts and Declarations of any Interest

With respect to certain parts of this Prospectus, some information may have been sourced from third parties. Such information has been accurately reproduced as far as the Company is aware and is able to ascertain from the information published by such other third parties that no facts have been omitted, which would render the reproduced information inaccurate or misleading.

(i) the executive summaries of valuation reports of immovable property of the Group, registered in Lithuania (No. 39701 VAT_2016 DGR VHAN, No. 38613 VAT_2016 GDR VHAN, No. 39688 VAT_2016 DGR VHAN, No. 37890 VAT_2016 SVA VHAN, No. 39639 VAT_2016 ALA VHAN, No. 39706 VAT_2016 MKA VHAN), prepared by an independent asset appraiser Ober-Haus Nekilnojamas Turtas UAB (code 111645042, registered at Geležinio Vilko str. 18A, Vilnius, Lithuania, qualification certificate of the asset appraiser's company No. 000112, issued on 1 August 2012), (ii) the executive summaries of valuation reports of immovable property of the Group, registered in Lithuania (No. LT-16-11-11-1451, No. LT-16-11-11-1452, No. LT-16-11-11-1453, No. LT-16-11-11-1454, No. LT-16-11-11-1455, No. LT-16-11-11-1456), prepared by an independent asset appraiser Newsec valuations UAB (code 126212869, registered at Konstitucijos ave. 21C, Vilnius, Lithuania, qualification certificate of the asset appraiser's company No. 000170, issued on 1 August 2012) and (iii) the executive summaries of valuation reports of immovable property of the Group, registered in Latvia (No. 02-1555/2016 and No. 23-09-2016), prepared by independent asset appraisers Ober Haus Vertesanas Serviss SIA (code 4003411495, registered at Ropazu iela 10, Riga, Latvia, qualification certificate of the immovable property appraiser's company No. 5, issued on 4 September 2008, certificate valid till 4 September 2018) and City Real Estate Company SIA (code 40003783994, registered at Stabu iela 33 - 17, Riga, Latvia) respectively, are attached to this Prospectus.

The real estate, registered in Lithuania and held by the Group was appraised and the executive summaries of valuation reports were prepared and signed by Ober-Haus Nekilnojamas Turtas UAB and Newsec valuations UAB:

appraisers Mindaugas Karalius and Liudmila Voišnienė have signed the summary of the valuation report No. 39706 VAT_2016 MKA VHAN

immovable property appraiser's qualification certificate of Mindaugas Karalius No. A 000374, issued on 28-02-2007

movable property appraiser's qualification certificate of Liudmila Voišnienė No. A 000603, issued on 28-12-2010

appraiser Audra Lazauskienė has signed the summary of the valuation report No. 39639 VAT_2016 ALA VHAN

immovable property appraiser's qualification certificate A 000580, issued on 28-04-2010

appraiser Saulius Vagonis has signed the summaries of the valuation reports No. 37890 VAT_2016 SVA VHAN and No. 38613 VAT_2016 GDR VHAN

immovable property appraiser's qualification certificate No. A 000286, issued on 19-02-2003

appraiser Donatas Grigaluskas has signed the summaries of the valuation reports No. 39688 VAT_2016 DGR VHAN and No. 39701 VAT_2016 DGR VHAN)

immovable property appraiser's qualification certificate No. A 000389, issued on 22-06-2007

appraisers Linas Daukus and Kristina Pilipavičiūtė have signed the summary of the valuation reports No. LT-16-11-11-1451, No. LT-16-11-11-1452, No. LT-16-11-11-1453, No. LT-16-11-11-1454, No. LT-16-11-11-1455 and No. LT-16-11-11-1456

immovable property appraiser's qualification certificate of Linas Daukus No. A 000552, issued on 10-06-2009

movable property appraiser's qualification certificate of Kristina Pilipavičiūtė No. 000034, issued on 01-12-2014

The real estate, registered in Latvia and held by the Group was appraised and the executive summaries of valuation reports were prepared and signed by Ober Haus Vertesanas Serviss SIA and City Real Estate Company SIA:

appraiser Sandis Kurlovičs has signed the summary of the valuation report No. 02-1555/2016

immovable property appraiser's qualification certificate No. 117, issued on 11-06-2015

appraiser Inga Meiere has signed the summary of the valuation report No. 23-09-2016

immovable property appraiser's qualification certificate No. 48, issued on 12-02-2012

As at the date of the Prospectus the value of investment properties according to valuations of Newsec valuations UAB and City Real Estate Company SIA and according to valuations of Ober-Haus Nekilnojamas Turtas UAB and Ober Haus Vertesanas Serviss SIA was EUR 51.5 million and EUR 53.3 million respectively. The same property was evaluated at EUR 51.8 million at the end of the year 2015 according to valuations of Ober-Haus Nekilnojamas Turtas UAB and Ober Haus Vertesanas Serviss SIA.

4.19 Investment Objective and Policy

Description of the Investment Objective and Policy

The purpose of the Company is to accumulate and invest the shareholders' funds seeking the largest return from investments into investment objects indicated below.

Diversifying investments and managing the risk, the Management Company shall seek to reduce the risk and to prevent possible reduction of investments value and to create value by selecting investment objects and making use of other market participants' experience.

The aim of the Company is to earn return for shareholders' benefit from investments into land, buildings and/or premises that make separate real estate objects, real estate objects under construction, which are planned to be constructed within an acceptable period, securities and money market instruments of Real Estate Companies if assets of such companies are invested into real estate corresponding to the investment strategy of the Company, investment units or shares of real estate collective investment undertakings established in the European Union Member States, supervision over which is no less strict than in the Republic of Lithuania, movable property and equipment necessary for operating real estate objects in the investment portfolio of the Company, transferrable securities and money market instruments admitted to trading on the multilateral trading facility and other investment objects not prohibited by legal acts.

The Management Company shall invest up to 100% of the Net Asset Value into investment objects indicated in paragraph above directly or by use of Real Estate Companies.

Investing directly or by use of Real Estate Companies, the Management Company shall (acting on behalf of the Company) seek to acquire commercial and/or mixed purpose investment objects indicated above, which generate or can generate regular income.

The Company shall seek to increase return on investments, making efforts that assets under its management would generate regular long-term income and their value would grow. Therefore, assets held by the Company shall be managed and acquisition of new assets shall be made taking into account value creation for shareholders of the Company.

For the sake of efficiency of the Company's activities and control over its investments, an Investment Committee shall be formed by a decision of the Board of the Management Company. The Investment Committee shall consist of 3 (three) members, representatives of the Management Company (employees, members of management bodies of the Management Company, other persons appointed by a decision of the Board of the Management Company) shall be appointed to their positions. Members of the Investment Committee shall be appointed by a decision of the Management Company. Members of the Investment Committee shall be appointed and removed from office by the Board of the Management Company. An approval of the Investment Committee must be obtained for all investments of the Company and for their sale.

The procedure of formation, responsibilities, functions of the Investment Committee, decision-making procedure and other procedures of the Investment Committee are set in the regulations of the Investment Committee. The regulations of the Investment Committee are made public on the Company's website www.invbalticrealestate.lt.

For the sake of efficiency of activities of the Company, an Advisory Committee may be formed by a decision of the Board of the Management Company (currently no Advisory Committee is formed in the Company). The purpose of the Advisory Committee is to ensure having knowledge about investments objects, into which the Company's assets may be invested, and knowing their specifics. The Advisory Committee shall present its opinion and conclusions to the Investment Committee regarding investments of the Company.

The procedure of formation, responsibilities, functions of the Advisory Committee, decision-making procedure and other procedures of the Advisory Committee shall be set in the regulations of the Advisory Committee, which shall be made public on the Company's website www.invbalticrealestate.lt.

The strategy of investment of the Company's assets provided for in the Articles of Association, incorporated by reference to this Prospectus, can be changed by making relevant amendments to the Articles of Association by a decision of the General Meeting.

In case of an essential change in the Company's investment strategy, all the shareholders must be informed about that in writing at least 3 months in advance by sending them a relevant notification. In such cases, the shareholders must be given a possibility to demand redemption of the Shares owned by them without any additional deductions within a sufficient period of time, which cannot be shorter than 2 months after properly informing the shareholders about the planned change of the investment strategy of the Company (redemption of the Shares shall be performed following Article 89 of the Articles of Association). Shareholders must be informed about this right by sending a notification about the planned change of the investment strategy of the Company.

An investment object(s) of the Company can be transferred only subject to prior consent of the Depository.

The Company may own investment objects directly and it may own securities of Real Estate Companies. When investing through Real Estate Companies, the Depository is to be provided with documents in connection with investments into Real Estate Companies in order that the Depository could perform its functions provided for in legal acts.

The Company shall not use a benchmark.

The borrowing and/or leverage limits of the Issuer

If necessary, funds may be borrowed in the name of the Company in order to additionally finance investment objects acquired by the Company (or by use of Real Estate Companies) and in this way seek higher investment return. The Management Company can take a decision to borrow in the name of the Company up to 50% of real estate value for not longer than until the end of activities of the Company. The level of borrowings of the Group was 42% of its investment property market value as of 30 June 2016 (47% as of 31 December 2015).

The Company may lend its assets to companies that are directly controlled by the Company.

On the day of this Prospectus the Company has borrowings which are described in Section 5.2 *Capitalisation and Indebtedness* in detail.

Regulatory status of the Issuer

The Issuer operates its activities as a special closed-end type real estate investment company. The activities of the Issuer are supervised by the LB.

Profile of a typical investor for whom the Issuer as a collective investment undertaking is designed

Investment into the Company is connected with higher than average, long term risk. According to the Key Investor Information Document (KIID), Company's Shares are in the highest (7th) risk bracket. Therefore, Shares of the Company are suitable only for investors, who seek higher long term returns but could afford to take higher than average risk, including loss of principal.

4.20 Investment Restrictions

The Management Company shall manage the portfolio of investment objects of the Company following these main principles of diversification (the conformity of the portfolio of assets of the Company to the following principles shall be achieved within four years after the LB issued a permission to certify the Company's incorporation documents and to choose a Depository (after the day on which the LB issued a permission to engage in activities of a closed-end type investment company)):

1. no more than 20% of the net assets accounting for assets of the Company can be invested:

1.1. into transferrable securities and money market instruments entered onto the trade list of the market, which according to the Law on Markets in Financial Instruments is considered regulated and operating in the Republic of Lithuania or in another Member State, and/or

1.2. into transferrable securities and money market instruments, admitted to trading on the market operating, recognised, supervised and available to the public in another Member State according to set rules, and/or

1.3. into transferrable securities and money market instruments, admitted to trading on the market operating, recognised, supervised and available to the public in another state (other than Member States) according to set rules, and/or

1.4. into new transferrable securities issued by issuers established in the Member States of the European Union, if the issue terms provide for the obligation to have these securities admitted to trading on a regulated market and if they are admitted to trading no later than within one year after their issue, and/or

1.5. into investment units and shares of harmonised collective investment undertakings and into investment units and shares of such collective investment undertakings, which meet the following conditions:

1.5.1. the sole purpose of such undertakings is to accumulate persons' funds by public offering of investment units or shares and by splitting them to collectively invest them into transferrable securities and/or other planned liquid assets and investment units or shares of which must be redeemed at any time upon request of their holder, these undertakings are licensed in the Republic of Lithuania and their supervision is no less strict than in the European Union or licensed in such a State, where supervision is no less strict than in the European Union, and the supervisory authority cooperates with the relevant supervisory authority of another Member State or third country;

1.5.2. protection of rights of participants in the undertakings, including regulation of separation of assets, borrowing, lending and gratuitous transfer of assets, is no less strict than established for harmonised collective investment undertakings according to the Law on Collective Investment Undertakings;

1.5.3. the undertakings present semi-annual and annual reports on their activities, enabling to assess their assets and liabilities, profit and activities during a reporting period;

1.5.4. no more than 10% of their net assets, according to their documents of incorporation, can be invested into investment units or shares of other collective investment undertakings, and/or

1.6. into deposits for a term no longer than 12 months, which can be collected upon demand in a credit institution, domiciled in a Member State or in another State, where risk limiting supervision is no less strict than in the European Union, and/or

1.7. into financial derivatives (including those which entitle only to receipt of money), which meet the following conditions:

1.7.1. they are admitted to trading in markets, which are deemed regulated according to the Law on Markets in Financial Instruments and which operate in the Republic of Lithuania or in another Member State, and/or in a market operating, recognised, supervised and available to the public according to rules set in another Member State, and/or in a market operating, recognised, supervised and available to the public according to rules set in another State (other than Member States), or that are traded beyond the limits of the markets indicated above;

1.7.2. they are linked to investment instruments indicated in paragraphs 1.1 – 1.6 above, financial indexes, interest rates, currencies and currency exchange rates, to which the Company will invest;

1.7.3. the counterparty to the transaction conducted beyond the limits of the markets indicated in paragraph 1.7.1 above meets criteria set by the supervisory authority and is subject to risk limiting supervision;

1.7.4. they are traded beyond the limits of the markets indicated in paragraph 1.7.1 above, but they can be checked, reliably and exactly valuated every day and sold or otherwise realised for a consideration at any time at their fair value, and/or

1.8. into money market instruments, which are not admitted to trading on a regulated market, however the issue or issuer of such instruments are regulated in order to protect investors and their savings and such instruments:

1.8.1. are issued or guaranteed by the government, regional government, municipality or the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, the government of a third country or of the entities forming a federal state, or an international organisation, that at least one Member State is a member of, or

1.8.2. are issued by an entity, securities of which are admitted to trading on the regulated markets indicated in paragraph 1.7.1 above, or

1.8.3. are issued or guaranteed by the entity, whose operational risk is supervised according to requirements of the European Union law or such requirements, which are no less strict than in the European Union, or

1.8.4. are issued by a company meeting criteria approved by the supervisory authority, capital and reserves of which are equal to at least EUR 10 million and which draws up consolidated financial statements and performs the function of financing the company group, when transferrable securities of at least one company within its group are admitted to trading on a regulated market, or which is used for issuing securities financed with bank loans, and investments into such money market instruments are protected no less than indicated in paragraph 1.7.1 above, and/or

1.9. into transferrable securities and money market instruments, admitted to trading on the multilateral trading facility or not admitted to trading in the markets meeting criteria indicated in paragraph 1.7.1 above;

2. no more than 30% of net assets accounting for assets of the Company can be invested into one real estate object and/or Real Estate Company. This investment restriction does not apply to investments into Controlled Companies, if these companies invest the received funds into real estate objects, provided that:

2.1. a Controlled Company meets all requirements for investing assets applicable to the Company, when the Company invests 100% of net assets accounting for its assets into such a company;

2.2. the Company together with a Controlled Company meets all requirements for investing assets applicable to the Company, when the Company invests more than 30%, but less than 100% of net assets accounting for its assets into the Controlled Company;

2.3. the Depository is provided with all documents and information in connection with investments into the Controlled Company, which are necessary for the Depository for proper performance of its functions;

3. the total amount of investments into real estate objects under construction cannot exceed 20% of net assets accounting for the assets of the Company;

4. the total amount of investments into a real estate object and movable property and/or equipment necessary for its use cannot exceed 40% of net assets accounting for the assets of the Company;

5. the total amount of investments into securities, money market instruments issued by the same Controlled Company and liabilities of the Company due to financial derivatives transactions with that company cannot exceed 30% of net assets accounting for the assets of the Company;

6. the total amount of investments into investment instruments indicated in paragraph 5 hereof and investment objects indicated in paragraph 4 hereof, into which such Real Estate Company and the Company has invested, cannot exceed 30% of net assets accounting for the assets of the Company.

All investment decisions in connection with assets of the Company must be taken with regard to restrictions on investing assets of the Company provided for in applicable legal acts.

Investment portfolio of the Company can fail to meet the set diversification requirements for 4 years after the date when the LB issued a permit to certify documents of its incorporation and choose a Depository (issued a License to engage in activities of a closed-end investment company; this was done on 22 December 2016). In all cases, the right not to meet the set diversification requirements does not cancel the duty of the Management Company to invest assets of the Company in compliance with the above requirements.

If after the end of the 4 years term investment requirements are violated for reasons that the Management Company cannot control, any non-conformity must be eliminated as soon as possible, but in any case no later than within one year. This term can be longer only in exceptional cases, when the Management Company cannot correct the situation due to reasons beyond its control. In such a case, after the end of the one-year term, the Management Company must immediately inform the LB in writing about the situation and reasons for it. The notification must also indicate the expected date of fulfilment of the requirement

The Company is aware of the following non-compliance to the above requirements. In the case of Vilnius Vartai business complex the investment constitutes 37 percent of Issuers Net Asset Value.

Physical Commodities and Real Property

The Issuer does not invest directly in physical commodities.

The largest and key investments of the Group currently are investments into real estate objects in Lithuania and Latvia. The value of separate real estate objects, owned by the Group is provided in table below.

Table 17. Value of separate real estate objects (EUR thousand)

Object	Value as at the date of the Prospectus (Newsec/City Real Estate)	Value as at the date of the Prospectus (Ober-Haus)	Percentage of all the portfolio (Newsec/City Real Estate)	Percentage of all the portfolio (Ober-Haus)
IBC business center block A, Vilnius	2,001	2,140	3.9%	4.0%
IBC business center block B, Vilnius	6,670	6,550	13.0%	12.3%
IBC business center block C, Vilnius	165	230	0.3%	0.4%
IBC business center block D, Vilnius	1,413	1,270	2.7%	2.4%
IBC business center block F, Vilnius	5,223	6,670	10.1%	12.5%
IBC business center block G, Vilnius	6,590	5,440	12.8%	10.2%
Office and logistics building at Kirtimų str. 33, Vilnius	823	790	1.6%	1.5%
Office building block A at Palangos str. 4, Vilnius	4,056	4,570	7.9%	8.6%
Office building block B at Palangos str. 4, Vilnius	3,437	3,130	6.7%	5.9%
Žygio business center, Vilnius	2,405	2,570	4.7%	4.8%
Residential house at Kalvarijų str. 11, Vilnius	336	350	0.7%	0.7%
Dommo business park, Riga	8,074	8,040	15.7%	15.1%
Vilniaus vartai complex at Gynėjų str. 14, Vilnius	10,307	11,505	20.0%	21.6%
Total	51,500	53,255	100.0%	100.0%

Source: Asset valuation reports, the Company

1. IBC class A and B business centers at Šeimyniškių str. 1a/Šeimyniškių str. 3/A.Juozapavičiaus str. 6/Slucko str. 2 in Vilnius, Lithuania (owned by the Company)

IBC Business Center is a versatile, functional business premises complex. IBC is located in a very convenient location – on the right bank of the Neris River in the central part of Vilnius. It is situated near important public institutions and businesses, at the main business artery in the Constitution Avenue. Therefore, it is easily and quickly accessible from any place in Vilnius. The expected annual operating costs and expenses of the business centers are approximately EUR 0.7 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.

IBC Class A business center consists of two buildings, of which the premises of about 7,100 sq. m are leased (the total area of buildings – 11,400 sq. m). The center owns 250 spots of parking lot in the protected courtyard, also in the two-storey covered and underground garages. IBC Business Center is being constantly developed, more and more services are offered each year.



Block F basic information:

Total area: 4,500 sq. m

Leased area: 3,800 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 6.67 million (Ober Haus)
EUR 5.22 million (NewSec)



Block G basic information:

Total area: 6,900 sq. m

Leased area: 3,300 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 5.44 million (Ober Haus)
EUR 6.59 million (NewSec)

IBC Class B business center consists of 4 buildings, of which all kinds of different purpose premises of about 10,500 sq. m are leased (the total area of buildings – 11,300 sq. m). The center owns 200 spots of parking lot in the protected courtyard.

The IBC business center has a development opportunity; detailed plan of the area is prepared.

**Block A basic information:**

Total area: 2,100 sq. m

Leased area: 1,900 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 2.14 million (Ober Haus)
EUR 2.00 million (NewSec)

**Block B basic information:**

Total area: 7,400 sq. m

Leased area: 7,100 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 6.55 million (Ober Haus)
EUR 6.67 million (NewSec)

**Block C basic information:**

Total area: 200 sq. m

Leased area: 200 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 0.23 million (Ober Haus)
EUR 0.17 million (NewSec)

**Block D basic information:**

Total area: 1,600 sq. m

Leased area: 1,300 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value as at the day of the Prospectus: EUR 1.27 million (Ober Haus)
EUR 1.41 million (NewSec)

2. Office building at Palangos str. 4/Vilniaus str. 33, Vilnius, Lithuania (owned by the Company)

Business center is located in one of the busiest places in the Old Town of Vilnius, between Vilnius, Pamėnkalnio, Islandijos and Palangos streets. Vilnius Old Town – one of the most important components of the city and its center, the oldest part of the city of Vilnius, situated on the left bank of the Neris River. Old Town area – protected and managed in accordance with the special heritage protection; small business and residential function are being supported. There is a closed, guarded parking and underground garage in the area, convenient public transport access. Radvilų Palace, Teacher's House, Lithuanian Technical Library, St. Catherine's Church and other cultural attractions, cafes, restaurants are located near the building. The expected annual operating costs and expenses of the business center are approximately EUR 0.2 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.

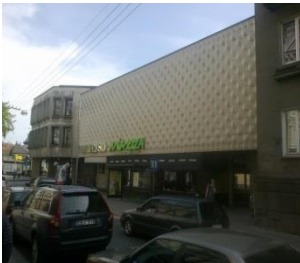
**Block A basic information:**

Total area: 5,100 sq. m

Leased area: 3,800 sq. m

Land area: 0.49 ha (total area of the complex)

Property market value as at the day of the Prospectus: EUR 4.57 million (Ober Haus)
EUR 4.06 million (NewSec)

**Block B basic information:**

Total area: 4,700 sq. m

Leased area: 2,400 sq. m

Land area: 0.49 ha (total area of the complex)

Property market value as at the day of the Prospectus: EUR 3.13 million (Ober Haus)
EUR 3.44 million (NewSec)**3. Žygio Business Center – office building at J. Galvydžio str. 7/Žygio str. 97, Vilnius, Lithuania (owned by the Company)**

Žygio business center – the yellow brick, authentic nineteenth century architecture, renovated office building, perfectly adapted to modern office activities. The building stands in the Northern Town (J. Galvydžio str. 7/Žygio str. 97) – in a strategically attractive, busy part of Vilnius, easily accessible by car and by public transport. Other commercial and business centers, banks, the State Tax Inspectorate, Social Insurance, Employment Exchange, medical clinics and various business services companies, attracting large flows of people, are located nearby. Furthermore, four large shopping centers – Domus Gallery, Parkas, Hyper Rimi, Banginis-Senukai, are located near the business center. Distance to the center of Vilnius is about 3.5 km. 70 spots of covered parking lot is installed next to the building. The expected annual operating costs and expenses of the business center are approximately EUR 0.06 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.

On 12 December 2016 the Company has entered into the Real Estate Sale-Purchase Agreement. Following this Agreement the Company has sold part of newly built premises at the address Žygio str. 97, Vilnius, and lease rights to part of land plot of 2,800 sq. m (out of 5,997 sq.m). In the future the buyer, having executed the separation of the land plot, may return to the Company the lease right to part of land plot of up to 1,300 sq. m. For more information on this transaction please see Section 4.14.5 *Significant Changes in the Issuer's Financial or Trading Position*.

**Basic information:**

Total area: 3,200 sq. m

Leased area: 2,600 sq. m

Land area: 0.32 ha (up to 0.45 ha, if the buyer returns to the Company up to 0.13 ha of land plot, as indicated above)

Property market value as at the day of the Prospectus: EUR 2.57 million (Ober Haus)
EUR 2.41 million (NewSec)**4. Office and logistics building at Kirtimų str. 33, Vilnius, Lithuania (owned by the Company)**

Administrative buildings and warehouses are in a strategically convenient location, in respect to storage/manufacturing, in the industrial area, in the southwestern part of Vilnius, Kirtimų street. This complex is very suitable for logistics, as it is located near the Western city bypass, which is one of the most important traffic arteries of Vilnius city. Engineering infrastructure is well-developed in the area. The expected annual operating costs and expenses of the building are approximately EUR 0.02 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.

**Basic information:**

Total area: 3,000 sq. m

Leased area: 2,500 sq. m

Land area: 0.67 ha

Property market value as at the day of the Prospectus: EUR 0.79 million (Ober Haus)
EUR 0.82 million (NewSec)

5. Dommo Business Park manufacturing/warehouse and office premises complex in Latvia (owned by DOMMO Group SIA and DOMMO Biznesa Parks SIA)



Basic information:

Total area: 12,800 sq. m

Leased area: 12,600 sq. m

Land area: 58.21 ha

Property market value as at the day of the Prospectus: EUR 8.04 million (Ober Haus)
EUR 8.07 million (City Real Estate)

The area is strategically well-located, to the right of Jelgava road, in front of the intersection with Jurmala – Tallinn bypass. Distance to the center of Riga and the airport is 13 km, the port – 16 km. The area is suitable for the development of logistics centers. The expected annual operating costs and expenses of the complex are approximately EUR 0.05 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.

6. Residential house at Kalvarijų str. 11, Vilnius, Lithuania (owned by Roveliija UAB)

The house borders with IBC complex area, owned by the Company. Roveliija UAB owns all apartments located in this building.



Basic information:

Total area: 276 sq. m

Property market value as at the day of the Prospectus: EUR 0.35 million (Ober Haus)
EUR 0.34 million (NewSec)

7. Vilnius vartai complex at Gynėjų str. 14, Vilnius, Lithuania (owned by the Company)

Vilnius Vartai complex is located in a heart of Vilnius, 100 metres from the Lithuanian Parliament and Gediminas Avenue. Nearby the building there is Geležinio Vilko street that helps to avoid traffic congestions and reach the desired Vilnius district in the fastest way. The expected annual operating costs and expenses of the complex are approximately EUR 0.2 million. These expenses include real estate and land taxes, insurance, repair, administration, commissions to third parties, security, buildings administration, cleaning and other costs related to maintenance of the real estate.



Basic information:

Total area: 8,100 sq. m

Leased area: 6,400 sq. m

Land area: 0.26 ha

Property market value as at the day of the Prospectus: EUR 11.51 million (Ober Haus)
EUR 10.31 million (NewSec)

Derivatives Financial Instruments/Money Market Instruments/Currencies

The Issuer can invest, however, has not invested to the derivatives financial instruments and money market instruments. In the future the Issuer might use such instruments for hedging the interest rate risk.

4.21 The Issuer's Service Providers

Fees, payable by the Issuer

The expenses incurred by the Company, which might be covered with assets of the Company, consist of (detailed information thereof is provided in Part XII of the Articles of Association, incorporated by reference to this Prospectus):

- the Management Fee payable to the Management Company;
- expenses related to services provided by the Depository;
- remuneration to property and business appraisers;
- expenses of incorporation (restructuring of activities) of the Company;
- accounting expenses of the Company, expenses of services of determining the value of Shares;
- remuneration for audit services and consultations;
- remuneration to consultants for legal services and representation;
- expenses of litigation and judicial processes;

- other legal expenses incurred by the Management Company in defence of interests of shareholders and/or the Company;
- fines and default interest (including interest) arising out of and/or in connection with obligations of the Company;
- remuneration to financial institutions for their services (opening and management of accounts, execution of cash and securities operations, fulfilment of orders, currency exchange, etc.) and expenses related to such services (commission and other fees);
- expenses incurred by the Advisory Committee;
- expenses incurred by the Investment Committee;
- expenses incurred by the Audit Committee;
- state and municipal taxes, levies and charges;
- expenses related to acquisition, management and sale of investment objects, including, without limitation, expenses related to lease of assets, administration of assets, etc.;
- expenses of preparation and translation of information about the Company (including documents and agreements of the Company) and its presentation to shareholders;
- consultancy expenses;
- expenses of preparing and amending prospectuses and the Articles of Association;
- expenses related to obtaining and modifying licences and permits;
- expenses related to admission of Shares of the Company to trading on a regulated market and remuneration to the operator of the regulated market for its services;
- expenses related to services provided by CSDL;
- remuneration to the operator of the regulated market, to financial intermediaries related to offering of or subscription for new Shares;
- expenses for notaries public and registers;
- expenses related to loans obtained in the name of the Company;
- currency exchange rate and interest rate change hedging expenses;
- expenses of maintaining assets owned by the Company;
- expenses related to development of business of the Company (including expenses of designing, construction and their management, sale of property);
- expenses of documentation, registration and deregistration of securities for performance of obligations;
- commissions for real estate brokers;
- enforced debt recovery expenses;
- expenses of preparation and presentation of information about the Company;
- expenses of insuring persons responsible for activities of the Company (i.e. insurance against damage and/or liability);
- expenses of insurance on assets of the Company;
- expenses of presentation of the Company and its assets (entertainment, advertising, etc. expenses) and marketing expenses (including, without limitation, sponsorship expenses);
- effect of discounting the Performance Fee (including corrections in accounting mandatory according to the IAS and/or the accounting policy and/or the Net Asset Value calculation rules);
- other expenses compensated to the Depository and the Management Company incurred by them for the benefit of the Company.

The Performance Fees shall be additionally paid to the Management Company under the procedure set in the Articles of Association. The Performance Fees and its effect expenses shall not be included in the maximum amount of expenses indicated in paragraph below.

The total amount of expenses paid from the assets of the Company and related to the activities of the Company shall not exceed 10% of the average annual Net Asset Value of the Company. This expense limit shall not include expenses incurred by the Company, exclusively related to maintenance and/or development of real estate objects owned by it (including, without limitation, expenses of construction of real estate objects, public utilities expenses, object cleaning services, expenses for manned security, expenses of geodesic and cadastre measurements, etc.).

Expenses of the Company, exclusively related to improvement of a specific real estate object, shall be deemed a part of the Company's investments into a relevant real estate object and shall not be subject to the total limit of expenses indicated in paragraph above.

Management Fee

The Management Fee is the remuneration paid to the Management Company for management of the assets of the Company, which shall be payable for each quarter of a calendar year. The Management Fee for a full quarter of a calendar year shall be 0.375% of the weighted average capitalisation of the Company, calculated according to the following formula:

$$VM_{ketv} = VSK_{ketv} * A$$

where:

VM_{ketv} – the amount of the Management Fee;

A – the quarterly Management Fee in percentage terms, used for the calculation of the quarterly Management Fee;

VSK_{ketv} – quarterly weighted average capitalization of the Company calculated according to the following formula:

$$VSK_{ketv} = \frac{T_{ketv}}{Q_{ketv}} * \sum_{i=1}^{n_{ketv}} \frac{Vnt_i}{n_{ketv}}$$

where:

Vnt_i – number of Shares of the Company at the end of business day i;

Q_{ketv} – number of Shares transferred on the regulated market during the respective quarter;

n_{ketv} – number the business days per respective quarter, irrespective of the number of trading days (except when the Management Fee is calculated not for a full quarter of a calendar year; in this case the number of business days in a relevant period shall be used in the calculation);

T_{ketv} – turnover of the Shares during the respective quarter according to Shares trading data on the regulated market, calculated according to the formula:

$$T_{ketv} = \sum_{j=0}^k (P_j * Q_j)$$

k – the number of transactions on the regulated market during the respective quarter;

P_j – Share price of transaction j on the regulated market;

Q_j – the number of Shares traded in transaction j on the regulated market.

If the Management Fee is calculated only for a part of a calendar quarter of the year – the Management Fee in percentage terms shall be recalculated by dividing it by the number of business days in the calendar quarter and multiplying by the number of business days in the period for which the Management Fee is calculated (a part of the quarter). If there was no trading in Shares throughout the entire calendar quarter, the Management Fee for the quarter of a calendar year shall be equal to 0.375% of the average Net Asset Value of the Company in the quarter, which shall be calculated as the arithmetic average of the values at the beginning and at the end of the quarter.

The calculated Management Fee shall be entered into accounts and added to the Net Asset Value according to the accounting policy of the Management Company and the rules for calculating the Net Asset Value.

Depository Fee

According to the agreement signed with the Depository, the Company will have to pay the annual fee for services of the Depository in the amount set in the agreement for provision of the Depository's services, the minimum amount of which shall be EUR 5,000 per quarter.

The services of the Depository shall be paid for according to the invoice issued by the Depository to the Management Company or directly to the Company. The annual fee for services of the Depository shall not exceed 0.15% of the average annual Net Asset Value of the Company.

Performance Fee

The share of profit of the Company assigned to the Management Company, i.e. the Performance Fee, directly depends on the return earned by the Company, which shall be calculated for the whole Company but not for an individual shareholder. Microsoft Excel function XIRR shall be used for determining the return earned by the Company, which shall regard days (i.e. account shall be taken of periods) when positive and negative flows occurred and the amount of such flows.

The profit of the Company shall be the amount of positive and negative flows in respect of shareholders, where:

1. the initial negative flow:

1.1. until the last day of the reporting period (a calendar quarter of the Company's activities), after the end of which the Performance Fee is paid to the Management Company for the first time – the initial negative flow is deemed equal to the Net Asset Value on the last day of a previous month, before the Company was granted a closed-end type investment company License;

1.2. after the date indicated in paragraph above – the initial negative flow is deemed equal to the amount of funds, used for calculation of the Performance Fee paid to the Management Company last time, which is determined according to Article 165 of the Articles of Association (if the Net Asset Value was used for calculation of the paid Performance Fee, then the initial negative flow for the next calculation shall be the Net Asset Value determined at the end of the reporting period (for which the Performance Fee was paid last time) according to Article 163.6 of the Articles of Association, reduced by the amount of the Performance Fee paid to the Management Company after the reporting period, for which the Performance Fee was paid last time);

2. a positive flow is dividend paid to shareholders, if any was paid when distributing the net profit of the Company;

3. a positive flow is funds disbursed to shareholders by the Company when purchasing its own Shares;

4. a positive flow is funds disbursed to shareholders by the Company when mandatorily redeeming Shares;

5. a positive flow is funds disbursed to shareholders by the Company when reducing the authorised capital;

6. a positive flow is the Net Asset Value, plus the Performance Fee commitment recognised in the balance sheet of the Company as at the end of the period for calculation of the Performance Fee assigned for the Management Company;

7. a positive flow is any other payments to shareholders;

8. a negative flow is the size of each new Share issue.

Assignment of the Performance Fee

Profit of the Company will be distributed in following way:

- profit of the Company shall be assigned only to shareholders until the share of profit assigned to them reaches the average return of 8% earned by the Company on the negative flows indicated in Article 163 of the Articles of Association (amounts of funds invested by shareholders) during the period of calculation of the Performance Fee assigned to the Management Company;
- after the distribution provided for in paragraph above, 80% of all the remaining free funds shall be assigned to shareholders, whereas 20% – to the Management Company as the Performance Fee. The Performance Fee, which was calculated in earlier calculation periods, but which was not paid according to Article 169 of the Articles of Association, shall reduce the Performance Fee calculated in a new calculation period;
- in case the annual return of the Company is less than or equal to 8%, no Performance Fee shall be assigned to the Management Company – all the return of the Company shall be assigned to shareholders.

The assignment of the Performance Fee shall be subject to the high-water mark principle, which says that the Performance Fee can be assigned only in case the Net Asset Value or the average weighted capitalisation of the Shares for the last ended quarter on the Nasdaq stock exchange (whichever is less) exceeds the highest value calculated until then, according to which the Performance Fee was paid. In such a case, in later periods the initial point for calculation of the Performance Fee shall be the value of the highest limit which was reached last (the Net Asset Value or the average weighted capitalisation of the Shares for the last ended quarter on the Nasdaq) (whichever is less), for which the Performance Fee was paid to the Management Company.

The Performance Fee commitment shall be recalculated on the Net Asset Value calculation day (each quarter), taking into account the return earned by the Company from the date indicated in paragraph 162.1.1 of the Articles of Association until the relevant Net Asset Value calculation day.

The calculated Performance Fee commitment shall be entered into accounts and added to the Net Asset Value subject to the accounting policy of the Company and the Net Asset Value calculation rules approved by the Management Company.

Payment of the Performance Fee

The assigned Performance Fee shall be paid to the Management Company after the end of a calendar quarter of activities of the Company.

The Performance Fee shall be paid to the Management Company if the following conditions are satisfied:

- the condition indicated in paragraph 164.1 of the Articles of Association is satisfied;
- the return earned by the Company for shareholders, calculated both according to the Net Asset Value defined in paragraph 163.6 of the Articles of Association and according to the average weighted capitalisation of the Shares for the last ended quarter on the Nasdaq, exceeds the average return of 8% earned by the Company on the negative flows indicated in Article 163 of the Articles of Association (the amounts of funds invested by the shareholders);
- the Performance Fee paid to the Management Company cannot exceed the return earned by the Company for shareholders, calculated on the lesser of the amounts indicated in paragraph above. In determining the Performance Fee amount, which must be paid to the Management Company in the nearest reporting period, paragraph 164.2 of the Articles of Association shall apply, accordingly using the lesser of the amounts indicated in paragraph above instead of the amount indicated in paragraph 163.6 of the Articles of Association in calculations;
- the average weighted capitalisation of the Shares for the last ended quarter on the Nasdaq exceeds the highest value calculated until then, according to which the Performance Fee was paid.

Service provider, which shall determine and calculate the Net Asset Value

Net asset value is determined and calculated by the Management Company (INVL Asset Management UAB) and verified by the Depository (custodian) – SEB bankas AB.

Potential conflicts of interest

Currently the Company is aware of the potential conflicts of interest, as indicated in Section 4.8.4 *Conflicts of Interest of the Management*. Apart from that the Issuer currently is not aware of any other material conflicts of interest, which any of the service providers to the Issuer may have as between their duty to the Issuer and duties owed by them to third parties and their other interests.

Disregarding the above, the Management Company, which manages the assets of the Issuer has implemented appropriate measures for avoiding conflicts of interest, which enable to perform the activities of managing the risk of conflicts of interest and managing conflicts of interest independently, in order to avoid/reduce the risk of conflicts of interest or properly manage a conflict of interest when it occurs.

4.22 Investment Manager/Advisers

Data about the investment manager (Management Company), which manages the assets of the Issuer is provided in table below:

Legal and commercial name of the Management Company	INVL Asset Management UAB
Place of registration of the Management Company (registered office)	Gynėjų str. 14, Vilnius, Lithuania
Corporate ID code of the Management Company	126263073
Legal form of the Management Company	private limited liability company
Legislation under which the Management Company operates	Lithuanian
Country of incorporation of the Management Company	Republic of Lithuania
Date of incorporation of the Management Company	21 July 2003
Telephone number	+370 700 55 959
Fax number	+370 5 279 06 02
Email	info@invl.com
Internet address	www.invl.com

The Management Company holds the licence of management company No. VĮK-005, issued by the LB.

INVL Asset Management UAB provides asset management services for private and institutional investors. Entity manages pension funds, mutual funds, private equity and private portfolios. In the future it is planned that the entity will become the manager of private equity funds investing in IT and Real Estate. Entity is consulting on formation of individual portfolios. In the end of 2015 the assets under management thereof was around EUR 250 million while the number of clients was around 120 thousand.

The entity was established on 21 July 2003. INVL Asset Management received asset management company licence on 15 January 2004 and started its operations accordingly. Sole shareholder of the company is Invalda INVL AB.

On 29 December 2006 Medicinos banko investicijų valdymas UAB was merged to INVL Asset Management, increasing the assets under management by EUR 0.5 million. In December 2007 the entity acquired four pension funds from a competitor PZU Lietuva gyvybės draudimas UAB for EUR 1.7 million, increasing the number of clients by 26 thousand or 1.4 times.

On 16 September 2009 Invalda INVL AB sold Finasta Asset Management UAB to Snoras investicijų valdymas UAB. The same year the entity acquired 100% of shares in SNORAS Asset Management UAB.

On 16 November 2011 Lithuanian government nationalized bank SNORAS AB – at that time the owner of INVL Asset Management and on 7 December 2011 bank SNORAS AB was officially bankrupt.

On 2 December 2014 Invalda INVL AB again acquired INVL Asset Management UAB from the bankruptcy administrator.

On 23 September 2014 Invalda INVL AB acquired MP Pension Funds Baltic managing pension fund portfolio of EUR 90 million.

On 29 September 2015 the LB approved a decision to terminate the licence of MP Pension Funds Baltic leading to the merger of INVL Asset Management and MP Pension Funds Baltic.

Information on the members of the Management Board, Manager (General Manager) of the Management Company as well as members of the Investment Committee of the Company is provided in Section 4.8.2 *Members of the Administrative, Management Bodies and Key Executives*.

The main obligations of the Management Company towards the Issuer are indicated in Section 4.15.2 *Articles of Association* and in the Management Agreement, approved by the General Meeting, dated 10 November 2016 and signed on the same day.

4.23 Custody (Depository)

Data about the custody (Depository), which keeps the assets of the Issuer is provided in table below:

Legal and commercial name of the Depository	SEB bankas AB
Place of registration of the Depository (registered office)	Gedimino ave. 12, Vilnius, Lithuania
Corporate ID code of the Depository	112021238
Legal form of the Depository	public limited liability company
Legislation under which the Depository operates	Lithuanian
Country of incorporation of the Depository	Republic of Lithuania
Date of incorporation of the Depository	29 December 1990
Telephone number	+370 5 268 2800
Fax number	+370 5 268 2333
Email	info@seb.lt
Internet address	www.seb.lt

The Depository holds the licence of a bank No. 2, issued by the LB.

Under the Depository Services Agreement, approved by the General Meeting, dated 10 November 2016, the Depository is obligated:

- referring to documents and information presented by the Company, to keep records of assets of the Company, which cannot be entered in cash and securities accounts of the Company opened with SEB bankas AB. The Depository's duty to keep records of such assets of the Company appears only at the moment when the Depository is provided with documents, confirming which assets make the Company's assets;
- to accept the Company's assets (cash and securities, which can be entered in cash and securities accounts of the Company opened with SEB bankas AB) for keeping and to keep their records separately from other assets of the Management Company and the Depository. Taking into account that the securities account according to the Securities Account Management Agreement and the bank account according to the Bank Account Agreement are opened in the name of the Company, it means that in this way the Depository separates the Company's cash and securities from assets of the Depository, other clients of the Depository and from assets of the Management Company;
- to credit cash and securities owned by the Company (which can be kept in the securities account opened in the name of the Company) to the cash and securities accounts opened in the name of the Company;
- to keep securities, kept in the securities account opened in the name of the Company, as a custodian according to the Securities Account Management Agreement, the general rules for service provision approved by the Depository and other internal legal acts of the Depository regulating keeping of securities in the Depository;
- to keep the Company's cash in the bank account opened in the name of the Company according to the Bank Account Agreement and the general rules for service provision approved by the Depository and other internal legal acts of the Depository regulating recording of cash and cash transactions. The Depository would like to note that the Company's cash in the bank account opened according to the Bank Account Agreement, deposits made on behalf of the Company and other cash of the Company kept with the Depository (if any) are not covered with insurance of deposits by Indėlių ir Investicijų Draudimas VĮ according to the Law on Insurance of Deposits and Liabilities to Investors;
- to fulfil instructions of the Management Company if they are not in conflict with requirements of legal acts of the Republic of Lithuania and the Articles of Association;
- to make payments and non-payment transfers of securities from the Company's cash account and securities account no later than on the next business day after receipt of a relevant instruction of the Company, unless the Management Company indicates another date and time for fulfilment of the instruction;
- to ensure that the payment for transferred assets of the Company would be assigned to the Company within the time set by legal acts of the Republic of Lithuania and the Articles of Association. In case of transfer of the Company's assets other than those kept in the Company's cash and securities accounts opened with SEB bankas AB, the Depository's duty to ensure that the proceeds for such transferred assets of the Company would be assigned to Company appears only from the moment when money is transferred to the Company's cash account opened with SEB bankas AB;
- to check whether the Company's income (money) is used according to requirements of legal acts of the Republic of Lithuania and the Articles of Association. When assets (money) of the Company are invested into equity or non-equity securities or other financial instruments, this duty of the Depository shall be performed referring to documents and information received from the Management Company;
- immediately, but in any case no later than within 5 (five) business days, to notify the Management Company by e-mail about all noticed violations of legal acts of the Republic of Lithuania or documents of the Company;
- after informing the Management Company, to notify the LB about all noticed violations of legal acts or the Articles of Association;
- to ensure that the value of Shares would be calculated according to the requirements of legal acts of the Republic of Lithuania and the Articles of Association;
- to ensure that sale, issue, redemption and cancellation of Shares would be performed according to the requirements of legal acts of the Republic of Lithuania and the Articles of Association;
- no later than the date of calculation of the net assets, referring to information presented on that working day until 10:00, to check the net asset value and the value of Shares of the Company and to inform the Management Company about that by 14:00;

- upon request of the Management Company or upon receipt of important information, which is necessary in order that the Management Company could fulfil its duties, to immediately transfer such information to the Management Company, as well as to give the Management Company reports about the Company's assets, their change and accounts.

4.24 Property Administrator

On 2 January 2013 the Company has entered into an agreement with the third party for property management and administration services of the Company's asset portfolio. Under this agreement, third party company, as an administrator of the property, is committed to increase Company's value and maintain high quality of service for buildings' tenants and employees. The Company is paying 7% administration fee of its net revenue for this services. The agreement also establishes, that the Company will compensate the brokerage costs and bad debts of customers up to EUR 29,000 per year. The agreement is signed for a term until 30 September 2017.

Data about the property administrator of Company's asset portfolio is provided in table below:

Legal and commercial name of the property administrator	Inreal valdymas UAB
Place of registration of the property administrator (registered office)	Palangos str. 4, Vilnius, Lithuania
Corporate ID code of the property administrator	222894170
Legal form of the property administrator	private limited liability company
Legislation under which the property administrator operates	Lithuanian
Country of incorporation of the property administrator	Republic of Lithuania
Date of incorporation of the property administrator	22 December 1994
Telephone number	+370 5 273 09 44
Fax number	+370 5 273 30 65
Email	info@inreal.lt
Internet address	www.inreal.lt

4.25 Valuation

Accounts of the Company shall be kept and financial statements of the Company shall be prepared following the IAS, the Law on Accounting, the Law on Collective Investment Undertakings, legal acts adopted by the Board of the LB, which define keeping of financial accounts and drawing up of financial statements, as well as other legal acts regulating financial accounting and financial statements.

The currency in which the Net Asset Value shall be calculated is the Euro.

The Management Company must ensure that real estate objects forming the investment portfolio of the Company or planned to be acquired are valued by at least two independent property appraisers, having the right to engage in real estate valuation business, who shall present separate conclusions. In case the investment portfolio of the Company contains real estate objects located outside the Republic of Lithuania, the Management Company must ensure that its value is determined by at least one real property appraiser meeting requirements for real property appraisers set in legal acts of a relevant foreign state.

Heads or employees of the Management Company, the Company or the Depository cannot be a real property appraiser. The same real property appraiser can perform valuation of assets the Company for no longer than 3 years in sequence. Real property appraiser selected by the Management Company shall:

- perform valuation of each real estate object forming the assets of Company, on the basis of which the Net Asset Value is calculated;
- no earlier than a month before the conduction of a real estate object purchase or sale transaction, perform valuation of the real estate object planned to be acquired or sold as assets of the Company, except when real estate objects forming the assets of the Company were valued no earlier than 6 months before and there have been no essential economic changes or essential changes in real estate market prices, due to which new valuation must be performed.

An additional independent real estate valuation (without participation of property appraisers that performed a previous property valuation) shall be performed on the initiative of the LB when:

- it is established that the performed property valuation does not meet requirements set in the documents of incorporation of the Company;
- there is a reason to believe that the performed property valuation was not objective and may violate interests of the Shareholders.

The Net Asset Value shall be calculated by deducting liabilities, including the Management Fee commitments and the Performance Fee commitments, from the assets of the Company.

The calculation of the Net Asset Value must be based on the fair value of the assets and liabilities of the Company. The fair value is the value, for which it is possible to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date. Calculations of the Net Asset Value shall be performed at least once per three months based on property valuations performed by independent property appraisers, having the right to engage in such a business. A property appraiser must meet the following requirements:

- an external property appraiser must be competent and must have the right under the procedure set by legal acts to engage in property or business valuation business;
- an external property appraiser must have valid professional indemnity insurance for at least EUR 100,000;
- an external property appraiser must be of sufficiently good repute;
- an external property appraiser cannot be a co-owner of the property under valuation, cannot be related by blood or kinship to the owner (co-owner) of the property under valuation or heads of the Management Company;
- an external property appraiser must meet and fulfil requirements of legal acts, which apply to an external property appraiser of the assets of the Company.

An external property appraiser can be replaced by reason of negative comments of the auditor, the LB, a material breach or improper fulfilment of the agreement for provision of services, material deterioration of the appraiser's reputation, cancellation of the qualification certificate issued by a competent governmental authority, discontinuation of the appraiser's business and in other cases for important reasons.

Real estate objects forming assets of the Company shall be deemed valued if their value has been established no earlier than 6 months before and only in case there have been no essential economic changes or essential changes in real estate market prices, due to which new valuation must be performed. Management Company should give a decent evaluation should material changes in real estate value occur.

The value of Real Estate Companies shall be determined according to their values presented by an independent business appraiser, having the right to engage in such a business. The business appraiser must meet the qualification, transparency and experience requirements provided for in the accounting policy of the Management Company and the rules for calculation of the Net Asset Value and in legal acts.

The calculation of the Net Asset Value shall be performed as on the last day of a calendar quarter and the set value shall be announced:

- for the first quarter of a calendar year and for the first three quarters of a calendar year – no later than within one month after the end of the reporting quarter;
- for half a year – no later than within 2 months after the end of the reporting half a year;
- for a year – no later than within 4 months after the end of the reporting year.

The calculation of the Net Asset Value is discussed in detail in the accounting policy of the Management Company and the rules for calculation of the Net Asset Value.

Asset Valuators

Data about the asset valuers of the Company is provided in table below:

Legal and commercial name of the asset valuator	OBER-HAUS nekilnojamas turtas UAB
Place of registration of the asset valuator (registered office)	Geležinio Vilko str. 18A, Vilnius, Lithuania
Corporate ID code of the asset valuator	111645042
Legal form of the asset valuator	private limited liability company
Legislation under which the asset valuator operates	Lithuanian
Country of incorporation of the asset valuator	Republic of Lithuania
Date of incorporation of the asset valuator	10 September 1998
Telephone number	+370 5 210 97 00
Fax number	+370 5 210 97 01
Email	info@ober-haus.lt
Internet address	www.ober-haus.lt

This asset valuator of the Company holds the qualification certificate of the asset appraiser's company No. 000112, issued by Audito, apskaitos, turto vertinimo ir nemokumo valdymo tarnybos prie Lietuvos Respublikos finansų ministerijos.

Legal and commercial name of the asset valuator	Newsec valuations UAB
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Place of registration of the asset valuator (registered office)	Konstitucijos ave. 21C, Vilnius, Lithuania
Corporate ID code of the asset valuator	126212869
Legal form of the asset valuator	private limited liability company
Legislation under which the asset valuator operates	Lithuanian
Country of incorporation of the asset valuator	Republic of Lithuania
Date of incorporation of the asset valuator	5 May 2003
Telephone number	+370 5 252 64 44
Fax number	+370 5 252 64 46
Email	info@newsec.lt
Internet address	www.newsec.lt

This asset valuator of the Company holds the qualification certificate of the asset appraiser's company No. 000170, issued by Audito, apskaitos, turto vertinimo ir nemokumo valdymo tarnybos prie Lietuvos Respublikos finansų ministerijos.

Legal and commercial name of the asset valuator	Ober Haus Vertesanas Serviss SIA
Place of registration of the asset valuator (registered office)	Gustava Zemgala str. 76, Riga, Latvia
Corporate ID code of the asset valuator	4003411495
Legal form of the asset valuator	private limited liability company
Legislation under which the asset valuator operates	Latvian
Country of incorporation of the asset valuator	Republic of Latvia
Date of incorporation of the asset valuator	23 September 1998
Telephone number	+371 6728 4544
Fax number	+371 6728 4526
Email	latvia@ober-haus.lv
Internet address	www.ober-haus.lv

This asset valuator of the Company holds the qualification certificate of the immovable property appraiser's company No. 5, issued by Latvijas ipasumu Vertetaju asociacija.

Legal and commercial name of the asset valuator	City Real Estate Company SIA
Place of registration of the asset valuator (registered office)	Stabu iela 33 - 17, Riga, Latvia
Corporate ID code of the asset valuator	40003783994
Legal form of the asset valuator	private limited liability company
Legislation under which the asset valuator operates	Latvian
Country of incorporation of the asset valuator	Republic of Latvia
Date of incorporation of the asset valuator	22 November 2005
Telephone number	+371 2917 5690
Email	inga.meiere@gmail.com
Internet address	-

This asset valuator, acting on behalf of the Company (Inga Meiere) holds the qualification certificate of the immovable property appraiser's No. 48, issued by Latvijas ipasumu Vertetaju asociacija.

4.26 Cross Liabilities

Not applicable as the Issuer acts as a special collective investment undertaking, and not as an umbrella collective investment undertaking.

4.27 Financial Information

Selected financial information of the Issuer is provided in Section 4.2 *Selected Financial Information* and in IFRS Financial Statements, which are incorporated by reference to this Prospectus and discussed in Section 4.14.5 *Significant Changes in the Issuer's Financial or Trading Position*.

Information regarding the portfolio assets of the Company is described in Section 4.20 *Investment Restrictions*, subparagraph *Physical Commodities and Real Property* in detail.

Table 20. Net assets value, EUR thousand

	30 September 2016 (unaudited)	Year ended 31 December	
		2015	2014
ASSETS			
Investment properties	52,240	51,747	33,848
Other non-current assets	856	855	4,979
Current assets	1,027	932	781
Non-current assets and assets of disposal group classified as held-for-sale	756	981	-
Total assets	54,879	54,515	39,608
Non-current borrowings	(21,062)	(22,876)	(19,432)
Deferred income tax liability	(4,231)	(4,037)	(3,567)
Other non-current liabilities	(199)	(378)	(593)
Current borrowings and current portion of non- current borrowings	(709)	(1,740)	(1,068)
Other current liabilities	(1,203)	(6,897)	(457)
Total liabilities	(27,404)	(35,928)	(25,117)
Total net assets	27,475	18,587	14,491

Source: the Company

As of 30 September 2016 the number of Shares issued was 65,750,000, net asset value of the Company was EUR 27,475 thousand, net asset value per Share was EUR 0.42.

V SHARE SECURITIES NOTE

5.1 Working Capital Statement

In the opinion of the Management, the Company's working capital is sufficient to meet its present requirements for at least the next 12 months following the date of the Prospectus and the Company does not anticipate having shortage of working capital in the nearest future.

5.2 Capitalisation and Indebtedness

The tables below present a statement of capitalisation and indebtedness as at 30 September 2016. The Management has not observed any material changes to the numbers, indicated below as at the date of the Prospectus:

Table 21. Capitalisation

Item, EUR thousand	30 September 2016
Total Current Debt	709
Guaranteed and secured*	227
Secured**	482
Unguaranteed/Unsecured	-
Total Non-Current Debt (excluding current portion of long – term debt)	21,062
Guaranteed and secured*	2,512
Secured**	18,546
Unguaranteed/Unsecured	4
Shareholder's Equity:	24,564
Share Capital	19,068
	2,478
Legal Reserve	190
Other Reserves	2,828
Total	46,335

Source: the Company, unaudited

* Guaranteed and secured debt relate to bank borrowing amounting to EUR 2,739 thousand, which the Subsidiary Dommo Biznesa parks SIA has received from ABLV Bank AS and which is secured by the pledge of investment properties located in Riga, Latvia, with carrying amount of EUR 8,027 thousand as at 30 September 2016, and which is guaranteed by the Subsidiary Dommo Grupa SIA.

** Secured debt relate to bank borrowing amounting to EUR 19,028 thousand, which the Company has received from Šiaulių bankas AB and which is secured by the pledge of investment properties located in Vilnius, Lithuania, with carrying amount of EUR 44,191 thousand as at 30 September 2016.

Table 22. Indebtedness

Item, EUR thousand	30 September 2016
A. Cash	447
C. Trading Securities	-
D. Liquidity (A) + (B) + (C)	447
E. Current Financial Receivable	386
F. Current Bank Debt	-
G. Current portion of non-current debt	709
H. Other current financial debt	-
I. Current Financial Debt (F) + (G) + (H)	709
J. Net Current Financial Indebtedness (I) – (E) – (D)	(124)
K. Non-current Bank Loans	21,058
L. Bonds Issued	-
M. Other non-current Loans	4
N. Non-current Financial Indebtedness (K) + (L) + (M)	21,062
O. Net Financial Indebtedness (J) + (N)	20,938

Source: the Company, unaudited

There was no indirect or conditional indebtedness as at 30 September 2016.

5.3 Interest of Natural and Legal Persons Involved in the Issue/Offer

Not applicable. Taking into consideration that this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq as well as that there is no public issue/offer of the Shares (or any part thereof), there are no interests, including conflicting ones related to the Admission of the Shares to trading on Nasdaq.

5.4 Reasons for the Offering and Use of Proceeds

Not applicable, as this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Company to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq.

There is no public issue/offer of the Shares (or any part thereof). Furthermore, no proceeds will be received by the Company as a result of the Admission.

5.5 Information Concerning the Securities to be Admitted to Trading and Continuously Traded

Description of the Shares of the Company

Type of the Shares:	ordinary registered Shares, with a nominal value of EUR 0.29
ISIN number:	LT0000127151. Following approval of this Prospectus and announcement hereof (including its summary translation into Lithuanian language) ISIN number of the Shares will be the same – LT0000127151. Based on the documents, provided by the Issuer, the CSDL will make the respective entries in its system regarding becoming by the Issuer of the special closed-end type investment Company and the Shares of the Company will be continuously traded on Nasdaq
Currency of Shares:	EUR
Form of Shares:	Registered dematerialised shares in book-entry form. Entity currently in charge of keeping the records is Šiaulių bankas AB, code 112025254, registered at the address Tilžės str. 149, Šiauliai, Lithuania

Legislation, under which the Shares have been created, includes the Civil Code of the Republic of Lithuania, the Law on Companies, the Law on Securities and other related legal acts.

Decision by which the Shares are issued

The Shares have been issued and admitted to trading on Nasdaq on the basis of the reorganization terms of the Former Parent Company (that ceased to exist after the Merger) and of Invaldos nekilnojamojo turto fondas AB (currently the Company), dated 30 June 2015, which were approved by the General Meeting of 10 August 2015. The Shares placed during the secondary public offering (22,523,748 Shares with a nominal value of EUR 0.29 each) have been issued and admitted to trading on Nasdaq on the basis of the resolution of the General Meeting of 28 October 2015.

Transfer restrictions

There are no restrictions on transfer of Shares as they are described in the applicable Lithuanian laws.

Rights and obligations granted by securities

All the Shares are *pari passu* (at an equal pace without preference) with regard to property and non-property rights they grant to shareholders.

Exercise of rights granted by Shares of the Company may be limited only on the grounds and under the procedure prescribed by laws. The Articles of Association do not provide for any exceptions to this rule.

The record date of the property rights of shareholders is the tenth business day after the General Meeting that took a relevant decision, i.e. the property rights determined by a decision of the General Meeting are held by the persons who were shareholders of the Company at the close of the tenth business day after the General Meeting that took a relevant decision.

The list of the shareholders' rights indicated in the Articles of Association is provided in Section 4.15.2 *Articles of Association*. Below is the brief description of certain material rights of the Company's shareholders.

Dividend and other distributions

Pursuant to the Law on Companies, the Issuer may distribute its profits or assets to shareholders only (i) by paying dividend; (ii) in case of liquidation of the Issuer; or (iii) in case of reduction of the authorised capital of the Issuer. The persons, who were shareholders of the Company at the close of the tenth business day (the record date) after the General Meeting that took a relevant decision, shall have a right to receive the respective amounts.

Dividend

A dividend is a share of profit allocated to a shareholder in proportion to the nominal value of shares owned by him/her/it. If a share is not fully paid-up and the time limit for the payment has not yet expired, a dividend will be reduced in proportion to the unpaid amount of the share price. If the share is not fully paid-up and the time limit for the payment has expired, no dividend is paid.

Dividend can be declared by a decision of the General Meeting, following the terms and conditions, indicated in Articles of Association, incorporated by reference to this Prospectus. The Issuer can declare dividend from the profit available for

appropriation, which consists of the new profit of the accounting year, plus or minus, respectively, the profit (loss) brought forward from the previous year and reserves that the shareholders, following the procedure established by laws, decide to distribute, and minus any sums that the General Meeting decides to allocate for other purposes pursuant to the requirements of the Law on Companies and the provisions of Articles of Association.

Dividend is paid to shareholders pro rata to the aggregate nominal value of shares held by them. Dividend is not cumulative as the Issuer has not issued any preference shares with cumulative dividend, owners of which would be guaranteed the right to dividend in the amount indicated in such shares.

The General Meeting may not adopt a decision to allocate and pay dividend if: (i) the Issuer has outstanding obligations which became due before the decision of the General Meeting; (ii) the Issuer's result of the reporting financial year available for distribution is negative (i.e. losses have been incurred); (iii) the equity of the Issuer is lower or upon payment of dividend would become lower than the aggregate amount of the authorised capital, the mandatory reserve, the revaluation reserve and the reserve for redemption of own shares.

The Issuer must pay the allocated dividend within one month from the day of adoption of a decision by the General Meeting on allocation and payment of dividend, except for cases when the Management Company decides to postpone payment of dividend following the provisions of the Articles of Association.

The term of limitations with respect to filing a dividend payment claim with the court expires 10 years after the date the dividend had to be paid, in which case the unpaid dividend amount goes to the Issuer.

Both residents and non-residents of Lithuania are subject to the same dividend payment rules, except for the taxation matters described in the Section *Taxation*.

For more information on dividends as well as on peculiarities related to payment of dividends please see Section 4.14.3 *Dividend Policy*.

Distribution of the Issuer's assets in case of liquidation

Under Part XVI of the Articles of Association, the Company can be liquidated:

- when there is a decision of court or creditors to liquidate the bankrupt Company;
- at the end of the Term of Activities of the Company;
- in other cases, set by laws.

After it is decided to liquidate the Company, the Management Company shall automatically become the liquidator of the Company, which shall perform all the liquidator's functions.

In the case provided for in paragraph 187.2 of the Articles of Association, decisions on liquidation of the Company shall be taken and other actions shall be performed taking into account the procedure set in Articles 106 – 109 thereof. When the decision to liquidate the Company comes into effect, the liquidator must immediately provide the LB with a set of financial statements of such Company as on the date of taking the liquidation decision, the auditor's report and the audit report on such a set.

Assets of the Company in liquidation must be sold at best conditions for and in the best interests of the shareholders. The General Meeting shall not have the right to take decisions, which would obligate the liquidator to act not at best conditions for and not in the best interests of the shareholders, including, without limitation, to set terms of completion of the liquidation procedure, the procedure and conditions of sale of the Company's assets. Payments to shareholders shall be effected in cash. The detailed procedure of sale of assets of the Company in liquidation shall be determined by the LB. The procedure of sale of assets is set in legal acts adopted by the LB.

In case of liquidation of the Company, accounts with Shareholders shall be settled in accordance with provisions of Articles 106 – 109 of the Articles of Association.

Taking a decision on extension of the Term of Activities of the Company

The Company shall operate for 30 years after obtaining a License for the Company. The Term of Activities of the Company can be additionally extended for no more than 20 years.

A decision on extension of the Term of Activities of the Company can be taken in the General Meeting no later than 6 months before the end of the Term of Activities of the Company or the end of the extended Term of Activities of the Company (in case the Term of Activities of the Company was extended for less than 20 years).

Taking a decision on liquidation of the Company before expiry of the Term of Activities of the Company

The General Meeting must take a decision on liquidation of the Company no later than 3 months before the end of the Term of Activities of the Company.

Other cases of distribution of the Issuer's capital

The Issuer may distribute funds to its shareholders by reducing its authorised capital in accordance with the procedure set by the Law on Companies. The authorised capital may be reduced by way of annulment of shares or reduction of the

nominal value of shares, but the reduced authorised capital of the Issuer may not be less than the minimum amount of the authorised capital provided for in the Law on Companies (i.e. EUR 40,000), unless the Law on Collective Investment Undertakings or other laws, applicable to the Issuer, provide otherwise.

Only the annual General Meeting may adopt the decision to reduce the share capital with the purpose of paying funds to the shareholders, provided that all of the following conditions are met: (i) the set of annual financial statements and the profit distribution account have been approved; (ii) following the reduction of the share capital the legal reserve of the Company will not be lower than 1/10 of the Company's share capital; and (iii) no undistributed loss and long-term liabilities are recorded in the set of annual financial statements of the Company.

The decision to reduce the share capital with the purpose of paying out the funds to its shareholders may not be adopted if on the date of the decision the Company is insolvent or after the payment of funds would become insolvent. The funds must be paid within one month from the registration of the amended Articles of Association with the Register of Legal Entities. The funds are paid pro rata to the nominal value of shares held by each shareholder and may only be paid in cash.

Further Capital Calls by the Company

If the Company's distributable result, as approved by the annual General Meeting, is negative and the meeting adopts a decision to cover the Company's losses or part thereof by additional contributions of the shareholders, according to the Law on Companies, the shareholders who voted in favour of such decision are obliged to pay the contributions to the Company. The shareholders who did not participate at the General Meeting or voted against such decision are entitled not to pay any additional contributions to the Company.

Modification of Shareholders' Rights

The Articles of Association do not provide for any specific conditions regarding modification of shareholders' rights. Shareholders' rights may be modified only pursuant to the provisions of Lithuanian laws.

Conditions of Conversion

Currently the Issuer has not issued any convertible securities.

Conditions of Redemption

The redemption of Company's own shares is limited (this issue is discussed in Part VII of the Articles of Association in detail).

Redemption of Shares before the end of the Term of Activities of the Company

Redemption of Shares is limited. The Shares will not be redeemed on request by the shareholder of the Company. The Shares shall be redeemed during the Term of Activities of the Company only in cases provided for in the Articles of Association (please see below). If a shareholder of the Company wants to sell Shares, he will be able to do that in the secondary market (on the stock exchange or by conducting over-the-counter transactions).

Settlement of accounts with the shareholders in case of liquidation of the Company

In accordance with the procedure and terms set in the Law on Companies and the Law on Collective Investment Undertakings, the shareholders of the Company must take a decision on liquidation of the Company after the end of the Term of Activities of the Company or on the extension of the Term of Activities of the Company. In case of liquidation of the Company, the assets of the Company shall be sold and money remaining after fulfilment of debt obligations shall be distributed to shareholders of the Company pro rata to the number of Shares held by them.

In case of liquidation of the Company, accounts with the shareholders shall be settled by transferring the amounts payable to the shareholders to the bank accounts indicated by the shareholders or (if a shareholder's data is unknown) to a deposit account under the procedure set by legal acts. Accounts with the shareholders shall be settled in Euros.

Settlement of accounts with shareholders of the Company in liquidation will be performed only after the Company receives a confirmation of the tax administrator about settlement of accounts with state and/or municipal treasuries and state monetary funds.

Redemption of Shares when documents of incorporation of the Company and/or the prospectus are amended and in other cases provided for in legal acts

If the General Meeting takes a decision on the documents of incorporation of the Company, which have an effect on shareholders' interests, or other decisions, taking of which gives the right to shareholders, referring to the Law on Collective Investment Undertakings, to demand that Shares held by them would be redeemed, the Company must ensure proper implementation of the shareholders' right to demand that Shares held by them would be redeemed without any deductions. In cases when, according to the Law on Collective Investment Undertakings, shareholders are given the right to demand redemption of the Shares held by them and implementation of this right is ensured by the Company itself, Shares acquired by the Company from the shareholders must be immediately annulled, whereas the decision on

annulment of a relevant number of Shares must be taken together with the decision of the General meeting, which results in the duty to ensure the right for shareholders to demand redemption of the Shares held by them.

The Management Company shall inform each shareholder in writing about decisions of the General Meeting, provided for in paragraph above, no later than 1 month before the effective date of an amendment to relevant documents by sending a respective notification, save for exceptions indicated below.

The Management Company shall inform each shareholder in writing about amendments to essential documents, related to changing the investment strategy of the Company, no later than 2 months before the effective date of amendments to relevant documents by sending a respective notification.

The Management Company shall inform shareholders about the decision to merge the Company with another collective investment undertaking by sending a respective notification after the LB gives a permission to merge the collective investment undertakings, but in any case no later than 30 days before the last day of the term, within which shareholders of the Company have the right to demand that their Shares would be redeemed without any deductions. The shareholder's right to make use of the right indicated in this provision shall expire 5 business days before the planned merger completion date. The notification shall provide shareholders with information, which must be provided according to applicable legal acts and other information important for shareholders in the opinion of the Management Company.

The above-mentioned notification to shareholders must contain the following:

- the essence and content of the planned amendments;
- explanation of the influence that the planned amendments to documents will have on interests and investments of the shareholders;
- information about the shareholders' right to make an objection against the essential amendments to the documents indicated in the notification and to demand redemption of their Shares without any deductions and the procedure and terms of exercising this right;
- other information, which, in the opinion of the Management Company, is important for shareholders.

The shareholders shall have the right to make an objection and demand redemption of their Shares within 1 month before the effective date of amendments to relevant documents, except for cases when the investment strategy of the Company is being changed. When the investment strategy of the Company is being changed, the shareholders can make an objection and demand redemption of their Shares within 2 months before the effective date of amendments to relevant documents. The Management Company can set longer terms than set in this paragraph, within which the shareholders can make use of their right to redemption of Shares.

Essential amendments to documents of incorporation of the Company and/or prospectuses shall be made only if no shareholder objects to this. It is considered that no shareholder objected if, following requirements of the Articles of Association and legal acts, the shareholders, who objected to essential amendments to documents and demanded redemption of their Shares without any deductions, were ensured exercise of this shareholder's right.

If the General Meeting takes a decision on essential amendments to documents of incorporation of the Company and/or the prospectus, having an effect on the shareholders' interests, or another decision, taking of which, following the Law on Collective Investment Undertakings, gives the right to shareholders to demand redemption of the Shares held by them, the Management Company shall take a decision, where it shall be indicated, under what conditions essential amendments to documents of the Company will be made, including, without limitation, the decision on the number of Shares that can be redeemed, in case of exceeding of which the Company shall not perform the mandatory redemption of Shares from the shareholders that demanded it and, accordingly, essential amendments to documents of the Company shall not be made should they might have negative effect on activities of the Company.

The price of the redeemed Shares shall be calculated according to latest published Net Asset Value, if there were no material changes in economic circumstances or real estate market that might make establishment of Net Asset Value inevitable.

Amendments are deemed essential if:

- such amendments can have a negative direct effect on the financial situation of the Company or shareholders (the set fees, charges or deductions are increased or new fees, charges or deductions are introduced, etc.);
- these amendments directly restrict or cancel rights granted to the shareholders or make other influence on the possibilities of the shareholders to make use of their rights in connection with their investments;
- these amendments directly establish new duties of the shareholders;

Amendments are not deemed essential, if they are made due to changes in legal requirements for the Company and/or the Management Company.

The Board of the Management Company, taking into account the content, type, scope of the amendments to the documents of incorporation and/or the prospectus and the impact of such amendments on shareholders' interests, shall decide in each case, which is not indicated above, whether amendments to the documents are deemed essential or not; only such amendments, which can have a negative impact on interests of the Company or shareholders, can be deemed essential amendments.

Information on whether initiated amendments to the documents of incorporation and/or the prospectus are deemed essential is indicated in the agenda of the General Meeting.

The Management Company ensures that conditions of redemption of Shares would be indicated separately in the draft decisions of the organised General Meeting. A notification about redemption of Shares performed by the Company has to be announced publically under the procedure set by legal acts of the Republic of Lithuania.

Decisions taken by the General Meeting regarding essential amendments to the documents of incorporation of the Company and/or the prospectus shall come into effect after the receipt of the approval of the LB of amendments to the Articles of Association according to decisions of the General Meeting and after implementation of redemption of its own Shares by the Company, as indicated in Article 89 of Articles of Association.

Amendments to documents of incorporation of the Company and/or the prospectus are not deemed essential and the Management Company does not have to inform shareholders about such amendments.

Voting rights

Pursuant to the Law on Companies and the Articles of Association, each Share of the Company confers one vote in the General Meeting. Only shareholders who have fully paid-up their shares are entitled to vote at the General Meeting. Persons, who were shareholders of the Company at the end of the record date of the General Meeting, are entitled to attend and vote at the General Meeting. The record date of the General Meeting of the Company is the fifth business day before the General Meeting.

The shareholders may vote personally or through their proxies or persons with whom a voting rights transfer agreement is concluded. The shareholders may also vote in writing (by filling in the general ballot paper).

Pre-emptive rights

The exercise of the pre-emptive rights of shareholders of the Company is executed in the order, described in Section *Rights conferred by the Shares of the Company* in detail.

Right to receive information

According to Part XV of the Articles of Association, incorporated by reference to this Prospectus, upon a shareholder's written request, no later than within 7 days after the receipt of the request, documents of the Company, other than publically announced (indicated in this Section below), which are not related to commercial secret and confidential information of the Company, shall be provided for information of the shareholder during the business hours of the Management Company in its registered office or another place indicated by the Management Company, where such documents are kept. Copies of such documents can be sent to the shareholder by registered mail or delivered against signature.

A shareholder or a group of shareholders, holding or managing at least 1/2 of the Shares, having presented a written undertaking not to disclose commercial secrets and confidential information in the form set by the Company to the Company, shall have the right to get access to all documents of the Company. The form of the undertaking shall set by the Management Company.

Notices, notifications about not disclosed information (inside information) of the Company shall be made public under the procedure set by the Law on Securities, the Law on Markets in Financial Instruments and other legal acts issued by the LB setting forth rules for public announcement of information.

In addition to that the Management Company shall prepare and publish the following on its website at www.invlbalticrealestate.lt:

- the prospectus;
- the key investor information documents;
- a report for each financial year;
- a report for the first six months of each financial year;
- information on overall amount of voting rights granted by the Shares, the amount of the authorized capital, the number of Shares and their nominal value.

The Management Company shall provide all information in connection with the activities of the Company at the addresses indicated by shareholders either to it or to the Company. It shall not be regarded that the Management Company and/or the Company failed to properly fulfil their obligations to shareholders if the shareholders do not present relevant information to it about their correspondence address and/or changes in presented information.

An indication of the existence of any mandatory takeover bids and/or squeeze-out and sell-out rules in relation to the securities

The issued securities of the Company are subject to all mandatory takeover bids and squeeze-out and sell-out rules specified in the Law on Securities subject to the condition that they are admitted to trading on the regulated market.

Following the Law on Securities, where a person, acting independently or in concert with other persons, acquires shares that in connection with the holding held by him or by other persons acting in concert entitles him to more than 1/3 of votes at the general meeting of shareholders of the issuer, he must either transfer shares exceeding this threshold, or announce a mandatory takeover bid to buy up the remaining shares of the Company granting the voting rights and the securities confirming the right to acquire shares granting the voting rights.

A person, when acting independently or in concert with other persons and having acquired not less than 95% of the capital carrying voting rights and not less than 95% of the total votes at the General Meeting of the Issuer shall have a right to require that all the remaining shareholders of the Issuer sell the voting shares owned by them, and the shareholders shall be obligated to sell the shares. A person can exercise this right within three months after the implementation of the mandatory takeover bid or the voluntary takeover bid to buy up the remaining shares of the Issuer granting the voting rights.

The price of shares during these procedures must be fair. Usually, the price of squeeze-out shares is equal to (i) with regard to certain conditions, the price paid for the Issuer's shares bought according to the mandatory or voluntary takeover bid in accordance with the provisions of the Law on Securities, or (ii) the fair price, determined by the person buying up the shares in other way, subject to a relevant approval of the LB. The minority shareholders have the right to challenge the squeeze-out price in court if, in their opinion, the price breaches the principle of fairness.

Besides, any minority shareholder shall have a right to require that a person, who, when acting independently or in concert with other persons, has acquired the shares comprising not less than 95% of the capital carrying the voting rights and not less than 95% of the total votes at the General Meeting, would buy the shares belonging to the minority shareholder and granting the voting rights, while the said person shall be obligated to purchase those shares. The duration of validity of this right and the price of sell-out shares are determined according to the above-mentioned rules.

Following the decision of the General Meeting to delist the shares of the Issuer from the trading on the regulated market (such a decision is taken by the majority of $\frac{3}{4}$ of all votes attaching to shares of the shareholders attending the General Meeting), a takeover bid must be submitted and implemented to buy-up the shares of the Issuer admitted to the regulated market. The takeover bid must be submitted by the shareholders who voted for the decision to delist the shares of the Issuer from the trading on the regulated market. One or several shareholders have the right to implement this duty for other shareholders. The shareholders who voted "against" or did not vote when the decision was taken to delist the shares of the Issuer from the trading on the regulated market operating in the Republic of Lithuania have the right to sell their shares during the effective term of the mandatory takeover bid.

An indication of public takeover bids by third parties in respect of the Issuer's equity, which have occurred during the last financial year and the current financial year

Within the indicated period no takeover bids were submitted by third parties in respect of the Issuer's equity.

Disregarding the above, as indicated in the notification on material event of the Company, dated 28 October 2015 the General Meeting decided *inter alia*:

- To apply for the Company to the LB for obtaining the Licence of the closed-end investment company.
- To prepare the draft of the Articles of Association of the Company (closed-end investment company) and other required documents in order to obtain the Licence.
- To prepare the draft of the Management Agreement with INVL Asset Management UAB (company code 126263073) for transfer of management of the closed-end investment company.
- To negotiate with the potential custodians (depositories) of the closed-end investment company and prepare the draft of the contract with the depository. The key condition of the agreement is that the expenses for custody should not exceed 0.1% of the annual Net Asset Value of the closed-end investment company.
- Seeking to ensure the right of the Company's shareholders, who did not vote or voted "against" the aforementioned decisions to sell their Shares, shareholders, who voted "for" these resolutions within one month from the General Meeting will have to announce a voluntary tender offer to purchase the rest of the Shares (one or several shareholders will have the right to fulfil this duty for the other shareholders). Only the shareholders who did not vote or voted "against" this item of the agenda will have the right to sell their Shares during the tender offer.

After the indicated General Meeting it became clear that the shareholders of the Company who own 39,717,176 Shares, which constitute 91.88% of Company's authorised capital gave approval to apply for the closed-end investment company license.

Following the arrangement of the shareholders, who voted "for" the indicated decision, Invalda INVL AB fulfilled this duty on behalf of these shareholders (LJB Investments UAB, Irena Ona Mišeikienė, Invalda INVL AB, Lucrum investicija UAB, Alvydas Banys, Indrė Mišeikytė and Greta Mišeikytė-Myers) and the circular of the voluntary tender offer was approved by the LB on 16 November 2015. Voluntary tender offer price amounted to EUR 0.35 per Share. Only the shareholders who did not vote or voted "against" had the right to sell their Shares during the tender offer. Voluntary tender offer applied for 3,509,076 Shares of the Company, constituting 8.12% of Company's capital. The tender offer was implemented from 20 November till 3 December 2015. During the implementation period of the voluntary tender offer Invalda INVL AB bought-up 11,608 Shares of the Company, which represent 0.027% of voting rights at the General Meeting.

Taxation in Lithuania

The following is a summary of certain Lithuanian tax implications of ownership and disposition of the Shares. The summary is based on the tax laws of Lithuania as in effect on the date of this Prospectus, and is subject to changes in such laws, including changes that could have a retroactive effect. The summary does not purport to be a comprehensive description of all the tax implications that may be relevant for making a decision to purchase, own or dispose of the Shares. You are advised to consult your own professional tax advisors as to the Lithuania and other tax implications of the purchase, ownership and disposition of the Shares. Prospective investors who may be affected by the tax laws of other jurisdictions should consult their own tax advisors with respect to the tax implications applicable to their particular circumstances.

Taxation on Dividends

Legal persons

Dividends received by Lithuanian or foreign legal persons are subject to the corporate income tax at a rate of 15%. Dividends are not subject to the corporate income tax when a recipient (a Lithuanian or foreign legal person) has been or intends to be in control of not less than 10% of voting shares of a Lithuanian company distributing dividends for an uninterrupted period of at least 12 months (including the moment of distribution of dividends). This participation exemption does not apply if dividends are paid to foreign legal persons registered or otherwise organized in a tax haven jurisdiction.

If dividends are paid out to the legal persons that are residents of a foreign country with which Lithuania has concluded a treaty for the avoidance of double taxation and such a treaty limits the rights of Lithuania to tax dividends, the rules set in that treaty will be applied.

The obligation to calculate, withhold and pay the withholding tax on dividends arises for the Lithuanian legal person (the payer of dividends).

Individuals

Dividends received by Lithuanian and foreign individuals are subject to the personal income tax at a rate of 15%.

If dividends are paid out to the residents of a foreign country with which Lithuania has concluded a treaty for the avoidance of double taxation and such treaty limits the rights of Lithuania to tax dividends, the rules set in that treaty will be applied.

The obligation to calculate, withhold and pay the withholding tax on dividends arises for the Lithuanian legal entity (the payer of dividends).

Taxation on Capital Gains

Legal persons

No specific capital gains tax is established under the Lithuanian tax legislation. Therefore, capital gains received by a Lithuanian legal person or by a foreign legal person through its permanent establishment in Lithuania from the sale of shares are included in the taxable income for the corporate income tax purposes. The standard rate of the corporate income tax is 15%.

An exemption is available, and capital gains are not subject to the corporate income tax if the following conditions are met: 1) an entity the shares of which are being transferred is registered in the EEA Member State or a country with which Lithuania has concluded a treaty for the avoidance of double taxation, and this entity is a payer of corporate income or equivalent tax; and 2) an entity transferring shares has been in control of more than 25% of voting shares for an uninterrupted period of at least two years. The exemption is not applied if shares are transferred to the issuer.

The Company's investment income is not subject to the corporate income tax, except for dividends paid by the Company or its profits available for distribution.

Lithuanian entities and permanent establishments of foreign entities have the right to carry forward losses due to the disposal of securities and/or derivative financial instruments for five consecutive years for the purpose of the Lithuanian corporate income tax. The said losses can be covered only with income generated from disposals of securities and/or derivative financial instruments. Please also note that a restriction may be applicable – in assessment of the corporate income tax for 2014 and subsequent years, the amount of tax loss carried forward cannot exceed 70% of the taxable profit amount of the relevant tax period.

Capital gains received by the foreign legal persons from the disposal of shares of Lithuanian companies are not subject to the Lithuanian corporate income tax.

Individuals

Capital gains received from the sale of shares by the Lithuanian residents are subject to 15% personal income tax. Please also note that the capital gains, received from sale of securities shall not be taxed, if its amount does not exceed EUR 500 per year. This relief does not apply in case a shareholder sells the shares or transfers the title to the shares to the entity that issued those shares.

The personal income tax on capital gains received by individuals should be calculated, paid and declared by individuals by the 1st of May of the calendar year following the taxable year.

Capital gains received from the disposal of shares of Lithuanian companies by the individuals who are not considered to be Lithuanian residents for tax purposes are not taxed in Lithuania.

Taxation on Gifts and Inheritance

If the Issuer's shares are given as a gift to a natural person, generally the acquisition of shares is subject to personal income tax at a rate of 15%, charged on income received at the transfer of the shares as a gift. The tax is not applicable where a spouse, children (adopted children), parents (adoptive parents), brothers, sisters, grandchildren or grandparents give shares as a gift or where shares are given as a gift to a non-Lithuanian resident. Furthermore, donation incomes received from other persons are not subject to taxation, unless such incomes exceed EUR 2,500 in a calendar year.

Inherited Issuer's shares are subject to inheritance tax as follows: if the taxable value of the inherited property does not exceed EUR 150,000, the tax rate is 5%; if the taxable value of the inherited property exceeds that amount, the tax rate is 10%. The property is exempted from the tax where the property is inherited by a spouse upon the death of the other spouse, by parents (adoptive parents), children (adopted children), grandparents, grandchildren, brothers, sisters, guardians (custodians), wards (foster children), or where the shares are inherited by a non-Lithuanian resident or the value of the inherited property does not exceed EUR 3,000.

Value added tax

Generally, under effective laws, share acquisition or transfer transactions are not subject to value added tax (VAT) in Lithuania.

5.6 Share Offer

This Prospectus was not prepared for the public offering of the Shares (or any part thereof) and was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq, aiming that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.

Following the requirements of the applicable Lithuanian laws, the Shares of the Company cannot be offered publically and introduced to trading in other Member States (other than in the Republic of Lithuania).

Following the Articles of Association of the Company, incorporated by reference to this Prospectus, it is established that the Shares of the Company are being traded on Nasdaq. Taking into consideration that all the Shares of the Company are already listed on Nasdaq, as well as that licensing of the Issuer as a closed-end type investment company did not result in issuance of new Shares, apart from approval and announcement of the Prospectus, generally there will be no other steps for Admission (except that the CSDL based on the request of the Company will make the respective entries in its system regarding becoming by the Issuer of the closed-end type investment Company), unless Nasdaq or the CSDL will decide otherwise.

Taking into consideration that following registration of the new wording of Articles of Association (on 10 November 2016) and issuance of the Licence by the LB (on 22 December 2016) the activities of the Company are continued, without creating a new legal person (just that the Issuer became a special closed-end type investment Company) and the ISIN code of the Shares will not be changed and will stay the same (LT0000127151), as well as aiming to safeguard the rights and legitimate interests of the Company and its shareholders as much as possible and the continuity of presence of the Company's Shares on the regulated market (Nasdaq), providing the possibility to shareholders to continuously realize the rights conferred by their owned shares, there should be no need to suspend trading in Company's Shares on Nasdaq for making the above entries in CSDL systems regarding becoming by the Issuer of the special closed-end type investment Company as indicated above. However, if deemed necessary, the Company will apply to Nasdaq for suspension of trading in Shares of the Company on Nasdaq as from the day of issuance of the License until the day of approval of the Prospectus by the LB.

If Nasdaq and/or CSDL will consider the above stages otherwise, the Company will execute all actions, requested by these subjects, so that the Shares of the special closed-end type investment Company are introduced to trading on Nasdaq as soon as practicably possible.

The Issuer has not granted and will not grant any overallotment option or the green shoe type option and therefore no overallotment is foreseen. Furthermore, no entity has a commitment of any kind to act in secondary trading in the Shares or provide liquidity through bid and offer rates. No stabilisation will be undertaken.

The Issuer has not appointed any intermediary with respect to the Shares, as there will be no public offering thereof.

5.7 Admission of the Shares to trading on the regulated market

As of the date of this Prospectus, all the existing Shares of the Issuer (65,750,000 Shares) are listed on the Secondary List of Nasdaq. As it was indicated in Section above, the Issuer aims that the Shares of the Issuer would be eligible to be continuously traded on Nasdaq, following the issuance of the Licence by the LB on 22 December 2016. Thus, this Prospectus was prepared solely for the purpose of the Admission of the Shares of the Issuer to trading on Nasdaq.

This Prospectus was not prepared for a public offering of the Shares (or part thereof).

The Admission of the Shares to trading on Nasdaq is subject to the approval of the Prospectus by the LB and execution of other actions (most of which have already been performed), as indicated below:

- registration of the new wording of Articles of Association of the special closed-end type investment Company with the Register of Legal Entities (this was done on 10 November 2016);
- issuance of the Licence by the LB (this was done on 22 December 2016);
- receipt of other necessary approvals from the LB indicated in the Law on Collective Investment Undertakings (approvals regarding the Management Company, Depository, the Articles of Association, etc. (they were received on 22 December 2016);
- approval and public announcement of this Prospectus and Summary translation into Lithuanian language hereof (this will be done on the same day as approval hereof);
- making of the respective entries by the CSDL in its system regarding becoming by the Issuer of the special closed-end type investment Company (the Company will provide the respective request to the CSDL as soon as possible after approval and announcement of the Prospectus).

The Issuer will not be seeking to apply for listing of temporary share receipts, such as “rights to shares”.

5.8 Expenses of the Admission

Following the preliminary calculations, the Issuer’s fixed expenses, related to the Admission, shall comprise of approximately EUR 15 (fifteen) thousand (including, without limitation, the fixed fees (if any) for the Lithuanian legal counsel, state fee for approval of the Prospectus, fees to the CSDL and Nasdaq, fees for preparation of the Prospectus).

The Issuer does not intend to charge any expenses to the investors, related to the Admission.

5.9 Lock-up Agreements

As far as it is known to the Company, there are no lock-up agreements regarding the Shares, related to the Admission.

5.10 Dilution

Not applicable, as there is no public offering of the Shares (or any part thereof) and the Prospectus was prepared solely for the purpose of the Admission of the Shares to trading on Nasdaq, aiming that the Shares would be eligible to be continuously traded on Nasdaq, after the issuance of the Licence by the LB on 22 December 2016.

EXECUTIVE SUMMARY

of Valuation Report No. 39706 VAT_2016 MKA VHAN

Client (the Customer ordering the valuation)	Joint-stock company "INVL Baltic Real Estate" . Legal entity code 152105644. Address: Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	Determination of the market value and forced sale value of property with the aim of pledging the property. This report is only intended for AB Šiaulių bankas . Determination of the market value of property for the purpose of drafting financial statements.
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	21 November 2016.
Identification of the asset to be valued	Administrative, garage, warehousing and auxiliary buildings, administrative premises, other engineering structures, engineering networks and two state parcels of land managed on a lease basis.
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6, Šeimyniškių St. 1A, Šeimyniškių St. 3, Šeimyniškių St. 3A.
The owner of the valued buildings, premises, other structures and engineering networks	Joint-stock company "INVL Baltic Real Estate", identification code 152105644.
The owner of the valued parcels of land	Republic of Lithuania, identification code 111105555.
The lessee of the valued state parcels of land	Joint-stock company "INVL Baltic Real Estate", identification code 152105644.
Buildings, premises, other structures and engineering networks rights appraised	Freehold (ownership rights).
Parcels of land rights appraised	The parcels of land managed on an ownership rights by Republic of Lithuania. The parcels of land managed on a lease rights by Joint-stock company "INVL Baltic Real Estate".

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Name of property	Address of property	Main designated use	Unique No.	Building number in the plan	Total area / Length
Non-residential premises – Administrative premises, marked in plan from 1-1 to 1-7	Vilnius City Municipality, Vilnius City, Juozapavičiaus St. 6	Administrative	1094-0002-4144:0001	14B4p	Total area: 67.51 sq. m
Non-residential premises – Administrative premises, marked in plan from R-1 to R-20, from 1-8 iki 1-19, from 2-16 to 2-41, from 3-20 to 3-47, 3-33a, 3-37a, 3-38a, 4-1, 4-3, 4-4, from 4-6 to 4-27	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Administrative	1094-0002-4144:0002	14B4p	Total area: 2,041.58 sq. m
Building – Administrative building	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Administrative	1094-0002-4100	11B3p	Total area: 4,432.07 sq. m
Building – Administrative building	Vilnius City Municipality, Vilnius City, Šeimyniškių St. 3A	Administrative	1094-0002-4177	16B3p	Total area: 2,817.15 sq. m
Building – Administrative building	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Administrative	1094-0002-4111	12B2p	Total area: 199.56 sq. m
Building – Administrative building	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Administrative	1094-0002-4044	4B2p	Total area: 1,570.40 sq. m
Building – Administrative building with shop and restaurant	Vilnius City Municipality, Vilnius City, Šeimyniškių St. 3	Administrative	1094-0458-3035	2B5b	Total area: 4,487.88 sq. m

VALUATION REPORT



The property located at Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6, Šeimyniškių St. 1A, Šeimyniškių St. 3, Šeimyniškių St. 3A

Building – Administrative building with commercial, solarium premises and underground parking	Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A	Administrative	1399-8031-1015	1B6b	Total area: 6,929.68 sq. m
Building – Parking	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Garage	1094-0002-4088	9G2p	Total area: 1,812.37 sq. m
Other engineering structures – Parking b-1, b-2, b-3	Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A	Other engineering structures (yard equipment)	4400-0706-5790	b-1, b-2, b-3	-
Building – Warehouse	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Warehousing	1094-0002-4099	10F1b	Total area: 174,71 sq. m
Building - Transformer	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus St. 6	Auxiliary	1094-0002-4166	15I1g	Built area: 45,00 sq. m
Engineering networks - high voltage (10 kV) power cable line, length 730.0 m	Vilnius City Municipality, Vilnius City, A. Juozapavičiaus g. 6 / Slucko St. 2	Electricity network	1300-0027-5013	-	Length: 730 m

Name of property	Main designated use / Manner of use	Unique No.	Cadastral No.	Total area
Parcel of land (state parcel of land managed on a lease basis)	Other / Area for commercial objects	0101-0032-0251	0101/0032:251 Vilniaus m. k. v.	1.2534 ha
Parcel of land (state parcels of land managed on a lease basis)	Other / Area for commercial objects	0101-0032-0252	0101/0032:252 Vilniaus m. k. v.	0.2178 ha

VALUATION APPROACH (METHOD): Market Approach and Income Approach. Value estimated using Income Approach.

CONCLUSION REGARDING MARKET VALUE

The **market value** of the total appraised property at 31 October 2016 herein is
€ 22,300,000 (twenty two million three hundred thousand Euros).

CONCLUSION REGARDING FORCED SALE VALUE

The **forced sale value** of the total appraised property at 31 October 2016 herein is
€ 16,100,000 (sixteen million one hundred thousand Euros).

NOTE: The assignment of market and forced sale values to individual units of the valued property is conditional. The assignment of the marked and forced sale values to individual units of the valued property are provided in tables no. 6.10 and 6.11, pages 55-56.

Appraised property was inspected, valued and report was prepared by: „**OBER-HAUS**“ nekilnojamas turtas UAB, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Mindaugas Karalius

Certified Real Estate Valuer
Licence No. A 000374, issued 02-28-2007

Valuer: Liudmila Voišnienė

Certified Movable Property Valuer
Licence No. A 000603, issued 12-28-2010

Person who has the right to act on behalf of "OBER-HAUS" nekilnojamas turtas UAB: Director General Remigijus Pleteras

(or a person authorised by the Director General, specify the first name and surname)






TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1451 SANTRAUKA

Užsakovas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 24.532,91 kv. m administracinės paskirties patalpų, pastatų kompleksas su 147,12 a žemės sklypų nuomos teisėmis.

Vertinamo turto adresas:

A. Juozapavičiaus g. 6, Šeimyniškių g. 1A, 3 ir 3A, Vilniaus m., Vilniaus m. sav., Lietuva.

Kita informacija apie vertinamą turta:

Adresas	Turtas	Unikatus Nr.	Paskirtis (Naudojimo būdas)	Indeksas	Statybos metai	Rekonstr. metai	Stat. baigt.	Aukštis / Aukštų sk.	Plošm. kv. m
A. Juozapavičiaus g. 6	Žemės sklypas (nuomos teisės)	0101-0032-0251	Kita (Komerčinės paskirties objektų teritorijos)						12,534
Šeimyniškių g. 1A	Žemės sklypas (nuomos teisės)	0101-0032-0252	Kita (Komerčinės paskirties objektų teritorijos)						2,178
A. Juozapavičiaus g. 6	Administracinės patalpos	1094-0002-4144-0001	Administracinė	nuo 1-1 iki 1-7	1940	-	100%	1	67,51
A. Juozapavičiaus g. 6	Administracinės patalpos	1094-0002-4144-0002	Administracinė	nuo R-1 iki R-20, nuo 1-8 iki 1-19, nuo 2-16 iki 2-41, nuo 3-20 iki 3-47, 3-33a, 3-37a, 3-38a, 4-1, 4-3, 4-4, nuo 4-6 iki 4-27	1990	-	100%	4 su rūsiu	2,041,58
A. Juozapavičiaus g. 6	Administracinis pastatas	1094-0002-4044	Administracinė	4B2p	1940	1999	100%	2 su rūsiu ir mansarda	1,570,40
A. Juozapavičiaus g. 6	Automobilių parkingas	1094-0002-4068	Garažų	9G2p	1955	2000	100%	2	1,812,37
A. Juozapavičiaus g. 6	Sandėlis	1094-0002-4099	Sandėliavimo	10F1b	1970	-	100%	1 su rūsiu	174,71
A. Juozapavičiaus g. 6	Administracinis pastatas	1094-0002-4100	Administracinė	11B3p	1958	-	100%	3 su rūsiu ir mansarda	4,432,07
A. Juozapavičiaus g. 6	Administracinis pastatas	1094-0002-4111	Administracinė	12B2p	1970	2000	100%	2	199,56
Šeimyniškių g. 3A	Administracinis pastatas	1094-0002-4177	Administracinė	16B3p	1954	2001	100%	3 su rūsiu	2,817,15
A. Juozapavičiaus g. 6	Transformatorinė	1094-0002-4166	Pagalbinio ūkio	15I1g	2000	-	100%	1	45,60*
Šeimyniškių g. 3	Administracinis pastatas su parduotuve ir restoranu	1094-0458-3035	Administracinė	2B5/b	2000	-	100%	5 su rūsiu ir pastoge	4,487,88
Šeimyniškių g. 1A	Administracinis pastatas su komercinėmis, soliarumo patalpomis ir požeminiu parkingu	1399-8031-1015	Administracinė	1B9/b	2001	-	100%	6 su rūsiu ir pastoge	6,929,68
Šeimyniškių g. 1A	Automobilių parkavimo aikštelė	4400-0706-5790	Kiti inžineriniai statiniai (kiemo įrenginiai)	b-1, b-2, b-3	2005	-	100%	-	-
A. Juozapavičiaus g. 6	Aukštos įtampos (10kV) elektros kabelių linija	1300-0027-5013	Elektros tinklų	-	2000	-	100%	-	730,0 m

* Užstatytas plotas

Vertinamo turto savininkas / nuomininkas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Savininku“).

Vertinimo metodas: Pajamų

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra **22.062.000 Eur (Dvidešimt du milijonai šešiasdešimt du tūkstančiai eurų)**.

Turto vertinimo ataskaita

A. Juozapavičiaus g. 6, Šeimyniškių g. 1A, 3 ir 3A, Vilniaus m., Vilniaus m. sav., Lietuva
2016-11-11

NEWSEC

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Žemės sklypas (nuomos teisės)	Kita (Komerčinės paskirties objektų teritorijos)	0101-0032-0251	1.000
Žemės sklypas (nuomos teisės)	Kita (Komerčinės paskirties objektų teritorijos)	0101-0032-0252	1.000
Administracinės patalpos	Administracinė	1094-0002-4144:0001	69.535
Administracinės patalpos	Administracinė	1094-0002-4144:0002	1.898.669
Administracinis pastatas	Administracinė	1094-0002-4044	1.413.360
Automobilių parkingas	Garažų	1094-0002-4088	942.432
Sandėlis	Sandėliavimo	1094-0002-4099	33.000
Administracinis pastatas	Administracinė	1094-0002-4100	4.077.504
Administracinis pastatas	Administracinė	1094-0002-4111	164.637
Administracinis pastatas	Administracinė	1094-0002-4177	2.591.778
Transformatorinė	Pagalbinio ūkio	1094-0002-4166	3.000
Administracinis pastatas su parduotuve ir restoranu	Administracinė	1094-0458-3035	4.263.486
Administracinis pastatas su komercinėmis, soliariumo patalpomis ir požeminiu parkingu	Administracinė	1399-8031-1015	6.583.196
Automobilių parkavimo aikštelė	Kiti inžineriniai statiniai (kiemo įrenginiai)	4400-0706-5790	6.000
Aukštos įtampos (10kV) elektros kabelių linija	Elektros tinklų	1300-0027-5013	13.000

Pastabos:

- Turto rinkos vertė nustatyta su sąlyga, kad turtas bus parduodamas kaip vientisas objektas. Turto rinkos vertės išskaidymas yra sąlyginis.
- Turto rinkos vertė nustatyta taikant Pajamų metodą. Taikant Pajamų metodą, skaičiavimuose Pridėtinės Vertės Mokestis (PVM) nebuvo įtrauktas, t.y. nustatyta vertinamo turto rinkos vertė yra be PVM.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštarauja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Direktorius / Įgaliotas asmuo

UAB „Newsec valuations“ įrašymo į Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170.

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034.

Direktorė

Eglė Povilėnienė

SUMMARY / VALUATION CERTIFICATE

<i>Client</i>	AB „INVL Baltic Real Estate“, company code 152105644
<i>Country</i>	Lithuania
<i>City / village / district</i>	Vilnius c.
<i>Valuation date (Date of Inspection)</i>	28/10/2016
<i>Date of valuation report</i>	11/11/2016
<i>Property title</i>	Complex of administrative purpose premises, buildings with land plots lease rights.
<i>Composition of Property</i>	24,532.91 sq. m administrative purpose premises, buildings complex with 147.12 a land plots lease rights.
<i>Address</i>	A. Juozapavičiaus str. 6, Šeimyniškių str. 1A, 3 and 3A, Vilnius c., Vilnius c. m., Lithuania.
<i>Owner / Tenant (name and ID)</i>	AB „INVL Baltic Real Estate“, company code 152105644
<i>Buildings / premises ID (unique number)</i>	1094-0002-4144:0001; 1094-0002-4144:0002; 1094-0002-4044; 1094-0002-4088; 1094-0002-4099; 1094-0002-4100; 1094-0002-4111; 1094-0002-4177; 1094-0002-4166; 1094-0458-3035; 1399-8031-1015; 4400-0706-5790; 1300-0027-5013.
<i>Land ID (unique number)</i>	0101-0032-0251; 0101-0032-0252.
<i>Land tenure</i>	Leasehold
<i>Assumptions</i>	–

Valuation method	Income (Discounted Cash Flow) Approach
<i>Estimated market value</i>	22,062,000 Eur (Twenty two million and sixty two thousand Eur)

Note: Value Added Tax is excluded from estimation of Market Value using Income (Discounted Cash Flow) approach

Conditional Distribution

Property	Purpose (Type of use)	Unique No.	Conditional value, Eur
Land plot (lease right)	Other (Commercial purpose objects territory)	0101-0032-0251	1,000
Land plot (lease right)	Other (Commercial purpose objects Territory)	0101-0032-0252	1,000
Administrative premises	Administrative	1094-0002-4144:0001	70,000
Administrative premises	Administrative	1094-0002-4144:0002	1,899,000
Administrative building	Administrative	1094-0002-4044	1,413,000
Parking	Garage	1094-0002-4088	942,000
Warehouse	Storage	1094-0002-4099	33,000
Administrative building	Administrative	1094-0002-4100	4,078,000
Administrative building	Administrative	1094-0002-4111	165,000
Administrative building	Administrative	1094-0002-4177	2,592,000
Transformer	Auxiliary buildings	1094-0002-4166	3,000
Administrative building with shop and restaurant	Administrative	1094-0458-3035	4,263,000
Administrative building with commercial, solarium premises and underground parking	Administrative	1399-8031-1015	6,583,000
Parking lot	Other engineering buildings (yard buildings)	4400-0706-5790	6,000
High-voltage (10kV) power cable line	Electricity network	1300-0027-5013	13,000

Above distribution of Market Value is conditional (Market Value estimated as for integral complex)

EXECUTIVE SUMMARY

of Valuation Report No. 39639 VAT_2016 ALA VHAN

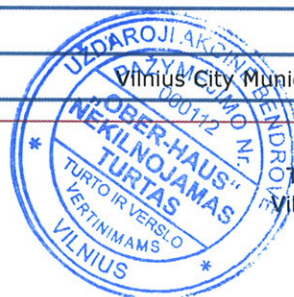
Client (the Customer ordering the valuation)	Joint-stock company "INVL Baltic Real Estate" . Legal entity code 152105644. Address: Vilnius City Municipality, Vilnius City, Gynėjų St. 14. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	<ul style="list-style-type: none"> Determination of the market value and forced sale value of property with the aim of pledging the property. This report is only intended for AB Šiaulių bankas. Determination of the market value of property for the purpose of drafting financial statements.
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	28 November 2016.
Identification of the asset to be valued	Commercial (13 units), cultural (1 unit), administrative (3 units), catering (1 unit), other (4 units), services (1 unit) premises, 60/371 part of parking, 14257/29950 part of land parcel.
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Gynėjų St. 14, Antano Tumėno St. 4, Antano Tumėno St. 6.
The owner of the subject property	Joint-stock company "INVL Baltic Real Estate", identification code 152105644.
Property rights appraised	Freehold (ownership rights).
Legal information	The legal characteristic of individual valued property units are provided in Section 3.

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Valued property	Commercial, cultural, administrative, catering, other, services and garage premises
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Gynėjų St. 14
Unique No. of the building in which located valued property	4400-0998-3648
Index in plan of the building in which located valued property	3E9/b
The total area of valued administrative premises	57.53 sq. m
The total area of valued cultural premises	1,287.25 sq. m
The total area of valued commercial premises	3,484.33 sq. m
The total area of valued catering premises	396.21 sq. m
The total area of valued other premises	1,019.40 sq. m
The total area of valued services premises	155.01 sq. m
The total area of valued 60/371 part of parking	1682.74 sq. m. from 10 404.95 sq. m, i.e. 60 parking spaces
Total:	6399.73 (8082.47 sq. m with parking)

DATA OF VALUED PARCEL OF LAND

14257/29950 part of land parcel	0.2566 ha of 0.5391 ha
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Antano Tumėno St. 4



The total area of valued other engineering structures	74.17 sq. m
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Antano Tumėno St. 6
The total area of valued other engineering structures	61.78 sq. m

Note: this table provides total area of premises that are relevant on the valuation date. This information are submitted in the Real Property Register.

VALUATION APPROACH (METHOD): Income Approach and Market Approach. Value estimated using Income Approach and Market Approach.

CONCLUSION REGARDING MARKET VALUE

The **market value** of the total appraised property at 31 October 2016 herein is
€ 11,504,590 (eleven million five hundred four thousand and five hundred ninety Euros).

CONCLUSION REGARDING FORCED SALE VALUE

The **forced sale value** of the total appraised property at 31 October 2016 herein is
€ 8,002,337 (eight million two thousand and three hundred thirty seven Euros).

Notes:

- The market values of the individual property units (individual groups of property) are provided in Section 6.7, table No. 6.16.
- The forced sale values of the individual property units (individual groups of property) are provided in Section 6.8.4, table No. 6.22.
- According to the customer's request and terms of engagement (scope of work), the estimated market values of property and conclusion regarding market values are shown without VAT.

Appraised property was inspected, valued and report was prepared by: „**OBER-HAUS**” **nekilnojamas turtas UAB**, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Audra Lazauskienė
Certified Real Estate Valuer
Licence No. A 000580, issued 04-28-2010



Person who has the right to act on behalf of “OBER-HAUS” nekilnojamas turtas UAB: Director General Remigijus Pleteras
(or a person authorised by the Director General, specify the first name and surname)

Apskaitininkė
Gurgita Jančiauskienė



TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1452 SANTRAUKA

Užsakovas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 8.082,47 kv. m įvairios komercinės paskirties patalpų kompleksas su 25,66 a (14257/29950 dalis iš 53,91 a) žemės sklypu.

Vertinamo turto adresas:

Gynėjų g. 14, A. Tumėno g. 4 ir 6, Vilniaus m., Vilniaus m. sav., Lietuva.

Kita informacija apie vertinamą turtą:

Adresas	Turtas	Unikalus Nr.	Paskirtis (Naudojimo būdas)	Indeksas	Statybos metai	Stat. baigt.	Aukštis	Plotas, kv. m
Gynėjų g. 14	Žemės sklypas	4400-0931-1584	Kita (Gyvenamosios teritorijos (Daugiaaukščių ir aukštybinių gyvenamųjų namų statybos) / Komercinės paskirties objektų teritorijos)					2566
Gynėjų g. 14	Restoranas	4400-1046-3500:5659	Maitinimo	nuo 153-1 iki 153-20	2006	100%	1	396,21
Gynėjų g. 14	Parduotuvė	4400-1501-1815:6866	Prekybos	nuo 165-1 iki 165-6	2006	100%	1	133,42
Gynėjų g. 14	Komercinės patalpos	4400-1501-1774:6863	Prekybos	162-1	2006	100%	1	76,63
Gynėjų g. 14	Prekybos patalpos	4400-1501-1804:6865	Prekybos	nuo 164 -1 iki 164-4	2006	100%	1	131,85
Gynėjų g. 14	Prekybos patalpos	4400-1501-1791:6864	Prekybos	nuo 163-1 iki 163-7	2006	100%	1	189,14
Gynėjų g. 14	Parduotuvė	4400-1501-1826:6867	Prekybos	nuo 166-1 iki 166-5	2006	100%	1	219,02
Gynėjų g. 14	Parduotuvė	4400-1501-1862:6868	Prekybos	nuo 167-1 iki 167-5	2006	100%	1	317,38
Gynėjų g. 14	Prekybos patalpos	4400-1501-1880:6870	Prekybos	169-1	2006	100%	1	354,23
Gynėjų g. 14	Klūbas	4400-1501-1760:6862	Kita	160-1 ir 160-2	2006	100%	1	72,31
Gynėjų g. 14	Prekybos patalpos	4400-1501-1759:6861	Prekybos	nuo 161-1 iki 161-12	2006	100%	1 ir 2	423,14
Gynėjų g. 14	Naktinis klubas	4400-1586-3464:8350	Kultūros	nuo 178-2 iki 178-12, 178-15, nuo 178-18 iki	2006	100%	2	1.287,25
Gynėjų g. 14	Sporto klubas	4400-1501-1876:6869	Paslaugų	nuo 168-2 iki 168-10	2006	100%	1	155,01
Gynėjų g. 14	Parduotuvė	4400-0996-9550:9425	Prekybos	nuo 156-1 iki 156-6	2006	100%	1	193,3
Gynėjų g. 14	Parduotuvė	4400-0996-9471:9424	Prekybos	nuo 155-1 iki 155-5	2006	100%	1	220,8
Gynėjų g. 14	Prekybos patalpos	4400-1501-1959:6875	Prekybos	nuo 173-1 iki 173-5	2006	100%	2	328,49
Gynėjų g. 14	Komercinės patalpos	4400-1501-2012:6881	Kita	175-1	2006	100%	2	347,1
Gynėjų g. 14	Komercinės patalpos	4400-1501-1980:6878	Kita	177-1	2006	100%	2	192,21

Turto vertinimo ataskaita

**Gynėjų g. 14, A. Tumėno g. 4 ir 6, Vilniaus m., Vilniaus m. sav., Lietuva
2016-11-11**

NEWSEC

Gynėjų g. 14	Parduotuvė	4400-1501-1904:6871	Prekybos	nuo 170-1 – 170-13	2006	100%	1 ir 2	685,55
Gynėjų g. 14	Prekybos patalpos	4400-1501-1948:6874	Prekybos	nuo 172-1 iki 172-4	2006	100%	2	211,38
Gynėjų g. 14	Komercinės patalpos	4400-1501-1915:6872	Kita	171-1	2006	100%	2	407,78
Gynėjų g. 14	Administracinės patalpos	4400-1586-3475:8351	Administracinė	179-1, 179-2	2006	100%	1	18,86
Gynėjų g. 14	Administracinės patalpos	4400-1501-1978:6877	Administracinė	176-1, 176-2	2006	100%	2	19,34
Gynėjų g. 14	Administracinės patalpos	4400-1501-1964:6876	Administracinė	174-1, 174-2	2006	100%	2	19,33
Gynėjų g. 14	Automobilių stovėjimo aikštelė	4400-0577-5577:7274	Garažų	nuo R1-1 iki R1-34,	2006	100%	-1 ir -2	1.682,74
Antano Tumėno g. 4	Aikštelė	4400-4207-0548	Kiti inžineriniai statiniai	a1	2007	100%	–	11,77
Antano Tumėno g. 4	Aikštelė	4400-4207-0491	Kiti inžineriniai statiniai	a2	2007	100%	–	34,49
Antano Tumėno g. 4	Aikštelė	4400-4207-0480	Kiti inžineriniai statiniai	a3	2007	100%	–	27,91
Antano Tumėno g. 6	Aikštelė	4400-4207-0476	Kiti inžineriniai statiniai	a1	2007	100%	–	48,03
Antano Tumėno g. 6	Aikštelė	4400-4207-0559	Kiti inžineriniai statiniai	a2	2007	100%	–	13,75

Vertinamo turto savininkas:

AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Savininku“).

Vertinimo metodas:

Pajamų

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra 10.307.000 Eur (Dešimt milijonų trys šimtai septyni tūkstančiai eurų).

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Žemės sklypas	Kita (Gyvenamosios teritorijos (Daugiaaukščių ir aukštybinių gyvenamųjų namų statybos) / Komercinės paskirties objektų teritorijos)	4400-0931-1584	1.000
Restoranas	Maitinimo	4400-1046-3500:5659	698.000
Parduotuvė	Prekybos	4400-1501-1815:6866	194.000
Komercinės patalpos	Prekybos	4400-1501-1774:6863	145.000
Prekybos patalpos	Prekybos	4400-1501-1804:6865	309.000
Prekybos patalpos	Prekybos	4400-1501-1791:6864	308.000
Parduotuvė	Prekybos	4400-1501-1826:6867	357.000
Parduotuvė	Prekybos	4400-1501-1862:6868	490.000
Prekybos patalpos	Prekybos	4400-1501-1880:6870	510.000
Klubas	Kita	4400-1501-1760:6862	121.000
Prekybos patalpos	Prekybos	4400-1501-1759:6861	689.000
Naktinis klubas	Kultūros	4400-1586-3464:8350	1.847.000
Sporto klubas	Paslaugų	4400-1501-1876:6869	198.000
Parduotuvė	Prekybos	4400-0996-9550:9425	299.000
Parduotuvė	Prekybos	4400-0996-9471:9424	335.000
Prekybos patalpos	Prekybos	4400-1501-1959:6875	509.000
Komercinės patalpos	Kita	4400-1501-2012:6881	482.000
Komercinės patalpos	Kita	4400-1501-1980:6878	238.000

Turto vertinimo ataskaitaGynėjų g. 14, A. Tumėno g. 4 ir 6, Vilniaus m., Vilniaus m. sav., Lietuva
2016-11-11**NEWSEC**

Parduotuvė	Prekybos	4400-1501-1904:6871	888.000
Prekybos patalpos	Prekybos	4400-1501-1948:6874	220.000
Komercinės patalpos	Kita	4400-1501-1915:6872	424.000
Administracinės patalpos	Administracinė	4400-1586-3475:8351	19.000
Administracinės patalpos	Administracinė	4400-1501-1978:6877	19.000
Administracinės patalpos	Administracinė	4400-1501-1964:6876	19.000
Automobilių stovėjimo aikštelė	Garažų	4400-0577-5577:7274	900.000
Aikštelė	Kiti inžineriniai statiniai	4400-4207-0548	8.000
Aikštelė	Kiti inžineriniai statiniai	4400-4207-0491	24.000
Aikštelė	Kiti inžineriniai statiniai	4400-4207-0480	16.000
Aikštelė	Kiti inžineriniai statiniai	4400-4207-0476	32.000
Aikštelė	Kiti inžineriniai statiniai	4400-4207-0559	8.000

Pastabos:

- Turto rinkos vertė nustatyta su sąlyga, kad turtas bus parduodamas kaip vientisas objektas. Turto rinkos vertės išskaidymas yra sąlyginis.
- Turto rinkos vertė nustatyta taikant Pajamų metodą. Taikant Pajamų metodą, skaičiavimuose Pridėtinės Vertės Mokestis (PVM) nebuvo įtrauktas, t.y. nustatyta vertinamo turto rinkos vertė yra be PVM.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštaruja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

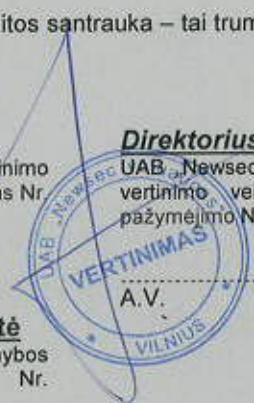
Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Direktorius / Įgaliotas asmuo

UAB „Newsec valuations“ įrašymo į Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034

Direktorė
Eglė Povilėnienė

SUMMARY / VALUATION CERTIFICATE

<i>Client</i>	AB „INVL Baltic Real Estate“, company code 152105644
<i>Country</i>	Lithuania
<i>City / village / district</i>	Vilnius c.
<i>Valuation date (Date of Inspection)</i>	28/10/2016
<i>Date of valuation report</i>	11/11/2016
<i>Property title</i>	Complex of various commercial purpose premises with land plot.
<i>Composition of Property</i>	8,082.47 sq. m various commercial purpose premises complex with 25.66 a (14257/29950 part of 53.91 a) land plot.
<i>Address</i>	Gynėjų str. 14, A. Tumėno str. 4 and 6, Vilnius c., Vilnius c. m., Lithuania.
<i>Owner / Tenant (name and ID)</i>	AB „INVL Baltic Real Estate“, company code 152105644
<i>Buildings / premises ID (unique number)</i>	4400-0996-9550:9425; 4400-0996-9471:9424; 4400-1501-1815:6866; 4400-1501-1791:6864; 4400-1501-1904:6871; 4400-1501-1862:6868; 4400-1501-1826:6867; 4400-1501-1804:6865; 4400-1586-3464:8350; 4400-1586-3475:8351; 4400-1501-1760:6862; 4400-1501-1759:6861; 4400-1046-3500:5659; 4400-1501-1948:6874; 4400-1501-1959:6875; 4400-1501-1880:6870; 4400-1501-1774:6863; 4400-1501-1978:6877; 4400-1501-1964:6876; 4400-1501-1876:6869; 4400-1501-1915:6872; 4400-1501-2012:6881; 4400-1501-1980:6878; 4400-0577-5577:7274; 4400-4207-0548; 4400-4207-0491; 4400-4207-0480; 4400-4207-0476; 4400-4207-0559.
<i>Land ID (unique number)</i>	4400-0931-1584.
<i>Land tenure</i>	Freehold
<i>Assumptions</i>	–

Valuation method	Income (Discounted Cash Flow) Approach
<i>Estimated market value</i>	10,307,000 Eur (Ten million three hundred and seven thousand Eur)

Note: Value Added Tax is excluded from estimation of Market Value using Income (Discounted Cash Flow) approach

Conditional Distribution

Property	Unique No.	Purpose (Type of use)	Conditional value, Eur
Land plot	4400-0931-1584	Other (Residential territory (For high-rise residential building construction) / Commercial purpose objects territory)	1,000
Restaurant	4400-1046-3500:5659	Catering	698,000
Shop	4400-1501-1815:6866	Commercial	194,000
Commercial premises	4400-1501-1774:6863	Commercial	145,000
Commercial premises	4400-1501-1804:6865	Commercial	309,000
Commercial premises	4400-1501-1791:6864	Commercial	308,000
Shop	4400-1501-1826:6867	Commercial	357,000
Shop	4400-1501-1862:6868	Commercial	490,000
Commercial premises	4400-1501-1880:6870	Commercial	510,000
Club	4400-1501-1760:6862	Other	121,000
Commercial premises	4400-1501-1759:6861	Commercial	689,000
Night club	4400-1586-3464:8350	Culture	1,847,000
Sport club	4400-1501-1876:6869	Services	198,000
Shop	4400-0996-9550:9425	Commercial	299,000

Property	Unique No.	Purpose (Type of use)	Conditional value, Eur
Shop	4400-0996-9471:9424	Commercial	335,000
Commercial premises	4400-1501-1959:6875	Commercial	509,000
Commercial premises	4400-1501-2012:6881	Other	482,000
Commercial premises	4400-1501-1980:6878	Other	238,000
Shop	4400-1501-1904:6871	Commercial	888,000
Commercial premises	4400-1501-1948:6874	Commercial	220,000
Commercial premises	4400-1501-1915:6872	Other	424,000
Administrative premises	4400-1586-3475:8351	Administrative	19,000
Administrative premises	4400-1501-1978:6877	Administrative	19,000
Administrative premises	4400-1501-1964:6876	Administrative	19,000
Parking	4400-0577-5577:7274	Garage	900,000
Parking lot	4400-4207-0548	Other engineering buildings	8,000
Parking lot	4400-4207-0491	Other engineering buildings	24,000
Parking lot	4400-4207-0480	Other engineering buildings	16,000
Parking lot	4400-4207-0476	Other engineering buildings	32,000
Parking lot	4400-4207-0559	Other engineering buildings	8,000

Above distribution of Market Value is conditional (Market Value estimated as for integral complex)

EXECUTIVE SUMMARY

of Valuation Report No. 38613 VAT_2016 GDR VHAN

Client (the Customer ordering the valuation)	Joint-stock company "INVL Baltic Real Estate" . Legal entity code 152105644. Address: Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	Determination of the market value and forced sale value of property with the aim of pledging the property. This report is only intended for AB Šiaulių bankas . Determination of the market value of property for the purpose of drafting financial statements.
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	18 November 2016.
Identification and the address of the asset to be valued	Building – Administrative building, located at Vilnius City Municipality, Vilnius City, Palangos St. 4; Non-residential premises – Administrative premises with underground parking, located at Vilnius City Municipality, Vilnius City, Vilniaus St. 33; Other engineering structures – Yard structures (parking), located at Vilnius City Municipality, Vilnius City, Vilniaus St. 33; ½ part of other structures (engineering) – Parking, located at Vilnius City Municipality, Vilnius City, Palangos St. 4; The part 0.4933 ha from 0.6271 ha of state parcel of land managed on a lease basis, located Vilnius City Municipality, Vilnius City, Palangos St. 4.
The owner and lessee of the subject property	The owner of building, non-residential premises and structures - Joint-stock company "INVL Baltic Real Estate"; The owner of 4933/6271 part of the parcel - Republic of Lithuania, The lessee of 4933/6271 part of the parcel – Joint-stock company "INVL Baltic Real Estate".
Property rights appraised	The buildings and structures – freehold (ownership rights). The parcel of land – lease rights.

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Name of property	Main designated use	Unique No.	Building number in the plan	Total area
Building – Administrative building	Administrative	1097-5009-8014	1B4b	5,050.89 sq. m
Non-residential premises – Administrative premises with underground parking (marked R-3, R-3a, R-26, R-27, R-29, R-30, from R-32 to R-46, from 1-166 to 1-203, 1-76a, 1-76b)	Administrative	1097-7010-6019:0001	1B4b	4,693.31 sq. m
Other engineering structures – Yard structures (parking)	Other engineering structures	1097-7010-6024	-	-
½ part of other structures (engineering) – Parking	Other engineering structures (yard equipment)	4400-2340-9292	b	½ part of 1,006.88 sq. m
Part 0.4933 ha from 0.6271 ha of state parcel of land managed on a lease basis	Other	0101-0041-0096	-	4933/6271 part of 0.6271 ha, i.e. 0.4933 ha

VALUATION APPROACH (METHOD): Income Approach. Value estimated using Income Approach.



CONCLUSION REGARDING MARKET VALUE

The **market value** of the appraised property at 31 October 2016 herein is

€ 7,700,000 (seven million seven hundred thousand Euros). Of it:

The market value of Administrative building, unique No. 1097-5009-8014, herein is 4,539,999 Eur;

The market value of Administrative premises with underground parking, unique No. 1097-7010-6019:0001, herein is 3,100,000 Eur;

The market value of Yard structures (parking), unique No. 1097-7010-6024, herein is 30,000 Eur;

The market value of ½ part of other structures (engineering) – Parking, unique No. 4400-2340-9292, herein is 30,000 Eur;

The market value of 4933/6271 part of the state parcel of land managed on a lease basis, unique No. 0101-0041-0096, herein is 1 Eur.

CONCLUSION REGARDING FORCED SALE VALUE

The **forced sale value** of the appraised property at 31 October 2016 herein is

€ 5,600,000 (five million six hundred thousand Euros).

NOTES:

- Valuers note that the assignment of values to individual units of the valued property is conditional and is only valid for pledge/sale of the entire valued property and not in individual property units.
- The value of property is determined and this valuation report is written based on the special assumptions, assumptions and circumstances provided in Section No. 2 of this Report.

Appraised property was inspected, valued and report was prepared by: „OBER-HAUS” nekilnojamas turtas UAB, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Saulius Vagonis

Certified Real Estate Valuer
Licence No. A 000286, issued 19-02-2003

Person who has the right to act on behalf of “OBER-HAUS” nekilnojamas turtas UAB: Director General Remigijus Pleteras

(or a person authorised by the Director General, specify the first name and surname)

Administratorė
Eglė Radzevičiūtė



TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1454 SANTRAUKA

Užsakovas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 9.744,20 kv. m administracinės paskirties patalpų ir pastato kompleksas su 49,33 a (dalis iš 62,71 a) žemės sklypo nuomos teisėmis.

Vertinamo turto adresas:

Palangos g. 4 ir Vilniaus g. 33, Vilniaus m., Vilniaus m. sav., Lietuva.

Kita informacija apie vertinamą turą:

Adresas	Turtas	Unikalus Nr.	Paskirtis (Naudojimo būdas)	Indeksas	Statybos metal	Rekonstr. metal	Stat. baigt.	Aukštis / Aukštų sk.	Plotas, kv. m	
Palangos g. 4	Žemės sklypas (nuomos teisės)	0101-0041-0096	Kita							4.933
Palangos g. 4	Lengvųjų automobilių stovėjimo aikštelė	4400-2340-9292	Kiti inžineriniai statiniai (kiemo (renginiai))	b	2012	-	100%	-	503,44	
Vilniaus g. 33	Administracinės patalpos su požemine automobilių stovėjimo aikštele	1097-7010-6019:0001	Administracinė	R-3, R-3a, R-26, R-27, R-29, R-30, nuo R-32 iki R-46, nuo 1-166 iki 1-203, 1-76a, 1-76b	1977	2000	100%	1 ir 2 su rūsiu	4.693,31	
Palangos g. 4	Administracinis pastatas	1097-5009-8014	Administracinė	1B4b	1975	.	100%	4 su rūsiu	5.050,89	
Vilniaus g. 33	Kiemo statiniai	1097-7010-6024	Kiti inžineriniai statiniai	-	2002	-	100%	-	-	

Vertinamo turto savininkas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Savininku“).

Vertinimo metodas: Pajamų

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra 7.493.000 Eur (Septyni milijonai keturi šimtai devyniasdešimt trys tūkstančiai eurų).

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Žemės sklypas (nuomos teisės)	Kita	0101-0041-0096	1.000
Lengvųjų automobilių stovėjimo aikštelė	Kiti inžineriniai statiniai (kiemo įrenginiai)	4400-2340-9292	20.000
Administracinės patalpos su požemine automobilių stovėjimo aikštele	Administracinė	1097-7010-6019:0001	3.392.000
Administracinis pastatas	Administracinė	1097-5009-8014	4.035.000
Kiemo statiniai	Kiti inžineriniai statiniai	1097-7010-6024	45.000

Pastabos:

- Turto rinkos vertė nustatyta su sąlyga, kad turtas bus parduodamas kaip vientisas objektas. Turto rinkos vertės išskaidymas yra sąlyginis.
- Turto rinkos vertė nustatyta taikant Pajamų metodą. Taikant Pajamų metodą, skaičiavimuose Pridėtinės Vertės Mokestis (PVM) nebuvo įtrauktas, t.y. nustatyta vertinamo turto rinkos vertė yra be PVM.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštarauja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Direktorius / Įgaliotas asmuo

UAB "Newsec valuations" įrašymo į Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170.



Direktorė
Eglė Povilėnienė

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034.

SUMMARY / VALUATION CERTIFICATE

Client	AB „INVL Baltic Real Estate“, company code 152105644
Country	Lithuania
City / village / district	Vilnius c.
Valuation date (Date of Inspection)	28/10/2016
Date of valuation report	11/11/2016
Property title	Complex of administrative purpose premises and building with land plot lease rights.
Composition of Property	9,744.20 sq. m administrative purpose premises and building complex with 49.33 a (part of 62.71 a) land plot lease rights.
Address	Palangos str. 4 and Vilniaus str. 33, Vilnius c., Vilnius c. m., Lithuania.
Owner / Tenant (name and ID)	AB „INVL Baltic Real Estate“, company code 152105644
Buildings / premises ID (unique number)	4400-2340-9292; 1097-7010-6019:0001; 1097-5009-8014; 1097-7010-6024.
Land ID (unique number)	0101-0041-0096.
Land tenure	Leasehold
Assumptions	–

Valuation method	Income (Discounted Cash Flow) Approach
Estimated market value	7,493,000 Eur (Seven million four hundred and ninety three thousand Eur)

Note: Value Added Tax is excluded from estimation of Market Value using Income (Discounted Cash Flow) approach

Conditional Distribution

Property	Unique No.	Purpose (Type of use)	Conditional value, Eur
Land plot (lease right)	0101-0041-0096	Other	1,000
Parking lot	4400-2340-9292	Other engineering buildings (yard buildings)	20,000
Administrative premises with underground parking	1097-7010-6019:0001	Administrative	3,392,000
Administrative building	1097-5009-8014	Administrative	4,035,000
Courtyard buildings	1097-7010-6024	Other engineering buildings	45,000

Above distribution of Market Value is conditional (Market Value estimated as for integral complex)

EXECUTIVE SUMMARY

of Valuation Report No. 39701 VAT_2016 DGR VHAN

Client (the Customer ordering the valuation)	Joint-stock company "INVL Baltic Real Estate" . Legal entity code 152105644. Address: Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	Determination of the market value and forced sale value of property with the aim of pledging the property. This report is only intended for AB Šiaulių bankas . Determination of the market value of property for the purpose of drafting financial statements.
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	28 November 2016.
Identification of the asset to be valued	Building – Administrative building with cafes premises, other engineering structures - parking and the parcel of land managed on a lease basis.
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Žygio St. 97.
The owner of the subject property	The owner of building and other engineering structures – Joint-stock company "INVL Baltic Real Estate", identification code 152105644; The owner of the land parcel – Republic of Lithuania, identification code 111105555.
Lessee of valued parcel	Joint-stock company "INVL Baltic Real Estate", identification code 152105644.
Property rights appraised	The building and other engineering structures – freehold (ownership rights); The parcel of land – lease rights.

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Name of property	Main designated use	Unique No.	Building number in the plan	Valuated area / Total area
Building – Administrative building with cafes premises	Administrative	1094-0512-9012	27B2p	3,235.79 sq. m / 6,220.9 sq.m
Other engineering structures - Parking	Other engineering structures	4400-2205-4124	b1	-

Name of property	Main designated use / Manner of use	Unique No.	Cadastral No.	Valuated area / Total area
Parcel of land managed on a lease basis	Other / Area for commercial objects	4400-2041-4714	0101/0023:330 Vilniaus m. k.v.	~0,45 ha / 0.5997 ha

VALUATION APPROACH (METHOD): Income Approach. Value estimated using Income Approach.

CONCLUSION REGARDING MARKET VALUE

The **market value** of the appraised property at 31 October 2016 herein is
€ 2,570,000 (two million five hundred seventy thousand Euros).

CONCLUSION REGARDING FORCED SALE VALUE

The **forced sale value** of the appraised property at 31 October 2016 herein is
€ 1,810,000 (one million eight hundred ten thousand Euros).

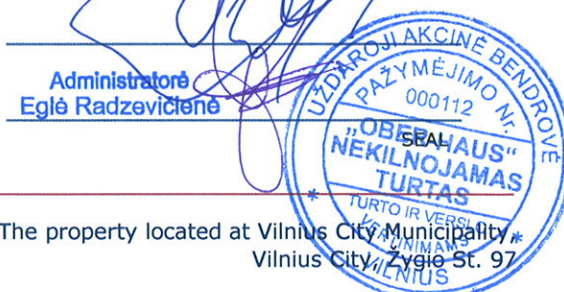
NOTES: The conditional assignment of market values to individual units of the valued property is provided in Tables no. 6.11-6.12, pages 37-38. Valuers note that the assignment of values to individual units of the valued property is conditional and is only valid for pledge/sale of the entire valued property and not in individual property units. The value of property is determined and this valuation report is written based on the special assumptions, assumptions and circumstances provided in Section No. 2 of this Report.

Appraised property was inspected, valuated and report was prepared by: „**OBER-HAUS**“ **nekilnojamas turtas UAB**, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Donatas Grigaluskas
Certified Real Estate Valuer
Licence No. A 000389, issued 06-22-2007

Person who has the right to act on behalf of "OBER-HAUS" nekilnojamas turtas UAB: Director General Remigijus Pleteras
(or a person authorised by the Director General, specify the first name and surname)

Administratorė
Eglė Radzevičienė



TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1455 SANTRAUKA

Užsakovas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 3.250,69 kv. m (dalis iš 6.220,90 kv. m) administracinis pastatas su kavinės ir gyvenamosiomis patalpomis su 44,97 a (dalis iš 59,97 a) žemės sklypo nuomos teisėmis.
Vertinamo turto adresas: Žygio g. 97, Vilniaus m., Vilniaus m. sav., Lietuva.
Kita informacija apie vertinamą turtą:

Adresas	Turtas	Unikalus Nr.	Paskirtis (Naudojimo būdas)	Indeksas	Statybos metal	Rekonstr. metal	Stat. baigt.	Aukštas / Aukštų sk.	Plotas, kv. m	
Žygio g. 97	Žemės sklypas (nuomos teisės)	4400-2041-4714	Kita (Komerčinės paskirties objektų teritorijos)							4.497
Žygio g. 97	Administracinis pastatas su kavinės ir gyvenamosiomis patalpomis	1094-0512-9012	Administracinė	27B2/p	1940	2016	100%	2 su mansarda	3.250,69	
Žygio g. 97	Automobilių stovėjimo aikštelė	4400-2205-4124	Kiti inžineriniai statiniai	b1	2013	–	100%	–	–	

Vertinamo turto savininkas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Savininku“).

Vertinimo metodas: Pajamų

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra **2.405.000 Eur (Du milijonai keturi šimtai penki tūkstančiai eurų)**.

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Žemės sklypas (nuomos teisės)	Kita (Komerčinės paskirties objektų teritorijos)	4400-2041-4714	1.000
Administracinis pastatas su kavinės ir gyvenamosiomis patalpomis	Administracinė	1094-0512-9012	2.326.000
Automobilių stovėjimo aikštelė	Kiti inžineriniai statiniai	4400-2205-4124	78.000

Turto vertinimo ataskaita

Palangos g. 4 ir Vilniaus g. 33, Vilniaus m., Vilniaus m. sav., Lietuva
2016-11-11

NEWSEC

Pastabos:

- Turto rinkos vertė nustatyta su sąlyga, kad turtas bus parduodamas kaip vientisas objektas. Turto rinkos vertės išskaidymas yra sąlyginis.
- Turto rinkos vertė nustatyta taikant Pajamų metodą. Taikant Pajamų metodą, skaičiavimuose Pridėtinės Vertės Mokestis (PVM) nebuvo įtrauktas, t.y. nustatyta vertinamo turto rinkos vertė yra be PVM.
- Remiantis Nekilnojamojo turto registro centrinio duomenų banko išrašu Nr. 44/1359089, Administracinis pastatas su kavinės ir gyvenamosiomis patalpomis (unikalus Nr. 1094-0512-9012) yra nebaigtas statyti – statybos baigtumas – 81 %, bendras plotas – 6.220,90 kv. m. Remiantis 2016-06-30 Kadastrinių matavimų byla bei 2016-07-19 dienos Klaidų ištaisymo aktu, minėtą pastatą sudaro 2 korpusai: 2.329,93 kv. m administracinis pastatas su kavinės ir gyvenamosiomis patalpomis bei 920,76 kv. m pastogės patalpomis (bendras plotas – 3.250,69 kv. m, statybos baigtumas – 100 %) ir 2.879,93 kv. m priestatas bei 90,28 kv. m rūšys (bendras plotas – 2.970,21 kv. m, statybos baigtumas – 56-57 %). Remiantis sudaryta Vertinimo sutartimi Nr. LT-16-09-07/01, Vertintojas nustato 2.329,93 kv. m administracinio pastato su kavinės ir gyvenamosiomis patalpomis bei 920,76 kv. m pastogės patalpų (bendras plotas – 3.250,69 kv. m, statybos baigtumas – 100 %), sudarančių vieną bendrą pastatą (korpusą) rinkos vertę. Pastatui priskirta žemės sklypo dalis nustatyta remiantis Vertintojui pateikta 2015-05-11 dieną sudaryta Preliminariąja sutartimi.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštarauja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034.

Direktorius / Įgaliotas asmuo

UAB „Newsec valuations“ įrašymo į Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170.



Direktore
Eglė Povilėnienė

SUMMARY / VALUATION CERTIFICATE

Client	AB „INVL Baltic Real Estate“, company code 152105644
Country	Lithuania
City / village / district	Vilnius c.
Valuation date (Date of Inspection)	28/10/2016
Date of valuation report	11/11/2016
Property title	Administrative building with café and residential premises with land plot lease rights.
Composition of Property	3,250.69 sq. m (part of 6,220.90 kv. m) administrative building with café and residential premises with 44.97 a (part of 59.97 a) land plot lease rights.
Address	Žygio str. 97, Vilnius c., Vilnius c. m., Lithuania.
Owner / Tenant (name and ID)	AB „INVL Baltic Real Estate“, company code 152105644
Buildings / premises ID (unique number)	1094-0512-9012; 4400-2205-4124.
Land ID (unique number)	4400-2041-4714.
Land tenure	Leasehold
Assumptions	According to Registry of Real estate No. 44/1359089, administrative building with café and residential premises (unique No. 1094-0512-9012) is under construction – completion of construction – 81 %, total area – 6,220.90 sq. m. According to Cadastral file of the building and 2016-07-19 Correction act of mistakes, building consists of 2 corps: 2,329.93 sq. m administrative building with café and residential premises and 920.76 sq. m attic premises (total area – 3,250.69 sq. m, completion of construction – 100 %) and 2,879.93 sq. m annex building and 90.28 sq. m cellar (total area – 2,970.21 sq. m, completion of construction – 56-57 %). According to Valuation contract No. LT-16-09-07/01, Valuer estimates 2,329.93 sq. m administrative building with café and residential premises and 920.76 sq. m attic premises (total area – 3,250.69 sq. m, completion of construction – 100 %) constitute one building (corps) market value. Parts of land plot are defined according to Preliminary contract signed on 2015-05-11 presented to Value.

Valuation method	Income (Discounted Cash Flow) Approach
Estimated market value	2,405,000 Eur (Two million four hundred and five thousand Eur)

Note: Value Added Tax is excluded from estimation of Market Value using Income (Discounted Cash Flow) approach

Conditional Distribution

Property	Unique No.	Purpose (Type of use)	Conditional value, Eur
Land plot (lease right)	4400-2041-4714	Other (Commercial purpose objects territory)	1,000
Administrative building with café and residential premises	1094-0512-9012	Administrative	2,326,000
Parking lot	4400-2205-4124	Other engineering buildings	78,000

Above distribution of Market Value is conditional (Market Value estimated as for integral complex)

EXECUTIVE SUMMARY

of Valuation Report No. 39688 VAT_2016 DGR VHAN

Client (the Customer ordering the valuation)	Joint-stock company "INVL Baltic Real Estate" . Legal entity code 152105644. Address: Vilnius City Municipality, Vilnius City, Šeimyniškių St. 1A. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	Determination of the market value and forced sale value of property with the aim of pledging the property. This report is only intended for AB Šiaulių bankas . Determination of the market value of property for the purpose of drafting financial statements.
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	28 November 2016.
Identification of the asset to be valued	Warehousing buildings (2 units), administrative and garage premises, other engineering structures – yard structures (fence, yard) and the part 0.6693 ha from 0.8655 ha of land parcel managed on a lease basis.
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Kirtimų St. 33.
The owner of the subject property	The owner of buildings, non-residential premises and other engineering structures: Joint-stock company "INVL Baltic Real Estate", identification code 152105644; The owner of the part of parcel: Republic of Lithuania, identification code 111105555.
The lessee of the part 0.6693 ha from 0.8655 ha of parcel	Joint-stock company "INVL Baltic Real Estate", identification code 152105644.
Property rights appraised	The buildings, non-residential premises and other engineering structures – freehold (ownership rights). The part of land parcel – lease rights.

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Name of property	Main designated use	Unique No.	Building number in the plan	Total area
Non-residential premises - Garage, premises are marked from 1-1 to 1-4, from 1-7 to 1-9	Garage	4400-0696-9044:9061	2G1p	137.02 sq. m
Building – Warehouse	Warehousing	1098-2007-7030	3F1b	1,480.57 sq. m
Building – Warehouse	Warehousing	1098-2007-7063	6F1b	102.45 sq. m
Other engineering structures - Yard structures (fence, yard)	Other engineering structures	4400-0112-3308	-	-
Non-residential premises – Administrative premises, from R-1 to R-10, 1-70, from 1-72 to 1-83, from 1-85 to 1-110, 2-11, from 2-13 to 2-23, from 2-25 to 2-36 and general use premises 1-2 (437/1000 part of 32.03 sq. m, i.e. 14.00 sq. m), 1-3, 2-12, 2-24, 3-10, 3-2 (667/1000 part of 35,66 sq. m, i.e. 23,79 sq. m). Total area of general use premises: 37.79 sq. m.	Administrative	4400-0696-8925:9058	1H3b	1,280.47 sq. m

Name of property	Main designated use	Unique No.	Cadastral No.	Total area/ Valued area
Part of land parcel managed on a lease basis	Other	0101-0082-0101	0101/0082:101 Vilniaus m. k.v.	0.8655 ha / 0.6693 ha

VALUATION APPROACH (METHOD): Market Approach and Income Approach. Value estimated using Income Approach.

CONCLUSION REGARDING MARKET VALUE

The **market value** of the appraised property at 31 October 2016 herein is
€ 790,000 (seven hundred ninety thousand Euros).

CONCLUSION REGARDING FORCED SALE VALUE

The **forced sale value** of the appraised property at 31 October 2016 herein is
€ 550,000 (five hundred fifty thousand Euros).

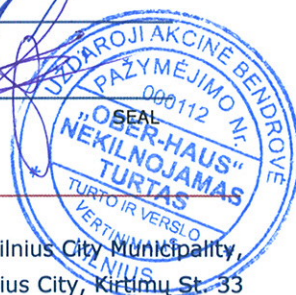
NOTES: The conditional assignment of market values to individual units of the valued property is provided in Tables no. 6.11-6.12, page 41-42. Valuers note that the assignment of values to individual units of the valued property is conditional and is only valid for pledge/sale of the entire valued property and not in individual property units. The value of property is determined and this valuation report is written based on the special assumptions, assumptions and circumstances provided in Section No. 2 of this Report.

Appraised property was inspected, valued and report was prepared by: „**OBER-HAUS**“ **nekilnojamas turtas UAB**, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Donatas Grigalaukas
Certified Real Estate Valuer
Licence No. A 000389, issued 06-22-2007

Person who has the right to act on behalf of "OBER-HAUS" nekilnojamas turtas UAB: Director General Remigijus Pleteras
(or a person authorised by the Director General, specify the first name and surname)

Administratorė
Eglė Radzevičienė



TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1453 SANTRAUKA

Užsakovas: AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 3.000,51 kv. m sandėliavimo-administracinės paskirties kompleksas su 66,93 a (dalis iš 86,55 a) žemės sklypo nuomos teisėmis.

Vertinamo turto adresas:

Kirtimų g. 33, Vilniaus m., Vilniaus m. sav., Lietuva.

Kita informacija apie vertinamą turtą:

Adresas	Turtas	Unikalus Nr.	Paskirtis (Naudojimo būdas)	Indeksas	Statybos metai	Stat. baigt.	Aukštas / Aukštų sk.	Plotas, kv. m
Kirtimų g. 33	Žemės sklypas (nuomos teisės)	0101-0082-0101	Kita (Gyvenamosios teritorijos (Mažaaukščių gyvenamųjų namų statybos) / Pramonės ir sandėliavimo objektų teritorijos / Susisiekimo ir inžinerinių komunikacijų aptarnavimo objektų teritorijos)					6.693
Kirtimų g. 33	Administracinės patalpos	4400-0696-8925-9058	Administracinė	nuo R-1 iki R-10, 1-70, nuo 1-72 iki 1-83, nuo 1-85 iki 1-110, 2-11, nuo 2-13 iki 2-23, nuo 2-25 iki 2-36	1982	100%	1 ir 2 su rūsiu	1.280,47
Kirtimų g. 33	Garažas	4400-0696-9044-9061	Garažų	nuo 1-1 iki 1-4, nuo 1-7 iki 1-9	1982	100%	1	137,02
Kirtimų g. 33	Sandėlis	1098-2007-7030	Sandėliavimo	3F1b	1982	100%	1	1.480,57
Kirtimų g. 33	Sandėlis	1098-2007-7063	Sandėliavimo	6F1b	1997	100%	1	102,45
Kirtimų g. 33	Kiemo statiniai	4400-0112-3308	Kiti inžineriniai statiniai	–	2002	100%	–	–

Vertinamo turto savininkas / nuomininkas:

AB „INVL Baltic Real Estate“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registru centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **152105644** (toliau vadinama „Savininku“).

Vertinimo metodas: Pajamų

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra **823.000 Eur (Aštuoni šimtai dvidešimt trys tūkstančiai eurų)**.

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Žemės sklypas (nuomos teisės)	Kita (Gyvenamosios teritorijos (Mažaaukščių gyvenamųjų namų statybos) / Pramonės ir sandėliavimo objektų teritorijos / Susisiekimo ir inžinerinių komunikacijų aptarnavimo objektų teritorijos)	0101-0082-0101	1.000
Administracinės patalpos	Administracinė	4400-0696-8925:9058	384.000
Garažas	Garažų	4400-0696-9044:9061	28.000
Sandėlis	Sandėliavimo	1098-2007-7030	296.000
Sandėlis	Sandėliavimo	1098-2007-7063	14.000
Kiemo statiniai	Kiti inžineriniai statiniai	4400-0112-3308	100.000

Pastabos:

- Turto rinkos vertė nustatyta su sąlyga, kad turtas bus parduodamas kaip vientisas objektas. Turto rinkos vertės išskaidymas yra sąlyginis.
- Turto rinkos vertė nustatyta taikant Pajamų metodą. Taikant Pajamų metodą, skaičiavimuose Pridėtinės Vertės Mokestis (PVM) nebuvo įtrauktas, t.y. nustatyta vertinamo turto rinkos vertė yra be PVM.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštarauja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Direktorius / Įgaliotas asmuo

UAB "Newsec valuations" įrašymo į Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170.

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034.



Direktorė
Eglė Povilėnienė

SUMMARY / VALUATION CERTIFICATE

Client	AB „INVL Baltic Real Estate“, company code 152105644
Country	Lithuania
City / village / district	Vilnius c.
Valuation date (Date of Inspection)	28/10/2016
Date of valuation report	11/11/2016
Property title	Complex of warehouse-administrative purpose premises, buildings with land plot lease rights.
Composition of Property	3,000.51 sq. m warehouse-administrative purpose complex with 66.93 a (part of 86.55 a) land plot lease rights.
Address	Kirtimų str. 33, Vilnius c., Vilnius c. m., Lithuania.
Owner / Tenant (name and ID)	AB „INVL Baltic Real Estate“, company code 152105644
Buildings / premises ID (unique number)	4400-0696-8925:9058; 4400-0696-9044:9061; 1098-2007-7030; 1098-2007-7063; 4400-0112-3308.
Land ID (unique number)	0101-0082-0101.
Land tenure	Leasehold
Assumptions	–

Valuation method	Income (Discounted Cash Flow) Approach
Estimated market value	823,000 Eur (Eight hundred and twenty three thousand Eur)

Note: Value Added Tax is excluded from estimation of Market Value using Income (Discounted Cash Flow) approach

Conditional Distribution

Property	Unique No.	Purpose (Type of use)	Conditional value, Eur
Land plot (lease right)	0101-0082-0101	Other (Residential territory (For low-rise residential buildings construction) / Industrial and Warehouse buildings territory / Transport and engineering facilities service objects territory)	1,000
Administrative premises	4400-0696-8925:9058	Administrative	384,000
Garage	4400-0696-9044:9061	Garage	28,000
Warehouse	1098-2007-7030	Storage	296,000
Warehouse	1098-2007-7063	Storage	14,000
Courtyard buildings	4400-0112-3308	Other engineering buildings	100,000

Above distribution of Market Value is conditional (Market Value estimated as for integral complex)

EXECUTIVE SUMMARY

of Valuation Report No. 37890 VAT_2016 SVA VHAN

Client (the Customer ordering the valuation)	UAB "Rovelija" . Legal entity code 302575846. Address: Vilnius City Municipality, Vilnius City, Kalvarijų St. 11A-20. The data about company are registered and collected in the Register of Legal Entities (the keeper of Register - The State Enterprise Centre of Registers).
Valuation case	When requested by the customer , i.e. it corresponds with Article 4(3) of the Law of the Republic of Lithuania on the Fundamentals of Property and Business Valuation (Official Gazette, 1999, No. 52-1672; 2011, No. 86-4139).
Purpose of the valuation	Determination of the market value for the other purpose (client's request to know what would be the market value of property, if they were implemented in the special assumptions).
Date of Inspection	31 October 2016.
Valuation Date	31 October 2016.
Date of Report	18 November 2016.
Identification of the asset to be valued	Apartment/Premises – Apartments (6 units), located at the state parcel of land managed on a lease basis.
The address of the asset to be valued	Vilnius City Municipality, Vilnius City, Kalvarijų St. 11A-20, 21, 22, 23, 24, 25.
The owner of the valued apartments	UAB „Rovelija“, identification code 302575846.
Apartments rights appraised	Freehold (ownership rights).

THE MAIN IDENTIFICATION DATA OF THE PROPERTY

Name of property	Main designated use	Unique No.	Address	Building number in the plan	Total area
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9029:0007	Vilniu, Kalvarijų St. 11A-20	2A2p	51.72 sq.m
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9018:0018	Vilnius, Kalvarijų St. 11A-21	2A2p	42.70 sq.m
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9018:0019	Vilnius, Kalvarijų St. 11A-22	2A2p	51.07 sq.m
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9018:0020	Vilnius, Kalvarijų St. 11A-23	2A2p	41.70 sq.m
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9018:0021	Vilnius, Kalvarijų St. 11A-24	2A2p	43.60 sq.m
Apartment/Premises – Apartment with cellar	Residential (apartments)	1094-0142-9018:0022	Vilnius, Kalvarijų St. 11A-25	2A2p	45.51 sq.m

VALUATION APPROACH (METHOD): Market Approach and Income Approach. Value estimated using Income Approach.

CONCLUSION REGARDING MARKET VALUE

The **market value** of the appraised property at 31 October 2016 herein is
€ 350,000 (three hundred and fifty thousand Euros).

Note. The value of property is determined based on the special assumptions:

- The development of land parcel with valued apartments is possible in accordance with maximal regulations provided in the General Plan of Vilnius, i.e. the assumption that it is possible to fully exploit the maximum building intensity - 3.0. According to the customer's request, the market value of the property is determined based on the assumption that the commercial building (office building) which total area would be up to 1,500 sq. m can be designed and built on the parcel of land.

- Because the subject property adjacent to the Customer related IBC business center territory, calculation of the market value is based on the main Customer's formed assumption, that the planned to construct building would be without own underground parking. The users of administrative premises that would be fitted out in the planned to construct building use parking spaces (about 40-50 necessary parking spaces) in the IBC territory. I.e. the lessee of the planned to construct building will have opportunity to rent parking spaces of IBC territory for a fee which will be not greater than rent market price.

Appraised property was inspected, valued and report was prepared by: „**OBER-HAUS**“ nekilnojamas turtas UAB, a legal entity incorporated under the laws of the Republic of Lithuania, reg. No. 111645042 with its registered office at Geležinio Vilko St. 18A, Vilnius, Lithuania. Certificate No. 000112 entitling to engage in the valuation of property or business. Certificate issued on 1 August 2012 on the basis of the order of the Director of the Property Valuation Supervision Authority (31 July 2012 No B1-38).

Valuer: Saulius Vagonis

Certified Real Estate Valuer
Licence No. A 000286, issued 02-19-2003

Person who has the right to act on behalf of "OBER-HAUS" nekilnojamas turtas UAB: Director General Remigijus Pleteras

(or a person authorised by the Director General, specify the first name and surname)

Administratorė
Eglė Radzevičienė



TURTO VERTINIMO ATASKAITOS NR. LT-16-11-11-1456 SANTRAUKA

Užsakovas: UAB „Rovelija“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registrų centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **302575846** (toliau vadinama „Užsakovu“).

Vertinimo tikslas ir atvejis: Turto rinkos vertės nustatymas finansinių ataskaitų sudarymo tikslu, pageidaujant Užsakovui (neprivalomasis turto vertinimas).

Vertės nustatymo (turto apžiūros) data: 2016-10-28.

Vertinimo ataskaitos (surašymo) data: 2016-11-11.

Vertinamas turtas: 6 butai su rūšiais.
Vertinamo turto adresas: Kalvarijų g. 11A – 20, 21, 22, 23, 24 ir 25, Vilniaus m., Vilniaus m. sav., Lietuva.

Kita informacija apie vertinamą turtą:

Adresas	Turtas	Unikalus Nr.	Paskirtis	Statybos metal	Stat. baigt.	Kambarių sk.	Aukštas	Plotas, kv. m
Kalvarijų g. 11A – 20	Butas su rūšiu	1094-0142-9029:0007	Gyvenamoji (butų)	1940	100%	2	1	51,72
Kalvarijų g. 11A – 21	Butas su rūšiu	1094-0142-9018:0018	Gyvenamoji (butų)	1940	100%	1	1	42,70
Kalvarijų g. 11A – 22	Butas su rūšiu	1094-0142-9018:0019	Gyvenamoji (butų)	1940	100%	3	2	51,07
Kalvarijų g. 11A – 23	Butas su rūšiu	1094-0142-9018:0020	Gyvenamoji (butų)	1940	100%	1	2	41,70
Kalvarijų g. 11A – 24	Butas su rūšiu	1094-0142-9018:0021	Gyvenamoji (butų)	1940	100%	1	1	43,60
Kalvarijų g. 11A – 25	Butas su rūšiu	1094-0142-9018:0022	Gyvenamoji (butų)	1940	100%	2	2	45,51

Vertinamo turto savininkas: UAB „Rovelija“, pagal Lietuvos Respublikos įstatymus įsteigta ir veikianti bendrovė, duomenys apie kurią kaupiami ir saugomi VĮ „Registrų centras“ Juridinių asmenų registre, kurios buveinės adresas yra **Gynėjų g. 14, Vilniaus m., Vilniaus m. sav., Lietuva**, juridinio asmens kodas **302575846** (toliau vadinama „Savininku“).

Vertinimo metodas: Lyginamasis

IŠVADA DĖL TURTO RINKOS VERTĖS:

Vertinamo turto rinkos vertė 2016-10-28 dienai yra **336.000 Eur (Trys šimtai trisdešimt šeši tūkstančiai eurų)**.

Išskaidyta vertinamo turto rinkos vertė 2016-10-28 dienai:

Turtas	Paskirtis (naudojimo būdas)	Unikalus Nr.	Sąlyginė vertė, Eur
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9029:0007	75.000
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9018:0018	37.000
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9018:0019	67.000
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9018:0020	58.000
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9018:0021	38.000
Butas su rūšiu	Gyvenamoji (butų)	1094-0142-9018:0022	61.000

Turto vertinimo ataskaita

Kalvarijų g. 11A – 20, 21, 22, 23, 24 ir 25, Vilniaus m., Vilniaus m. sav., Lietuva
2016-11-11

NEWSEC

Pastabos:

- Turto rinkos vertė nustatyta taikant Lyginamąjį metodą. Vertintojas, skaičiuodamas Lyginamuoju metodu, rėmėsi Lietuvos Respublikos Pridėtinės vertės mokesčio įstatymu bei daro prielaidą, kad sandorių kainos nurodytos be Pridėtinės Vertės Mokesčio (PVM), todėl nustatyta vertinamo turto rinkos vertė yra be PVM, jei vertinamas turtas pagal Lietuvos Respublikos Pridėtinės vertės mokesčio įstatymą yra PVM neapmokestinamas objektas.

Užtikriname, kad šioje ataskaitoje:

- Pastabos ir informacija žinoma turto vertintojui, kuri gali paveikti turto rinkos vertę, yra pateikta
- Pateiktos nuomonės, tyrimai ir išvados yra nešališki ir galėjo būti paveikti tik atsitiktinumo ir kitų sąlygų;
- Šis vertinimas parengtas remiantis Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymo pakeitimo įstatymu (Žin., 2011, Nr. 86-4139), Turto ir verslo vertinimo metodika, patvirtinta Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-159 (Žin., 2012, Nr. 50-2502; Žin., 2013, Nr. 59-2952), Turto arba verslo vertintojų profesinės etikos kodeksu, patvirtintu Lietuvos Respublikos finansų ministro 2012 m. balandžio 27 d. įsakymu Nr. 1K-160 (Žin., 2012, Nr. 50-2503), Tarptautiniais turto vertinimo standartais (IVS 2013), Europos turto vertinimo standartais (EVS 2016), Tarptautiniais apskaitos standartais (TAS) taip kaip pateikta Europos Bendrijų Komisijos reglamente (EB) Nr. 1126/2008 bei kitais teisės aktais, susijusiais su vertinimu, tiek, kiek jie neprieštarauja Lietuvos Respublikos turto ir verslo vertinimo pagrindų įstatymui, Tarptautiniams vertinimo standartams, Europos vertinimo standartams ir Metodikai.
- Pažymėtina, kad Turto vertinimo ataskaitos santrauka – tai trumpa vertinimo ataskaitos santrauka ir ji turėtų būti skaitoma kartu su visa ataskaita.

Vertintojas: Linas Daukus

Lietuvos Respublikos audito, apskaitos ir turto vertinimo instituto 2009-06-10 išduotas Kvalifikacijos pažymėjimas Nr. A 000552.

Direktorius / Įgaliotas asmuo

UAB „Newsec valuations“ įrašymo | Išorės turto arba verslo vertinimo veikla turinčių teisę verstis asmenų sąrašą pažymėjimo Nr. 000170.

Vertintojo asistentas: Kristina Pilipavičiūtė

Lietuvos Respublikos Turto vertinimo priežiūros tarnybos 2014-12-01 išduotas Kvalifikacijos pažymėjimas Nr. 000034.



Direktorė
Eglė Povilėnienė



SUMMARY / VALUATION CERTIFICATE

<i>Client</i>	UAB „Rovelija“, company code 302575846
<i>Country</i>	Lithuania
<i>City / village / district</i>	Vilnius c.
<i>Valuation date (Date of Inspection)</i>	28/10/2016
<i>Date of valuation report</i>	11/11/2016
<i>Property title</i>	Flats with cellars.
<i>Composition of Property</i>	6 flats with cellars.
<i>Address</i>	Kalvarijų str. 11A – 20, 21, 22, 23, 24 and 25, Vilnius c., Vilnius c. m., Lithuania.
<i>Owner / Tenant (name and ID)</i>	UAB „Rovelija“, company code 302575846
<i>Buildings / premises ID (unique number)</i>	1094-0142-9029:0007; 1094-0142-9018:0018; 1094-0142-9018:0019; 1094-0142-9018:0020; 1094-0142-9018:0021; 1094-0142-9018:0022.
<i>Land ID (unique number)</i>	–
<i>Land tenure</i>	–
<i>Assumptions</i>	–

Valuation method	Sales comparison approach
<i>Estimated market value</i>	336,000 Eur (Three hundred and thirty six thousand Eur)

Note: Value Added Tax is not included in estimates of Market Value using Sales comparison approach.

Property	Unique No.	Purpose (Type of use)	Market value, Eur
Flat with cellar	1094-0142-9029:0007	Residential (flats)	75,000
Flat with cellar	1094-0142-9018:0018	Residential (flats)	37,000
Flat with cellar	1094-0142-9018:0019	Residential (flats)	67,000
Flat with cellar	1094-0142-9018:0020	Residential (flats)	58,000
Flat with cellar	1094-0142-9018:0021	Residential (flats)	38,000
Flat with cellar	1094-0142-9018:0022	Residential (flats)	61,000

Par nekustamo īpašumu
 "Lapegles", "Franči", "Jaunmāri" un
 "Lauvas", Olaines pagastā, Olaines novadā
 novērtēšanu



SIA „Dommo biznesa parks”

2016. gada 25. augusts

Nr. 02-1555/2016

Saskaņā ar mūsu savstarpējo vienošanos ir sagatavota atskaite par nekustamo īpašumu, kas atrodas "Lapegles", Stūnišos, Olaines pagastā, Olaines novadā (kadastra Nr. 8080 501 0403) un sastāv no noliktvas – ražošanas ēkas ar biroju telpām (Nr. 001), "Lapegles", Olaines pagastā, Olaines novadā (kadastra Nr. 8080 001 0155) un sastāv no zemes gabala ar kopējo platību 12,30 ha, "Franči", Olaines pagastā, Olaines novadā (kadastra Nr. 8080 001 0182) un sastāv no zemes gabala ar kopējo platību 15,78 ha, "Jaunmāri", Stūnišos, Olaines pagastā, Olaines novadā (kadastra Nr. 8080 004 0234) un sastāv no zemes gabala ar kopējo platību 26,26 ha un "Lauvas", Stūnišos, Olaines pagastā, Olaines novadā (kadastra Nr. 8080 004 0235) un sastāv no zemes gabala ar kopējo platību 3,87 ha, novērtēšanu 2016. gada 19. augustā. Vērtības aprēķins balstās uz mūsu rīcībā esošās informācijas analīzi, kas ietver informāciju par apskatāmo īpašumu un tā vērtību ietekmējošiem faktoriem.

Analīzes rezultātā mēs esam secinājuši, ka visiespējamākā vērtējamā nekustamā īpašuma, kas atrodas "Lapegles", Olaines pagastā, Olaines novadā un sastāv no zemes gabala 12,30 ha platībā un noliktavas – ražošanas ēkas ar biroju telpām (Nr. 001), tirgus vērtība novērtēšanas datumā ir:

5 604 000 EUR (Pieci miljoni seši simti četri tūkstoši eiro),

Tai skaitā zemes gabala nosacītā vērtība 791 000 EUR (zemes gabals "Lapegles" nevar būt atsevišķs tirgus objekts)

Analīzes rezultātā mēs esam secinājuši, ka visiespējamākā vērtējamā nekustamā īpašuma, kas atrodas "Franči", Olaines pagastā, Olaines novadā un sastāv no zemes gabala 15,78 ha platībā, tirgus vērtība novērtēšanas datumā ir:

926 000 EUR (Deviņi simti divdesmit seši tūkstoši eiro)

Analīzes rezultātā mēs esam secinājuši, ka visiespējamākā vērtējamā nekustamā īpašuma, kas atrodas "Jaunmāri", Stūnišos, Olaines pagastā, Olaines novadā un sastāv no zemes gabala 26,26 ha platībā, tirgus vērtība novērtēšanas datumā ir:

1 344 000 EUR (Viens miljons trīs simti četrdesmit četri tūkstoši eiro)

Analīzes rezultātā mēs esam secinājuši, ka visiespējamākā vērtējamā nekustamā īpašuma, kas atrodas "Lauvas", Stūnišos, Olaines pagastā, Olaines novadā un sastāv no zemes gabala 3,87 ha platībā, tirgus vērtība novērtēšanas datumā ir:

166 000 EUR (Viens simts sešdesmit seši tūkstoši eiro)

Vērtējums paredzēts informatīviem nolūkiem pasūtītāja vajadzībām un nav paredzēts iesniegšanai bankā vai citā kredītiestādē, kā arī būt izmantojams citu fizisku un juridisku personu vajadzībām bez rakstiskas vērtētāja piekrišanas.

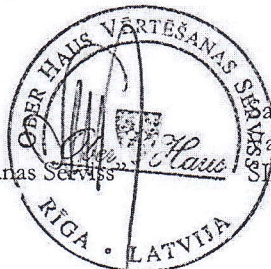
Noteiktā nekustamo īpašumu tirgus vērtība varētu būt spēkā, ja tiek atsavinātas pilnas īpašuma tiesības uz visu īpašumu un īpašumam nav citu apgrūtinājumu, izņemot tos, kas ir minēti šajā vērtējumā.

Vērtējums veikts saskaņā ar Latvijas Īpašumu vērtēšanas standartos LVS 401:2013 formulēto nekustamā īpašuma vērtības definīciju, izmantojot ienākumu un tirgus (salīdzināmo darījumu) pieejas, balstoties uz nekustamā īpašuma labākā un efektīvākā izmantošanas veida definīciju.

Ober Haus Vērtēšanas Serviss, kā arī tās darbinieki, nav ieinteresēti palielināt vai samazināt novērtējamā īpašuma vērtību. Mēs neuzņemamies atbildību par tādām iespējamām nekustamo īpašumu tirgus svārstībām, kas varētu ietekmēt tā tirgus vērtību un īpašumā nav izdarīti tādi neatdalāmie ieguldījumi, uz kuriem varētu pretendēt trešās personas.

Ar cieņu,

Aija Āboliņa
Valdes priekšsēdētāja
SIA "Ober Haus Vērtēšanas Serviss"



Andis Kurilovičs
Valdes loceklis
SIA "Ober Haus Vērtēšanas Serviss"

Survey of the real estates "Lapegles", "Franči",
"Jaunmāri" and "Lauvas" at Olaines pagasts,
Olaines novads

SIA "Dommo biznesa parks".
25 August 2016

No. 02-1555/2016

Pursuant to our agreement, we have compiled a report on survey of the real estates situated at "**Lapegles**", **Stūnīši, Olaines pagasts, Olaines novads (cadastral reg. No. 8080 501 0403)** and composed of a warehouse – production building with office premises (No. 001); "**Lapegles**", **Olaines pagasts, Olaines novads (cadastral reg. No. 8080 001 0155)** composed of a land parcel with the total area of 12.30 ha; "**Franči**", **Olaines pagasts, Olaines novads (cadastral reg. No. 8080 001 0182)** composed of a land parcel with the total area of 15.78 ha; "**Jaunmāri**", **Stūnīši, Olaines pagasts, Olaines novads (cadastral reg. No. 8080 004 0234)** composed of a land parcel with the total area of 26.26 ha; and "**Lauvas**", **Stūnīši, Olaines pagasts, Olaines novads (cadastral reg. No. 8080 004 0235)** composed of a land parcel with the total area of 3.87 ha on 19 August 2016. The value estimate is based on analysis of the information made available to us including information about the surveyed real estates and the factors affecting the value thereof.

The results of analysis lead us to conclusion that the most probable market value of the surveyed real estate situated at "**Lapegles**", **Olaines pagasts, Olaines novads** and composed of a land parcel with the area of 12.30 ha and a warehouse – production building with office premises (No. 001) as of the date of survey makes:

EUR 5 604 000 (five million six hundred and four thousand euro),
*including the preliminary value of EUR 791 000 EUR (the land parcel "Lapegles"
does not constitute a separate market object).*

The results of analysis lead us to conclusion that the most probable market value of the surveyed real estate situated at "**Franči**", **Olaines pagasts, Olaines novads** and composed of a land parcel with the area of 15.78 ha as of the date of survey makes:

EUR 926 000 EUR (nine hundred and twenty-six thousand euro)

The results of analysis lead us to conclusion that the most probable market value of the surveyed real estate situated at "**Jaunmāri**", **Stūnīši, Olaines pagasts, Olaines novads** and composed of a land parcel with the area of 26.26 ha as of the date of survey makes:

EUR 1 344 000 EUR (one million three hundred and forty-four
thousand euro)

The results of analysis lead us to conclusion that the most probable market value of the surveyed real estate situated at "Lauvas", Stūnīši, Olaines pagasts, Olaines novads and composed of a land parcel with the area of 3.87 ha as of the date of survey makes:

EUR 166 000 (one hundred and sixty-six thousand euro)

The survey is intended to serve informative purposes at the customer's need; it is not intended for presentation to a bank or other credit institution, and it may not be used for the needs of other natural and legal entities without obtaining written approval from the surveyor.

The determined market value of the real estates would be valid upon transfer of full ownership title to the entire estate that is subject to no encumbrances other than those specified herein.

The survey has been conducted in accordance with the definition of real estate value formulated in the Estate Survey Standards of Latvia LVS 401:2013, using the market (comparable transaction) approach to determine the amount of rent and the income approach to determine the market value of the real estate pursuant to the definition of the best and most effective use of the real estate.

Neither Ober Haus Vērtēšanas Serviss nor their employees are interested in increasing or decreasing the value of the surveyed real estates. We assume no liability for eventual real estate market fluctuations capable of affecting their market value, and no third parties can claim any indivisible investments made into the property.

Best regards,
Aija Āboliņa
Chairperson of the Board
SIA "Ober Haus Vērtēšanas Serviss"

Sandis Kurilovičs
Member of the Board
SIA "Ober Haus Vērtēšanas Serviss"

TRANSLATION IS CORRECT
The translator Dmitrijs Šļepakovs
Identity No. 080683-10600



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SIA "Dommo Grupa" un "Dommo biznesa parks" īpašniekiem,

Pamatojoties uz mūsu savstarpējo vienošanos, esam veikuši sekojošu nekustamo īpašumu: "Lapegles", kas sastāv no apbūves: noliktavas - ražošanas ēkas ar biroju telpām (būves kadastra apzīmējums 8080 001 0155 001), kadastra Nr. 8080 501 0403; un zemes gabala ar kopējo platību 12.3ha, kadastra Nr. 8080 001 0155; "Franči", kas sastāv no zemes gabala ar kopējo platību 15.78ha, kadastra Nr. 8080 001 0182; "Jaunmāri", kas sastāv no zemes gabala ar kopējo platību 26.26ha, kadastra Nr. 8080 004 0234, un "Lauvas", kas sastāv no zemes gabala ar kopējo platību 3.87ha, kadastra Nr. 8080 004 0235, un atrodas Stūnīšos, Olaines pagastā, Olaines novadā, novērtēšanu 2016.gada 23.septembrī. Vērtējums ir paredzēts pasūtītāja personīgai lietošanai, nekustamo īpašumu tirgus vērtības aktualizācijai.

Vērtējums ir balstīts uz Latvijas Vērtēšanas Standartiem – LVS 401:2013 un Latvijas Īpašumu Vērtētāju Asociācijas ētikas kodeksu. Nekustamā īpašuma novērtēšanā ir izmantotas divas nekustamā īpašuma vērtēšanas pieejas – ienākumu pieeja un tirgus (salīdzināmo darījumu) pieeja.

Vērtības aprēķins ir balstīts uz vērtētāja rīcībā esošās informācijas par nekustamo īpašumu, tirgus situāciju un vērtību ietekmējošiem faktoriem analīzi. Papildus citiem nosacījumiem un ierobežojošiem faktoriem, kas minēti šī vērtējuma tekstā, vērtējuma atskaites un vērtību aprēķina pamatā ir sekojoši specifiski pieņēmumi: pasūtītāja iesniegtā informācija par īpašumu un tā stāvokli ir patiesa; nekustamais īpašums nav apgrūtināts ar parādiem vai kādām citām saistībām pret trešajām personām, kas varētu samazināt īpašuma vērtību.

Vērtēšanai uzrādīto nekustamo īpašumu tirgus vērtība 2016.gada 23.septembrī ir:

- ✓ nekustamā īpašuma "Lapegles" - ražošanas ēkas ar biroju telpām un zemes gabals ar kopējo platību 12.3ha tirgus vērtība ir

5 644 000,- EUR (Pieci miljoni seši simti četrdesmit četri tūkstoši eiro);

- ✓ nekustamā īpašuma "Franči" – zemes gabala ar kopējo platību 15.78ha tirgus vērtība ir

891 000,- EUR (Astoņi simti deviņdesmit viens tūkstotis eiro);

- ✓ nekustamā īpašuma "Jaunmāri" – zemes gabala ar kopējo platību 26.26ha tirgus vērtība ir

1 372 000,- EUR (Viens miljons trīs simti septiņdesmit divi tūkstoši eiro);

- ✓ nekustamā īpašuma "Lauvas" – zemes gabala ar kopējo platību 3.87ha tirgus vērtība ir

167 000,- EUR (Viens simts sešdesmit septiņi tūkstoši eiro).

Noteiktās vērtības precizitāte, ņemot vērā īpašuma specifiku, aprēķinu metodiku un izmantotās informācijas kvalitāti, ir $\pm 10\%$ robežās.

Aprēķini pamatojas uz ekonomiskajiem apstākļiem, kuri eksistēja novērtēšanas datumā un neiekļauj to pēkšņas izmaiņas ietekmi uz vērtību. Notikumi vai darījumi, kas notikuši pēc novērtēšanas datuma, vai par kuriem informācija saņemta pēc atskaites nodošanas nav ietverti vērtējumā un vērtētājs par tiem nenes atbildību.

Novērtēšanas ziņojums nav paredzēts, nodošanai personām, kas nav saistītas ar novērtējamo ģpašumu, kā arī izmantot citam mērķim, kā norādīts vērtēšanas atskaitē. Šis vērtējums neuzliek par pienākumu saistībā ar šo ģpašumu sniegt liecības tiesa, izņemot gadījumus, kad ir noslēgta iepriekšēja vienošanās.

Priecājamies par iespēju sadarboties. Ja Jums ir kādi jautājumi vai arī varam sniegt Jums kādu tālāku palīdzību, lūdzu, sazinieties pa tālruni + 371 29175690 vai e-pastu inga.meiere@gmail.com.

Inga Meiere

Valdes locekle
Latvijas ģpašumu Vērtētāju Asociācija
Profesionālās kvalifikācijas ģertifikāts Nr. 48
Nekustamā ģpašuma vērtēšana



To the owners of SIA “Dommo Grupa” and “Dommo biznesa parks”

Pursuant to our agreement, we have surveyed the following the real estates: “Lapegles” composed of buildings: warehouse – production building with office premises (cadastral endorsement of the building 8080 001 0155 001), cadastral No. 8080 501 0403, and land parcel with the total area of 12.3 ha, cadastral No. 8080 001 0155; “Franči” composed of a land parcel with the total area of 15.78 ha, cadastral No. 8080 001 0182); “Jaunmāri” composed of a land parcel with the total area of 26.26 ha, cadastral No. 8080 004 0234, and “Lauvas” composed of a land parcel with the total area of 3.87 ha, cadastral No. 8080 004 0235, situated at Stūnīši, Olaines pagasts, Olaines novads, on 23 September 2016.

The survey is based on the Estate Survey Standards of Latvia LVS 401:2013 and the Code of Conduct of the Latvian Association of Estate Surveyors. Two approaches have been applied to survey of the real estate: the income approach and the market (comparable transaction) approach.

The value estimate is based on analysis of the information made available to the surveyor about the real estates, market situation and the factors affecting the value thereof. Apart from other preconditions and restrictive factors specified in the text hereof, the survey reports and estimates of value are based on the following specific assumptions: the information provided by the customer about the estate and its condition is true; the real estate is not encumbered with debts or any other obligations towards third parties likely to decrease the value of the estate.

Market value of the real estates presented for survey as of 23 September 2016 makes:

- Market value of the real estate “Lapegles” – production buildings with office premises and land parcel with the area or 12.30 ha makes
EUR 5 644 000 (five million six hundred and forty-four thousand euro);
- Market value of the real estate “Franči” – land parcel with the area or 15.78 ha makes
EUR 891 000 (eight hundred and ninety-one thousands euro);
- Market value of the real estate “Jaunmāri” – land parcel with the area or 26.26 ha makes
EUR 1 372 000 (one million three hundred and seventy-two thousands euro);
- Market value of the real estate “Lauvas” – land parcel with the area of 3.87 ha makes
EUR 167 000 (one hundred and sixty-seven thousand euro)

Given the specifics of the estate, estimate methodology and quality of the underlying information, accuracy of the estimated value is within the limits of $\pm 10\%$.

The estimates are based on the economic conditions existing as of the date of survey, and they do not include the effect of unexpected change on the value. No events that have occurred or transactions made after the date of estimate or notified after the date of survey are included in the survey, and the surveyor bears no liability for them.

Real estates “Lapegles”, “Franči”, “Jaunmāri” and “Lauvas” at Stūnīši, Olaines pagasts, Olaines novads

Date of survey: 23 September 2016

The survey report is not intended for transfer to any persons not related to the surveyed estate or for any purposes other than those stipulated in the estimate. The survey creates no obligation to make testimonies before court in relation to the estate, unless previous agreement is reached.

We are pleased for the possibility to cooperate. Should you have any questions or should we provide any further assistance, please contact us on telephone at +371 29175690 or on e-mail at: inga.meiere@gmail.com.

(Signed)

Inga Meiere,

Member of the Board,

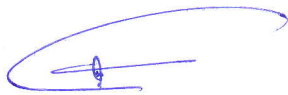
Latvian Association of Real Estate Surveyors

Professional qualification certificate No. 48

Real estate survey

(Seal: Inga Meiere, Latvian Association of Real Estate Surveyors, Certificate No. 48)

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