

INFORMATION MEMORANDUM

UAB “Valstybės investicinis kapitalas”

(incorporated with limited liability in the Republic of Lithuania)

Guaranteed by

THE REPUBLIC OF LITHUANIA

€ 400,000,000

Medium Term Note Programme

This Information Memorandum (the “**Information Memorandum**”) has been drawn up by UAB “Valstybės investicinis kapitalas” (the “**Issuer**” or the “**Company**”) for the programme (the “**Programme**”) for the offering of Notes of the Issuer (the “**Notes**”) in the total amount of up to EUR 400,000,000 (the “**Offering**”) guaranteed by the Republic of Lithuania (the “**Guarantor**”) and admission thereof (the “**Admission**”) to trading on the Baltic Bonds List of Nasdaq Vilnius AB (“**Nasdaq**” or “**Nasdaq Vilnius**”), which is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (the “**MiFID II**”).

The Notes may be offered and issued from time to time in one or several series (the “**Series**”). Each Series may comprise one or more tranches of Notes (the “**Tranches**”). The maximum aggregate nominal amount of all Notes from time to time outstanding will not at any time exceed EUR 400,000,000.

To the extent not set forth in this Information memorandum, the specific terms of any Notes will be included in the relevant final terms (the “**Final Terms**”) (a form of which is contained herein). This Information Memorandum should be read and construed together with any supplement hereto and with any other documents incorporated by reference herein, and, in relation to any Tranche of Notes and with the Final Terms of the relevant Tranche of Notes.

This Information Memorandum is not a prospectus within the meaning of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the “**Prospectus Regulation**”) and was not approved by the Bank of Lithuania. The prospectus is not required for Offering and Admission of this type of Notes under Article 1(2)(d) of the Prospectus Regulation as well as Article 5(1) of the Law of the Republic of Lithuania on Securities.

The Notes under this Programme will be rated by Fitch Ratings Ireland Limited, which is established in the European Union and registered under Regulation (EC) No 1060/2009 (the “**CRA Regulation**”), unless other credit rating agency is appointed. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or under any securities laws of any state or other jurisdiction of the United States and are not being offered or sold within the United States or to, or for the account or benefit of, US persons (for more information please see Section *Transfer Restrictions*).

The information contained herein is current as of the date of this Information Memorandum. Neither the delivery of this Information Memorandum, nor the offer, sale or delivery of the Notes shall, under any circumstances, create any implication that there have been no adverse changes occurred or events have happened, which may or could result in an adverse effect on the Issuer’s business, financial condition or results of operations and/or the market price of the Notes. Nothing contained in this Information Memorandum constitutes, or shall be relied upon as, a promise or representation by the Issuer or the Arranger as to the future.

All the Notes of the Issuer are and will be non-material registered Notes and will be registered with Lithuanian branch of Nasdaq CSD, SE (“**Nasdaq CSD**”) (the merged central securities depository of Lithuania, Latvia, Estonia and Iceland). When registering the Notes of different Series, Nasdaq CSD will provide different ISIN to Notes of different Series, unless it will be decided by Nasdaq CSD to provide the same ISIN to Notes of different Series for any reason. Noteholders will be able to hold the Notes through Nasdaq CSD participants, such as investment firms and custodian banks operating in any of the Baltic states.

Luminor Bank AS Lithuanian branch (the “**Arranger**”) is the lead manager in Lithuania for the purposes of Offering and Admission of the Notes to trading on Nasdaq Vilnius.

Arranger

Luminor

27 June 2022

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IMPORTANT NOTICES

Responsibility for this Information Memorandum

Person Responsible. The person responsible for the information provided in this Information Memorandum is UAB “Valstybės investicinis kapitalas”, legal entity code 305611945, with the registered office at Gedimino ave. 38, Vilnius, Lithuania. To the best of the knowledge of the Issuer and its Manager Mr. Robertas Vyšniauskas the information contained in this Information Memorandum is in accordance with the facts and the Information Memorandum makes no omission likely to affect its import.



Robertas Vyšniauskas
Manager

Limitations of Liability. The Arranger and the legal advisors to the Issuer and to the Arranger expressly disclaim any liability based on the information contained in this Information Memorandum, individual parts hereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Information Memorandum or disseminated by the Issuer in connection with the Offering and Admission may be construed to constitute a warranty or representation, whether express or implied, made by the Arranger or the legal advisors to any party.

Neither the Issuer nor the Arranger or the legal advisors to the Issuer and to the Arranger will accept any responsibility for the information pertaining to the Offering and Admission, the Issuer or its operations, where such information is disseminated or otherwise made public by third parties either in connection with this Offering and Admission or otherwise.

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

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

Where a claim relating to the information contained in the Information Memorandum is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Information Memorandum before the legal proceedings are initiated.

Neither this Information Memorandum, any Final Terms nor any other information supplied in connection with the Offering of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Arranger that any recipient of this Information Memorandum, any Final Terms or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Information Memorandum nor any other information supplied in connection with the Offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Arranger, to any person to subscribe for or to purchase any Notes.

Each potential investor in the Notes must make their own assessment as to the suitability of investing in the Notes.

Notice to prospective Investors and selling restrictions

The Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including, without limitation, in the United States of America, Australia, Canada, Hong Kong and Japan.

The distribution of this Information Memorandum, any Final Terms and the Offering of the Notes in certain jurisdictions may be restricted by law. Any person residing outside the Republic of Lithuania may receive this Information Memorandum only within limits of applicable special provisions or restrictions.

The Issuer requires persons into whose possession this Information Memorandum or any Final Terms comes to inform themselves of and observe all such restrictions. This Information Memorandum and any Final Terms may not be distributed or published in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including the United States of America, Australia, Canada, Hong Kong and Japan. Neither this Information Memorandum nor any Final Terms constitute an offer to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The Issuer, the Arranger or their representatives and/or legal advisers do not accept any legal responsibility whatsoever for any such violations, whether or not a prospective investor is aware of such restrictions.

In addition to that neither this Information Memorandum nor any Final Terms may be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Notes offered hereby in any jurisdiction in which such offer or invitation would be unlawful. Persons in possession of this Information Memorandum are required to inform themselves about and to observe any such restrictions, including those set out in this Section. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Information Memorandum. Any representation to the contrary is a criminal offence in the United States.

The Notes have not been and will not be registered in accordance with the U.S. Securities Act of 1933 (the “**Securities Act**”) or under the securities laws of any state of the United States of America and accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in or into the United States of America, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any securities laws of any state of the United States of America.

Unless specifically otherwise stated in this Information Memorandum, the Notes may not be, directly or indirectly, offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws including the United States of America, except for the exceptions to registration obligation allowed by the securities laws of the United States of America and its states, Australia, Canada, Hong Kong and Japan. The Issuer and the Arranger require persons into whose possession this Information Memorandum or any Final Terms comes to inform them of and observe all such restrictions.

IMPORTANT – NO OFFERING TO EEA AND UK RETAIL INVESTORS – the Notes shall include a legend entitled “Prohibition of Sales to EEA and UK Retail Investors”, which means that the Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Prospectus Regulation. In the case of UK, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

In addition to that, the Dealer acknowledges that other than with respect to the admission of the Notes to trading on Nasdaq Vilnius, no action has been or will be taken in any country or jurisdiction by the Issuer and/or the Dealer that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. The Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Information Memorandum or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Information Memorandum or any Final Terms comes are required by the Issuer and the Dealer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Information Memorandum or any Final Terms or any related offering material, in all cases at their own expense.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Dating of Information. This Information Memorandum is drawn up based on information which was valid on 31 December 2021. Where not expressly indicated otherwise, all information presented in this Information Memorandum (including the financial information of the Issuer, the facts concerning its operations and any information on the market in which it operates) must be understood to refer to the state of affairs as of the aforementioned date. Where information is presented as of a date other than 31 December 2021, this is identified by either specifying the relevant date or by the use of expressions as “the date of this Information Memorandum”, “to date”, “until the date hereof” and other similar expressions, which must all be construed to mean the date of this Information Memorandum.

Currencies. In this Information Memorandum, financial information is presented in euro (EUR), i.e. the official currency of the EU Member States participating in the Economic and Monetary Union, including Lithuania. Amounts originally available in other currencies have been converted to euro as of the date for which such information is expressed to be valid.

Third Party Information and Market Information. The information contained in the Information Memorandum has been provided by the Issuer and/or received from other sources identified herein. Thus, with respect to certain portions of this Information Memorandum, some information may have been sourced from third parties. Such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by such other third parties, no facts have been omitted, which would render the reproduced information inaccurate or misleading. Certain information with respect to the markets in which the Issuer is operating is based on the best assessment made by the Issuer. With respect to the industry in which the Issuer is active, and certain jurisdictions, in which its operations are being conducted, reliable market information might be unavailable or incomplete. Whilst 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 markets or seek professional advice.

RATINGS

The Notes under this Programme will be rated by Fitch Ratings Ireland Limited, which is established in the European Union and is registered under the CRA Regulation, unless other credit rating agency is appointed. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

FORWARD LOOKING STATEMENTS

This Information Memorandum 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 Issuer. Certain statements are based on the belief of the Issuer as well as assumptions made by and information currently available to the Issuer as at the date of this Information Memorandum. Any forward-looking statements included in this Information Memorandum are subject to risks, uncertainties and assumptions about the future operations of the Issuer, the macroeconomic 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 Issuer is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements contained in this Information Memorandum 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 Issuer operates in a changing business environment. The operations are affected by changes in domestic and foreign laws and regulations, taxes, developments in competition, economic, strategic, political and social conditions and other factors. The Issuer's actual results may differ materially from the Issuer's expectations because of the changes in such factors. Other factors and risks could adversely affect the operations, business or financial results of the Issuer (please see Section *Risk Factors* for a discussion of the risks which are identifiable and deemed material at the date hereof).

SUPPLEMENTARY INFORMATION MEMORANDUM

In connection with the Offering and/or Admission of Notes, if there shall occur any adverse change affecting any matter contained in this Information Memorandum or any change in the information set out under Section *General Terms and Conditions of the Notes*, that is material in the context of issuance under the Programme, the Issuer will prepare or procure the preparation of an amendment or supplement to this Information Memorandum or, as the case may be, publish a new Information Memorandum, for use in connection with any subsequent issue by the Issuer of Notes to be admitted to trading on Nasdaq Vilnius.

The Company is under no obligation to update or modify forward-looking statements included in this Information Memorandum.

DOCUMENTS INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Information Memorandum:

- (i) the Company's audited financial statements for the years ended 31 December 2021 and 31 December 2020 together with the independent auditor's reports;
- (ii) Articles of Association of the Company (the "**Articles of Association**");
- (iii) the most recently published audited financial statements together with the annual report and the independent auditor's report and/or unaudited financial statements of the Issuer from time to time;
- (iv) any Final Terms prepared in respect of the Programme for Notes which are to be admitted to trading on Nasdaq Vilnius; and
- (v) any other document issued or information published by the Issuer and explicitly stating therein or in the Final Terms that it is to be incorporated by reference into this Information Memorandum.

All amendments and supplements to this Information Memorandum prepared by the Issuer from time to time shall be deemed to be incorporated in, and to form part of, this Information Memorandum save that any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of, this Information Memorandum shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

It is possible to get acquainted with the aforementioned documents on the website of Nasdaq Vilnius www.nasdaqbaltic.com. Final Terms as well as this Information Memorandum will be received by the Investors from the Arranger upon request.

In relation to paragraph (iv) above, information incorporated by reference may be included in a separate document, set out in the Final Terms and/or posted on the website of Nasdaq Vilnius www.nasdaqbaltic.com.

SUMMARY OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Information Memorandum and, in relation to the General Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. This overview must be read as an introduction in conjunction with the other parts of the Information Memorandum (including any documents incorporated therein). Any decision to invest in the Notes should be based on a consideration by the investor of the Information Memorandum as a whole.

Words and expressions defined in “General Terms and Conditions of the Notes” below or elsewhere in this Information Memorandum have the same meanings in this overview.

Issuer:	UAB “Valstybinis investicinis kapitalas”
Legal Entity Identifier (LEI):	6488M5FW8Q9X192H8T90
Guarantor:	The Republic of Lithuania
Programme Limit:	Up to EUR 400,000,000 aggregate nominal amount of Notes outstanding at any one time.
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed in Section <i>Risk Factors</i> below.
Arranger and Dealer:	Luminor Bank AS Lithuanian branch.
Method of Issue:	The Notes shall be issued in Series. Each Series may comprise one or more Tranches of Notes. The Notes of each Tranche will all be subject to identical terms, except that the Issue Dates and the Issue Prices thereof may be different in respect of different Tranches.
Form of the Notes:	The Notes shall be issued in non-material registered form. According to the Law of the Republic of Lithuania on Markets in Financial Instruments the book-entry and accounting of the dematerialized securities in the Republic of Lithuania, which will be admitted to trading on the regulated market (Nasdaq Vilnius), shall be made by Nasdaq CSD.
Status of the Notes:	The Notes constitute direct, unsecured, general and unconditional obligations of the Issuer. The Notes rank <i>pari passu</i> , without any preference one over the other by reason of priority of date of issue, currency of payment or otherwise, with all other present and future unsecured loan indebtedness of the Issuer save only for any such obligations as may be preferred by mandatory provisions of applicable law.
Status of the Guarantee:	Notes will be unconditionally and irrevocably guaranteed by the Guarantor, on an unsecured and unsubordinated basis. Payments under the Guarantee Undertaking will be made only in respect of payments of principal, interest under the Notes and other sums payable by the Issuer under the Programme, Information Memorandum, Final Terms and Notes. It will not, however, cover any costs relating to the enforcement of the Guarantee Undertaking against the Guarantor. Noteholders will, therefore, have to seek other redress in respect of any costs associated with enforcement of the Guarantee Undertaking and should consider this in the context of any purchase of Notes.

Currency:	EUR
Denomination:	The Notes will be issued in minimum denominations of EUR 1,000 each, unless otherwise specified in the applicable Final Terms.
Issue Price:	The Notes may be issued at their nominal amount or at a discount or a premium to their nominal amount.
Minimum Investment Amount:	The Notes will be offered for subscription for a minimum investment amount EUR 100,000, unless otherwise specified in the applicable Final Terms.
Interest:	The Notes will bear interest at a fixed annual interest rate.
Maturity:	The Notes shall be repaid in full at their nominal amount on the date which will be specified in the Final Terms. Each Series of Notes may have a maturity between 1 (one) and 10 (ten) years or such other maturity as the Issuer decides, but in any case not shorter than 12 (twelve) months.
Redemption:	Notes shall be redeemable in full at the option of the Issuer prior to their maturity in accordance with the following conditions: <ul style="list-style-type: none"> (i) early redemption may occur at the discretion of the Issuer on the date and at a price specified in the Final Terms; (ii) with at least 15 days written notice to the Noteholders under the procedure of Section Notices below.
Change of Control:	The Change of Control among other events shall constitute an Event of Default, which could trigger early mandatory redemption of the Notes, as described in the General Terms and Conditions of the Notes in more detail.
Cross-default:	The cross-default provision among other shall constitute an Event of Default, which could trigger early mandatory redemption of the Notes, as described in the General Terms and Conditions of the Notes in more detail.
Listing:	<p>The Notes shall be applied for introduction to trading on a Baltic Bonds List of Nasdaq Vilnius once the Notes shall be subscribed and fully paid by the Investors and registered with Nasdaq CSD.</p> <p>The Issuer expects that the Notes shall be admitted to trading on Nasdaq Vilnius within 6 (six) months as from placement of the Notes of the respective Tranche the latest. Disregarding this, the Issuer will put its best endeavours so that this term would be as short as practicably possible.</p>
Taxation:	All payments in respect of the Notes by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (the "Taxes"), unless the withholding or deduction of the Taxes is required by the laws of the Republic of Lithuania. In such case, the Issuer shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities in accordance with the applicable laws for the amount so required to be withheld or deducted. The Issuer will not be obliged to make any additional compensation to the Noteholders in respect of such withholding or deduction and/or to indemnify any holder of the Notes

in the event that taxes are payable under Lithuania law or any other foreign law on any sum paid with respect to the Notes.

Rating: The Notes under the Programme will be rated by Fitch Ratings Ireland Limited, which is established in the European Union and is registered under the CRA Regulation, unless other credit rating agency is appointed.

A security rating is not a recommendation to buy or sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Governing Law: Lithuanian law.

Dispute Resolution: Any disputes relating to or arising in relation to the Notes shall be settled solely by the courts of the Republic of Lithuania of competent jurisdiction.

Transfer Restrictions There are no restrictions on transfer of Notes as they are described in the applicable Lithuanian laws. However, the Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including, without limitation, in the United States of America, Australia, Canada, Hong Kong and Japan. For more information on this issue please see Section *Transfer Restrictions*.

RISK FACTORS

Before investing in the Notes, prospective Investors should carefully consider the risk factors presented below and other information contained in this Information Memorandum. If one or more of the risks described below actually materialize, it could have, individually or in combination with other circumstances, a significant, unfavourable impact on the Issuer's operations, in particular on its cash flow, financial position, results of operations and outlook, or the market price of the Notes and/or the Issuer's ability to perform its payment obligations under the Notes. Before purchasing the Notes, prospective Investors should be aware that making such an investment involves risks, including, but not limited to, the risks described below and elsewhere in this Information Memorandum, such as those set forth under the Section Forward-Looking Statements. The Issuer's actual results may differ materially from those anticipated in the forward-looking statements as a result of various factors, including but not limited to the risks described below and elsewhere in this Information Memorandum. Prospective Investors should consider carefully the factors described below in addition to the rest of this Information Memorandum before purchasing the Notes.

The Issuer believes that the factors described below may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes. However, the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons which currently may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate or which currently, even if potentially possible to anticipate, do not seem material to the Issuer. Prospective Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

It cannot be excluded that over time the list of the risks specified below will no longer be complete or comprehensive. Consequently, these risks cannot be considered as the only risks to which the Issuer is exposed as at the date of the Information Memorandum. The Issuer may be exposed to additional risks and adverse factors of which the Issuer is unaware or which are believed to be immaterial as at the date of the Information Memorandum. The occurrence of events described as risks may result in a decline in the market price of the Notes and, consequently, Investors who purchase the Notes could lose a part or all of their investment.

Issuer Specific Risk Factors

Risk related to Lithuania

The results of the Issuer are directly dependent on Lithuania's macroeconomic situation. Severe deterioration of either global, regional, or national economic situation and/or financial position of the Lithuanian government may affect the Issuer's capacity to honour its financial obligations.

Factors among many other that could potentially have adverse impact on Lithuania's economy and thus the Company, include global economic downturn, economic slowdown in Lithuania's main export markets, reduction in EU funding, deterioration of Lithuania's fiscal situation and overall political stability in the world and in the EU.

Geo-political factors, both domestically and internationally, may materially adversely affect the Issuer's financial performance

Geopolitical tensions and protectionism have intensified generally in recent years, and in particular following the escalation of the conflict between the Russian Federation and Ukraine in February 2022. Although difficult to predict, these tensions, and any potential further escalation of the conflict, may increasingly affect policies on trade, production, duties and taxation globally.

The Issuer has no direct links with Ukraine, Russia and/or Belarus. However, the Fund has provided financing to clients whose activities are directly and/or indirectly related to these countries. Financial difficulties of the Fund's clients may adversely affect the value of the Fund's financial assets and, accordingly, may have a direct adverse effect on the valuation of the Issuer's investments in the Fund.

In addition to that, any political developments in the European Union ("EU"), including any future integration or withdrawal of European countries, or changes in the economic policy, executive authority or composition of the EU and its institutions, may have an adverse effect on the overall economic and political stability of the EU and of Lithuania. Any changes in political or economic stability of EU countries, as well as any political, economic, regulatory or administrative developments in these countries, over which the Issuer has no control, could have a material adverse effect on the Issuer's business, results of operations and financial condition. Any political or other developments affecting the integration, integrity or stability of the EU and the performance of financial markets in the EU and elsewhere could have a material adverse effect on the Issuer's business, results of operations and financial condition.

Risk related to Covid-19

Coronavirus (Covid-19) poses a risk to the financial position of the Issuer both directly and through its impact on Lithuania's economy. Whilst the Lithuanian economy has rebounded rapidly from the pandemic shock with 5.0%¹ GDP growth in 2021 and the Covid-19 related restrictions in Lithuania and throughout Europe have been largely lifted (Lithuania applies no more restrictions on travel from the EU countries since 15 February 2022, "extreme situation" was lifted on 1 May 2022, with masks requirement becoming a recommendation only), some of the direct and indirect impact of the Covid-19 outbreak remains uncertain. Considering that the Fund has provided financing to clients whose activities have been adversely affected by Coronavirus pandemic and whose activities may be directly and/or indirectly related to the countries which still apply full or partial lockdowns, there is a risk that financial difficulties of the Fund's clients could have an adverse effect on the Issuer's ability to meet its obligations under the outstanding Notes.

Political risk

Issuer's ability to achieve its goals and consequently, honour its obligations under the Notes depends on the legislative environment and political decisions made by the Government of Lithuania. Although, the Issuer is solely owned by the Government of Lithuania and from 11 May 2022 is possessed by the right of trust by the Ministry of Finance of the Republic of Lithuania (till 11 May 2022 Ministry of the Economy and Innovation of the Republic of Lithuania)², political decisions by other governmental institutions such as the Ministry of the Economy and Innovation, also highly involved in the Fund's activities field may have an adverse effect on Issuer's political expedience.

The Republic of Lithuania, which is the sole shareholder of the Issuer, can fully control the Issuer's policies and may pursue decisions that reflect the policy of the Government of the Republic of Lithuania

The Republic of Lithuania is the sole shareholder of the Issuer. The Issuer shares are possessed by the right of trust by the Ministry of Finance of the Republic of Lithuania. The Republic of Lithuania, through its shareholding, has the power to adopt the most material decisions of the Issuer (increase/reduction of the authorised capital, reorganisation, liquidation of the Issuer, etc.). As a result, certain of the Issuer's decisions may reflect the policy of the Government of the Republic of Lithuania, but may be not in the interests of the Noteholders.

Fund's activities are subject to credit risk

The net proceeds from each issue of Tranche of Notes will be directed to the Fund. The proceeds will further be used by the Fund via various types of financial instruments in order to support large and medium-sized enterprises in Lithuania affected by COVID-19 outbreak. For more information please see Section *Use of Proceeds*.

¹ Statistics Lithuania (<https://osp.stat.gov.lt/statistiniu-rodikliu-analize?indicator=S7R201#/>)

² On 13 April 2022, the Government of the Republic of Lithuania adopted a resolution No. 354, according to which all the state-owned 10,120,000 ordinary registered shares of the Issuer with a nominal value of EUR 10 each, granting 100 percent of the votes at the General Meeting, possessed by the right of trust by the Ministry of Economy and Innovation of the Republic of Lithuania has been transferred from 11 May 2022 to the Ministry of Finance of the Republic of Lithuania for possession, use and disposal the right of trust.

Credit risk is the risk of loss arising from a failure of a counterparty to meet the terms of any contract with the Fund, or otherwise to fail to perform as agreed. The level of credit risk on Fund's loan portfolios is influenced primarily by two factors: the total number of contracts that might default and the amount of loss per occurrence, which in turn are influenced by various economic factors. Fund is also subject to the risk that a counterparty may fail to perform on its contractual obligations, which may have a material adverse impact on its earnings. All the above circumstances may lead that the Issuer will not be (partially) returned its investment into the Fund, which in turn means that the Issuer may be unable to redeem the Notes on their maturity and/or pay other amounts under the Notes.

Risks related to the Guarantee of the Notes

Enforcement of the Guarantee Undertaking

Payments under the Guarantee Undertaking will be made in respect of payments of principal, interest under the Notes and other sums payable by the Issuer under the Programme, Information Memorandum, Final Terms and the Notes. It will not, however, cover any costs relating to the enforcement of the Guarantee Undertaking against the Guarantor. Noteholders will, therefore, have to seek other redress in respect of any costs associated with enforcement of the Guarantee Undertaking and should consider this in the context of any purchase of Notes.

Risk Factors Related to the Notes

The Notes may be not suitable investment for all Investors

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

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

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential Investor should not invest in the Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments

The investment activities of certain Investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential Investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar rules.

An active secondary market for the Notes may not develop

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

Interest rate risk

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

Credit ratings may not reflect all risks and there is no protection in the indenture for holders of the Notes in the event of a ratings downgrade

Independent credit rating agency may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. The Issuer has no obligation to maintain the rating and neither Issuer nor the Arranger undertakes any obligation to advise holders of Notes of any changes in ratings.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a CRA established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered CRA or the relevant non-EEA rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Information Memorandum and where a Tranche of Notes is rated, will be specified in the relevant Final Terms.

Redemption prior to maturity

The Notes are redeemable at the Issuer's option on the date and at a price specified in the Final Terms. It is possible that the Notes are redeemed at a time when the prevailing interest rates may be relatively low. In

such circumstances an Investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

Inflation risk

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

Fluctuations in exchange rates may adversely affect the value of the Notes

The Issuer will pay principal and interest on the Notes in EUR. This presents certain risks relating to currency conversions if an Investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than EUR. These include the risk that exchange rates may significantly change (including changes due to devaluation of EUR or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to EUR would decrease the Investor's Currency equivalent: (i) yield on the Notes; (ii) value of the principal payable on the Notes; and (iii) market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect the applicable exchange rate. As a result, Investors may receive less interest or principal than expected, or no interest or principal at all.

Taxation of Notes

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

No assurance on change of laws or practices

The Notes are governed by the laws of the Republic of Lithuania, as in force from time to time. Lithuanian laws (including but not limited to tax laws) and regulations governing the Notes may change during the life of the Notes, and new judicial decisions can be given and administrative practices may take place. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice taking place after the date of this Information Memorandum. Hence, such change may have a material adverse effect on the Issuer's business, financial condition, results of operations and/or future prospects and, thereby, the Issuer's ability to fulfil its obligations under the Notes, taxation of the Notes, as well as the market price and value of the Notes. Such event may also result in material financial losses or damage to the Noteholders.

Transaction costs/charges

When the Notes are purchased/subscribed or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase/issue or sale price of the Notes. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). These incidental costs may significantly reduce or eliminate any profit from holding the Notes.

Refinancing risk

The Issuer may be required to refinance certain or all of its outstanding debt, including the Notes. The Issuer's ability to successfully refinance its debt is dependent on the conditions of the debt capital markets and its

financial condition at such time. Even if the debt capital markets improve, the Issuer's access to financing sources at a particular time may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations on favourable terms, or at all, could have a negative impact on the Issuer's operations, financial condition, earnings and on the Noteholders' recovery under the Notes.

No voting rights

Only the shareholders of the Issuer have voting rights in the General Meetings. The Notes carry no such voting rights. Consequently, the Noteholders cannot influence any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer.

Modification and waiver

The conditions of the Notes contain provisions for the calling of Noteholders' Meetings to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Notes, the Terms and Conditions and the Guarantee Undertaking may be amended without the consent of the Noteholders to correct a manifest error.

No limitation on issuing additional debt

The Issuer is not prohibited from issuing further debt. If the Issuer incurs significant additional debt ranking equally with the Notes, it will increase the number of claims that would be entitled to share rateably with the Noteholders in any proceeds distributed in connection with an insolvency of the Issuer.

Restrictions on the transferability of the Notes

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Notes may not offer or sell the Notes in the United States. The Issuer has not undertaken to register the Notes under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Notes in the future. Furthermore, the Issuer has not registered the Notes under any other country's securities laws, other than laws of the Republic of Lithuania. Each potential investor should read the information of the Section *Notice to prospective Investors and selling restrictions* for further information about the transfer restrictions that apply to the Notes. It is the Noteholder's obligation to ensure that the offers and sales of Notes comply with all applicable securities laws.

Risks relating to the clearing and settlement in the Nasdaq CSD's book-entry system

The Notes will be affiliated to the account-based system of the Nasdaq CSD, and no physical notes will be issued. Clearing and settlement relating to the Notes will be carried out within the Nasdaq CSD's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent on the functionality of the Nasdaq CSD's account-based system.

Legal and Taxation Risk Factors

Judgments of non-Lithuanian courts against the Company may be more difficult to enforce than if the Company and its management were located in other respective countries

The Company was formed in accordance with the Lithuanian law and its registered office is in Lithuania. For this reason, Investors outside of Lithuania may encounter difficulties in serving summons and other documents relating to court proceedings on the Issuer and/or the management personnel working for the Issuer. For the same reason, it may be more difficult for Investors from third countries to enforce a judgment of the respective country's courts issued against any entities within the Issuer and/or the management personnel working for the Issuer than if those entities and/or the management personnel were located in such third country.

The Issuer could incur unforeseen taxes, tax penalties and sanctions which could adversely affect its results of operations and financial condition

The Government of the Republic of Lithuania has initiated the process of reviewing tax incentives provided by the Lithuanian tax laws. The initial intention is for legislative changes to take effect as of 2023, but in the course of political debates this may happen both earlier or later. This review may, consequently, also involve changes to the tax regime applicable to interest payments on the Notes as well as general tax regime currently applicable to the Issuer. The introduction of any new taxes or removal of existing tax incentives that the Issuer is eligible to may have a significant impact on the Issuer's business, result of operations or financial position.

In addition to that, 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 the Issuer and the formal documentation supporting the tax positions may be successfully challenged by relevant authorities. Fiscal periods will remain open to review by the authorities in respect of taxes for three calendar years after the year of review as a general rule, and for five and ten years in particular cases set forth by Lithuanian tax legislation. The Issuer 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 this Information Memorandum. The Issuer's uncertain tax positions are reassessed by the Issuer at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by the Issuer 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 the Issuer's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

Litigation risks

In the course of its ordinary business operations, the Issuer might be involved in several court and official proceedings, as plaintiffs or defendants, the outcome of which cannot currently be predicted with any certainty. The Issuer may be required under a court order or settlement agreement to pay considerable amounts, which may also exceed any provisions set up for this purpose. In addition to these amounts, the legal costs incurred by the Issuer and in some cases of its opponent would also have to be borne. This could have a material adverse effect on the net assets, financial position and financial performance of the Issuer.

The Issuer is subject to public procurement regulations, which are sometimes difficult to interpret and apply

In many areas of the Issuer's activities, the Issuer is bound by the provisions of the applicable public procurement laws. These provisions apply, *inter alia*, to the procedure for selecting the Issuer's suppliers, service providers. The provisions of these laws are sometimes difficult to interpret and apply, and may, in particular, lead to significant extension of the selection process. In addition, a contract concluded in breach of the applicable public procurement laws may be declared null and void and penalties of up to 10 per cent. of the contract value may be imposed on a contracting authority or contracting entity. If the Issuer were found to be in breach of such a law, and the contract subject to the law was found to be null and void, the Issuer may be obliged to pay the above penalties.

GENERAL TERMS AND CONDITIONS OF THE NOTES

Description of the Notes of the Issuer to be offered and admitted to trading on regulated market

Securities to be offered and admitted to trading on Nasdaq under the Programme:	Notes up to an aggregate principal amount of EUR 400,000,000, guaranteed by the Republic of Lithuania.
Guarantee Undertaking:	<p>The Notes are subject of a guarantee undertaking to be issued by the Guarantor, as described in Section <i>Form of Guarantee Undertaking</i> hereof.</p> <p>Under the issued guarantee undertaking, the maximum guarantee amount shall not exceed EUR 150,000,000. This amount shall be increased, if the issued amount of Notes under the Programme will exceed the above amount. All the Notes, issued under the Programme will be guaranteed by the Republic of Lithuania.</p>
Guarantor:	The Republic of Lithuania.
Type of securities:	Notes of the Issuer – debt Notes with a fixed-term, non-equity (debt) securities under which the Issuer shall become the debtor of the Noteholders and shall assume obligations for the benefit of the Noteholders.
Issuance in Series:	The Notes shall be issued in series (the “ Series ”).
Issuance in Tranches:	<p>Each Series may comprise one or more tranches of Notes (the “Tranches”). The Notes of each Tranche under the same Series will all be subject to identical terms, except that the Issue Dates (as defined below) and the Issue Prices (as defined below) thereof may be different in respect of different Tranches. In order to identify each Series and Tranches, the Final Terms (as defined below) shall stipulate a serial number of the respective Series and a serial number of the respective Tranche.</p> <p>The terms and conditions of each Tranche shall consist of these general terms and conditions of the Notes (the “General Terms and Conditions”) and the final terms (the “Final Terms”). The General Terms and Conditions shall apply to each Tranche. In the event of any inconsistency between these General Terms and Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.</p> <p>The Final Terms of each Tranche will be approved by the Management Board of the Issuer (the “Management Board”). The Final Terms as well as the Information Memorandum may be obtained at request from the Arranger.</p>
ISIN:	Prior to Offering of the Notes in each of the respective Series, the Issuer shall apply to Nasdaq CSD for assignment of the ISIN to Notes, which shall be indicated in the Final Terms. Where a further Tranche is issued, which is intended to form a single Series with an existing Tranche at any point after the Issue Date of the existing Tranche, a temporary ISIN may be assigned to the Notes of such further Tranche, which is different from ISIN assigned to the relevant Series, until such time as the Tranches are consolidated and form a single Series.
Currency of the Notes:	EUR
Legislation, under which the Notes shall be created, governing law and dispute resolution:	The Civil Code of the Republic of Lithuania, the Law of the Republic of Lithuania on Companies, the Law of the Republic of Lithuania on Securities and other related legal acts. All the relations of the Issuer and the Investors in connection with the

	Notes shall be determined in accordance with the laws of the Republic of Lithuania.
	Any disputes, relating to or arising in relation to the Notes shall be finally settled solely by the courts of the Republic of Lithuania of competent jurisdiction.
Minimum denomination and minimum investment amount of the Notes:	Notes will be issued in minimum denominations of EUR 1,000 each, unless otherwise specified in the applicable Final Terms. In addition to that the Notes will be offered for subscription for a minimum investment amount of EUR 100,000 (one hundred thousand euro), unless otherwise specified in the applicable Final Terms (the “ Minimum Investment Amount ”).
Number of Notes, Aggregate principal amount, total nominal value, Issue Price per Note of each of the respective Tranche:	To be established in the Final Terms of each Tranche of the Notes. The Issuer may increase or decrease the aggregate principal amount of a Tranche as set out in the Final Terms during the subscription period of that Tranche. The Notes may be issued at their nominal amount or at a discount or a premium to their nominal amount (the “ Issue Price ”). The Issue Price shall be determined by the Issuer and specified in the Final Terms.
Form of Notes:	The Notes shall be issued in non-material registered form. According to the Law of the Republic of Lithuania on Markets in Financial Instruments the book-entry and accounting of the dematerialized securities in the Republic of Lithuania, which will be admitted to trading on the regulated market (Nasdaq Vilnius), shall be made by Nasdaq CSD. The Notes of the respective Tranche shall be valid from the date of their registration until the date of their redemption. After the redemption date of the Notes they shall also be deleted from Nasdaq CSD. No physical certificates will be issued to the Investors. Principal and interest accrued will be credited to the Noteholders’ accounts through Nasdaq CSD.
Status of the Notes:	The Notes constitute direct, unsecured, general and unconditional obligations of the Issuer. The Notes rank <i>pari passu</i> , without any preference one over the other by reason of priority of date of issue, currency of payment or otherwise, with all other present and future unsecured loan indebtedness of the Issuer save only for any such obligations as may be preferred by mandatory provisions of applicable law.
Credit ratings assigned to the Issuer and/or to the Notes and status thereof:	As of the date of this Information Memorandum, the Issuer has not been rated. Notes could be issued without any rating. The Notes under this Programme will be rated by Fitch Ratings Ireland Limited, which is established in the European Union and is registered under the CRA Regulation, unless other credit rating agency is appointed. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The information concerning the rating of the Notes will be provided in the Final Terms of each Tranche of the Notes.
Pricing Date:	In relation to any Notes, the Business Day on which such Notes are priced and other conditions of the Final Terms of the specific Tranche of Notes under the Programme are determined.
Settlement Date:	The fifth Business Day in Vilnius following the Pricing Date (T+5), on which the settlement will be done via the Issuing and Paying Agent. The date of settlement of payments by the Investors for the Notes of the respective Tranche.

Issue Date of the Notes:	The date on which the Notes of each of the respective Tranche shall be issued. It shall correspond to the Settlement Date. The exact Issue Date of the Notes to be established in the Final Terms of each Tranche of the Notes.
Settlement and Settlement system:	Nasdaq CSD. Settlement for the allocated Notes will take place on the fifth Business Day in Vilnius following Pricing Date (T+5) on a delivery versus payment basis, unless otherwise specified in the Final Terms.
Redemption price of the Notes:	On the day of redemption, the Notes shall be repaid in full at their nominal value, with the cumulative interest accrued and unpaid to date.
Interest rate and dates of payment thereof:	<p>Yield of the Notes shall be determined and established in the Final Terms. It will be determined by taking into account market demand for the Notes of the respective Tranche and general market conditions at the time of the respective Tranche.</p> <p>The Notes shall bear interest at a fixed annual interest rate (the “Interest Rate”) which shall be determined by the Issuer and specified in the Final Terms.</p> <p>The interest on the Notes will be paid annually on the dates specified in the Final Terms (the “Interest Payment Date”) until the Maturity Date (as defined below) and will be calculated on the aggregate outstanding principal amount of the Notes of the respective Series.</p> <p>Interest shall accrue for each interest period from and including the first day of the interest period to (but excluding) the last day of the interest period on the principal amount of Notes of the respective Tranche outstanding from time to time. The first interest period commences on the Issue Date and ends on the first Interest Payment Date (the “First Interest Period”). Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Maturity Date (as defined below).</p> <p>Interest in respect of the Notes will be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365 (or, in the case of a leap year, 366), i.e. a day count convention Act/Act (ICMA) will be used.</p> <p>When interest is required to be calculated in respect of a period of less than a full year (other than in respect of the First Interest Period) it shall be calculated on the basis of (i) the actual number of days in the period from and including the date from which interest begins to accrue (the “Accrual Date”) to but excluding the date on which it falls due, divided by (ii) the actual number of days from and including the Accrual Date to, but excluding the next following Interest Payment Date.</p> <p>Interest on the Notes shall be paid through Nasdaq CSD in accordance with the applicable rules of Nasdaq CSD to the persons who were registered as the Noteholders as at the close of the 2nd (second) Business Day immediately preceding the Interest Payment Date.</p> <p>Should any Interest Payment Date fall on a date which is not a Business Day, the payment of the interest due will be postponed</p>

	to the next Business Day. The postponement of the payment date shall not have an impact on the amount payable.
Maturity Date (redemption) of the Notes and principal payment:	<p>The exact maturity date shall be specified in the Final Terms.</p> <p>Each Series of Notes may have a maturity between 1 and 10 years or such other maturity as the Issuer decides, but in any case not shorter than 12 months.</p> <p>The term for provision of the requests/requirements to redeem the Notes shall not be applicable, as upon Maturity Date of Notes, the nominal value thereof with the cumulative interest accrued shall be transferred to the accounts indicated by the Noteholders without separate requests/requirements of the Noteholders. As from this moment the Issuer shall be deemed to have fully executed the obligations, related to the Notes and their redemption, disregarding the fact, whether the Noteholder actually accepts the funds. In case requisites of the account of the Noteholder changes, he/she/it shall have an obligation to inform the Issuer thereof.</p> <p>The principal of the Notes shall be paid through Nasdaq CSD in accordance with the applicable rules of Nasdaq CSD to the persons who were registered as the Noteholders as at the close of the 2nd (second) Business Day immediately preceding the payment.</p> <p>Should the Maturity Date fall on a date which is not a Business Day, the payment of the amount due will be postponed to the next Business Day. The postponement of the payment date shall not have an impact on the amount payable.</p> <p>Following the transfer of the redemption price to the investor's accounts as indicated above, the Notes shall be removed from Nasdaq CSD and Nasdaq Vilnius.</p>
Early Mandatory Redemption of the Notes:	<p>Notes will be redeemable prior to their maturity upon:</p> <ul style="list-style-type: none"> (a) occurrence of an <i>Event of Default</i> (please see below; also different Events of Default may be included in the Final Terms of the respective Tranche); (b) upon failure to list the Notes under these Terms and Conditions or upon a De-listing Event occurring. In such cases each Noteholder has a right to exercise—early mandatory redemption (“Put Option”) of the Notes within 15 days following the occurrence of the De-listing event or within 15 days, after the lapse of the term, when the Notes had to be listed on Nasdaq Vilnius under these Terms and Conditions. The payment date of such Put Option is 15 days after the expiry of the 15 days exercise period for the Put Option. <p>A De-listing Event occurs, if the Company publicly announces its intention to de-list the Notes from the Nasdaq Baltic Main List (regulated market).</p>
Early Mandatory Redemption Amount:	100% of Nominal Value of a Note plus accrued interest from last interest payment date.
Early Optional Redemption:	<p>Notes shall be redeemable in full at the option of the Issuer prior to their maturity in accordance with the following conditions:</p> <ul style="list-style-type: none"> (i) early redemption may occur at the discretion of the Issuer on the date and at a price specified in the Final Terms;

	(ii) with at least 15 days written notice to the Noteholders under the procedure of Section Notices below.
Listing of the Notes:	<p>The Notes shall be applied for introduction to trading on a Baltic Bonds List of Nasdaq Vilnius once the Notes shall be subscribed and fully paid by the Investors and registered with Nasdaq CSD. In case not all the Notes of the respective Tranche are subscribed and/or fully paid by the Investors, the Management Board may decide to issue and introduce to trading on Nasdaq Vilnius any lesser number of Notes, offered during the respective Tranche.</p> <p>The Issuer expects that the Notes shall be admitted to trading on Nasdaq Vilnius within 6 (six) months as from placement of the Notes of the respective Tranche the latest. Disregarding this, the Issuer will put its best endeavours so that this term would be as short as practicably possible.</p> <p>The Issuer shall also put its best efforts to ensure that the Notes remain listed on the Nasdaq Vilnius. The Issuer shall, following a listing or Admission to trading, take all reasonable actions on its part required as a result of such listing or trading of the Notes.</p> <p>The Issuer will cover all costs which are related to the Admission of the Notes to Nasdaq Vilnius.</p>
Status of the Guarantee and enforcement thereof:	<p>The Notes are unconditionally and irrevocably guaranteed by the Guarantor, on an unsecured and unsubordinated basis.</p> <p>Payments under the Guarantee Undertaking will be made in respect of payments of principal, interest under the Notes and other sums payable by the Issuer under or pursuant to the Programme, Information Memorandum, Final Terms and the Notes. It will not, however, cover any costs relating to the enforcement of the Guarantee Undertaking against the Guarantor. Noteholders will, therefore, have to seek other redress in respect of any costs associated with enforcement of the Guarantee Undertaking and should consider this in the context of any purchase of Notes.</p>
Guarantee of the Notes:	<p>The Guarantor has in the Guarantee Undertaking unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes.</p> <p>This Guarantee of the Notes constitutes direct, unsecured, general and unconditional obligations of the Guarantor. The Notes rank at least <i>pari passu</i> without any preference one over the other by reason of priority of date of issue, currency of payment or otherwise, with all other present and future unsecured loan indebtedness of the Guarantor.</p>
Decisions by which the Notes and the Guarantee are issued:	<p>The Programme shall be executed based on the decision of the Management Board No 25, dated 9 July 2021 and based on the decision of the Management Board No 7, dated 27 June 2022.</p> <p>The decisions by which each Tranche of the Notes shall be issued shall be specified in the Final Terms.</p> <p>The Guarantee Undertaking shall be executed based on the resolution No 700 of the Government of the Republic of Lithuania, dated 1 September 2021. Under the issued Guarantee Undertaking, the maximum guarantee amount shall not exceed</p>

EUR 150,000,000. This amount shall be increased, if the issued amount of Notes under the Programme will exceed the above amount.

Transfer restrictions:

There are no restrictions on transfer of Notes as they are described in the applicable Lithuanian laws. However, the Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including, without limitation, in the United States of America, Australia, Canada, Hong Kong and Japan. For more information on this issue please see Section *Transfer Restrictions*.

Events of Default:

If an Event of Default (as defined below) occurs, any Noteholder may by written notice to the Issuer declare the outstanding principal amount of the Notes and the interest accrued on the Notes to be prematurely due and payable at the earliest on the 10th (tenth) Business Day from the date such notice was received by the Issuer, provided that an Event of Default is continuing on the date of receipt of the notice by the Issuer and on the specified early repayment date (the “**Early Repayment Date**”). Interest on such Notes accrues until the Early Prepayment Date (excluding the Early Prepayment Date).

The Issuer shall notify the Noteholders about the occurrence of an Event of Default (and the steps, if any, taken to remedy it) in accordance with Section Notices below promptly upon becoming aware of its occurrence.

Each of the following events shall constitute an event of default (an “**Event of Default**”):

- (i) **Non-payment:** the Issuer fails to pay any amount of principal, interest or other amount due in respect of the Notes within 30 days of the due date for payment thereof, unless the failure to pay is caused by a reason referred to in Section *Force Majeure* below;
- (ii) **Change of Control:** at any time following the Issue Date of the Notes, the Republic of Lithuania ceases to hold, directly or indirectly, more than 50 per cent. of the shares or voting rights of the Issuer;
- (iii) **Breach of other obligations:** if the Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Guarantee Undertaking and (except where such failure is incapable of remedy when no notice will be required) such default remains unremedied for 60 days after written notice thereof, addressed to the Issuer by any Noteholder, has been received by the Issuer;
- (iv) **Cross-default:**
 - a) any Indebtedness of the Issuer is not paid when due or (as the case may be) within any originally applicable grace period;
 - b) any such Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer or (provided that no event of default, howsoever described, has occurred) any person entitled to such Indebtedness,

provided that the amount of Indebtedness referred to in paragraphs (iii) and (iv) above individually or in the

aggregate exceeds EUR 5,000,000 (five million euro) (or its equivalent in any other currency or currencies).

For the purposes of this Clause, “Indebtedness” means any indebtedness (whether principal, premium, interest or other amounts) in respect of any bonds, notes or other debt securities or borrowed money by the Issuer;

- (v) **Cessation of Issuer’s activities:** the Issuer ceases to carry on its current activities in its entirety or a substantial part thereof, other than if the cessation of the respective activities (or substantial part thereof) is required by any specific EU regulations or laws of the Republic of Lithuania or decisions of any regulatory authority, and it does not materially affect the Issuer’s ability to fulfil its obligations with regard to the Notes;
- (vi) **Insolvency, etc.:** the Issuer is adjudicated or found bankrupt or insolvent under the requirements of the applicable Lithuanian laws, other than as a result of the wound up required by any specific EU regulations or laws of the Republic of Lithuania or decisions of any regulatory authority, and it does not materially affect the Issuer’s ability to fulfil its obligations with regard to the Notes.
In case of the Issuer’s liquidation or insolvency the Noteholders shall have a right to receive payment of the outstanding principal amount of the Notes and the interest accrued on the Notes according to the relevant laws governing liquidation or insolvency of the Issuer;
- (vii) **Guarantee not in force:** the Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force and effect.

Taxation:

The tax legislation of the Investor’s Member State and of the Issuer’s country of incorporation (Lithuania) may have an impact on the income, received from the Notes.

All payments in respect of the Notes by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (the “**Taxes**”), unless the withholding or deduction of the Taxes is required by the laws of the Republic of Lithuania. In such case, the Issuer shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities in accordance with the applicable laws for the amount so required to be withheld or deducted. The Issuer will not be obliged to make any additional compensation to the Noteholders in respect of such withholding or deduction and/or to indemnify any holder of the Notes in the event that taxes are payable under Lithuania law or any other foreign law on any sum paid with respect to the Notes.

For more information, related to taxation of the Notes, please see Section *Taxation* below.

Estimated Expenses Charged to the Investors:

No expenses or taxes will be charged to the Investors by the Issuer in respect to the Offering and Admission of the Notes. However, the Investors may be obliged to cover expenses which are related to the opening of securities accounts with credit institutions or investment brokerage firms, as well as commissions which are charged by the credit institutions or investment brokerage firms in relation to the execution of the Investor’s purchase or selling orders of the Notes, the holding of the Notes or any other operations in relation to the Notes. The

	Issuer and or the Arranger will not compensate the Noteholders for any such expenses.
Issuing and Paying Agent:	Luminor Bank AS Lithuanian branch.
Issuing and Paying Agent's main role:	In acting under the Mandate Letter and in connection with the Notes, the Issuing and Paying Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders. The Issuing and Paying Agent shall act on behalf of the Issuer in distributing the Notes, servicing the Issuer in its relations with Nasdaq CSD. Notice of any change in any of the Issuing and Paying Agent shall promptly be given to the Noteholders.
Arranger and Dealer:	Luminor Bank AS Lithuanian branch.
Method of placement of Notes:	Placement through the Dealer (Luminor Bank AS Lithuanian branch). The Investors wishing to subscribe the Notes shall submit their orders as instructed by the Dealer. Total amount of the Notes to be purchased and provided in each order shall be no less than the Minimum Investment Amount. All the orders shall be binding and irrevocable commitment to acquire the allotted Notes. The Issuer in consultation with the Dealer will decide on whether to proceed with the Offering and (if so) regarding the allotment of the Notes to the Investors. The Issuer reserves a right to reject any order, in whole or in part, at its sole discretion and without disclosing any reason for doing so.

Representation of Noteholders

In this particular case, the rights of the Noteholders to establish and/or authorize an organization/person to represent interests of all or a part of the Noteholders are not required under Article 3(2) of the Law of the Republic of Lithuania on Protection of Interests of Bondholders of Public Limited Liability Companies and Private Limited Liability Companies and are not contemplated. However, such rights are not restricted. The Noteholders should cover all costs/fees of such representative(s) by themselves.

In addition to that, based on the same Article of the above law, it is not applicable to this Programme and Notes issued under the Programme.

Noteholders' Meetings

General Provisions

The decisions of the Noteholders (including decisions on amendments to this Information Memorandum or the Final Terms of the Tranches of the relevant Series or granting of consent or waiver) shall be passed at a meeting of the Noteholders (the "**Noteholders' Meeting**") or in writing without convening the Noteholders' Meeting (the "**Written Procedure**") at the choice of the Issuer. However, the Issuer shall have a right to amend the technical procedures relating to the Notes in respect of payments or other similar matters without the consent of the Noteholders, if such amendments are not prejudicial to the interests of the Noteholders.

The Issuer shall have a right to convene the Noteholders' Meeting or instigate the Written Procedure at any time and shall do so following a written request from the Noteholders who, on the day of the request,

represent not less than one-tenth of the principal amount of the Notes outstanding or the principal amount of the Notes of the relevant Series outstanding (as applicable) (excluding the Issuer).

In case convening of the Noteholders' Meeting or instigation of the Written Procedure is requested by the Noteholders, the Issuer shall be obliged to convene the Noteholders' Meeting or instigate the Written Procedure within 1 (one) month after receipt of the respective Noteholders' written request.

Only those who were registered as the Noteholders by the close of the 5th (fifth) Business Day prior to convening the Noteholders' Meeting or instigation of the Written Procedure or proxies authorised by such Noteholders, may exercise their voting rights at the Noteholders' Meeting or in the Written Procedure.

Quorum at the Noteholders' Meeting or in respect of the Written Procedure only exists if one or more Noteholders holding 50 (fifty) per-cent in aggregate or more of the principal amount of the Notes outstanding or the principal amount of the Notes of relevant Tranche outstanding (as applicable):

- (i) if at the Noteholders' Meeting, attend the meeting; or
- (ii) if in respect of the Written Procedure, reply to the request.

If the Issuer is the Noteholder, its principal amount of the Notes will be excluded when a quorum is calculated. If quorum does not exist at the Noteholders' Meeting or in respect of the Written Procedure, the Issuer shall convene a repeated Noteholders' Meeting or instigate a repeated Written Procedure (in accordance with the procedure of this Section above) as the case may be. The quorum requirement above shall not apply to such repeated Noteholders' Meeting or repeated Written Procedure, except for exclusion of the Issuer from calculation of a quorum.

Consent of the Noteholders holding at least 75 (seventy-five) per-cent of the aggregate principal amount of the outstanding Notes attending the Noteholders' Meeting or participating in the Written Procedure is required for agreement with the Issuer to amend Clause *Notes Status* and *Guarantee Status*, Clause *Events of Default*, Clause *Decisions of the Noteholders* or Clause *Governing law and dispute resolution*.

Consent of at least 75 (seventy-five) per-cent of the aggregate principal amount of the outstanding Notes of the respective Tranche attending the Noteholders' Meeting or participating in the Written Procedure is required for the following decisions:

- (i) agreement with the Issuer to change the date, or the method of determining the date, for the payment of principal, interest or any other amount in respect of the relevant Series, to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the relevant Series or to change the method of calculating the amount of interest or any other amount payable on any date in respect of the relevant Series;
- (ii) agreement with the Issuer on any exchange or substitution of the Notes of relevant Series for, or the conversion of the Notes of relevant Series into, any other obligations or securities of the Issuer or any other person;
- (iii) in connection with any exchange, substitution or conversion of the type referred to in paragraph (ii) above, agreement with the Issuer to amend any of the provisions of the relevant Series describing circumstances in which the relevant Series may be redeemed or declared due and payable prior to their scheduled maturity;
- (iv) other decisions, vested in the competence of the Noteholders' Meeting.

The Issuer shall have a right to increase the aggregate principal amount of the Notes to be issued under the Programme without the consent of the Noteholders.

Information about decisions taken at the Noteholders' Meeting or by way of the Written Procedure shall promptly be provided to the Noteholders in accordance with Section *Notices* below, provided that a failure to do so shall not invalidate any decision made or voting result achieved.

Decisions passed at the Noteholders' Meeting or in the Written Procedure shall be binding on all Noteholders irrespective of whether they participated at the Noteholders' Meeting or in the Written Procedure.

All expenses in relation to the convening and holding the Noteholders' Meeting or a Written Procedure shall be covered by the Issuer.

Procedure of the Noteholders' Meetings

If a decision of the Noteholders is intended to be passed at the Noteholders' Meeting, then a respective notice of the Noteholders' Meeting shall be provided to the Noteholders in accordance with Section *Notices* below no later than 15 (fifteen) Business Days prior to the meeting. Furthermore, the notice shall specify the time, place and agenda of the meeting, as well as any action required on the part of the Noteholders that will attend the meeting. No matters other than those referred to in the notice may be resolved at the Noteholders' Meeting.

The Noteholders' Meeting shall be held in Vilnius, Lithuania, and its chairman shall be the representative appointed by the Issuer. The Noteholders' Meeting shall be organised by the chairman of the Noteholders' Meeting.

The Noteholders' Meeting shall be held in English with translation into Lithuanian, unless the Noteholders present in the respective Noteholders' Meeting unanimously decide that the respective Noteholders' Meeting shall be held only in Lithuanian or English.

Representatives of the Issuer and persons authorised to act for the Issuer may attend and speak at the Noteholders' Meeting.

Minutes of the Noteholders' Meeting shall be kept, recording the day and time of the meeting, attendees, their votes represented, matters discussed, results of voting, and resolutions which were adopted. The minutes shall be signed by the keeper of the minutes, which shall be appointed by the Noteholders' Meeting. The minutes shall be attested by the chairman of the Noteholders' Meeting, if the chairman is not the keeper of the minutes, as well as by one of the persons appointed by the Noteholders' Meeting to attest the minutes. The minutes from the relevant Noteholders' Meeting shall at the request of a Noteholder be sent to it by the Issuer.

Written Procedure

If a decision of the Noteholders is intended to be passed by the Written Procedure then a respective communication of the Written Procedure shall be provided to the Noteholders in accordance with Section *Notices* below.

Communication in paragraph above shall include:

- (i) each request for a decision by the Noteholders;
- (ii) a description of the reasons for each request;
- (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights;
- (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote "yes" or "no" for each request), as well as a form of a power of attorney;
- (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least 10 (ten) Business Days from the communication pursuant to paragraph (i) above) and a manner of a reply; and
- (vi) a statement that if the Noteholder does not reply to the request in the stipulated time period, then it shall be deemed that the Noteholder has voted against each request.

When the requisite majority consents pursuant to Section *General Provisions* above have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to the indicated Section, even if the time period for replies in the Written Procedure has not yet expired.

Modification

The Notes, General Terms and Conditions, the Guarantee Undertaking may be amended without the consent of the Noteholders to correct a manifest error.

Purchases

The Issuer may at any time purchase the Notes in any manner and at any price in the secondary market. Such Notes may be held, resold or surrendered by the purchaser through the Issuer for cancellation. Notes held by or for the account of the Issuer will not carry the right to vote at the Noteholders' Meetings or within Written Procedures and will not be taken into account in determining how many Notes are outstanding for the purposes of the General Terms and Conditions.

Force Majeure

The Issuer, the Arranger and/or Nasdaq CSD shall be entitled to postpone the fulfilment of their obligations hereunder, in case the performance is not possible due to continuous existence of any of the following circumstances:

- (i) action of any authorities, war or threat of war, rebellion or civil unrest;
- (ii) disturbances in postal, telephone or electronic communications which are due to circumstances beyond the reasonable control of the Issuer, the Arranger and/or Nasdaq CSD and that materially affect operations of any of them;
- (iii) any interruption of or delay in any functions or measures of the Issuer, the Arranger and/or Nasdaq CSD as a result of fire or other similar disaster;
- (iv) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Issuer, the Arranger and/or Nasdaq CSD even if it only affects part of the employees of any of them and whether any of them is involved therein or not; or
- (v) any other similar *force majeure* or hindrance which makes it unreasonably difficult to carry on the activities of the Issuer, the Arranger and/or Nasdaq CSD.

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

Further Issues

The Issuer may from time to time, without the consent of and notice to the Noteholders, create and issue further Notes (a) whether such further Notes form a single Series with already issued Notes or not; (b) and/or whether under the same Programme / this Information Memorandum, or not. For the avoidance of doubt, this Section shall not limit the Issuer's right to issue any other notes.

Notices

Noteholders shall be advised of matters relating to the Notes by a notice published in English and Lithuanian on the Issuer's website at www.vika.lt as well as on the webpage of the regulated market Nasdaq Vilnius www.nasdaqbaltic.com. Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this Section.

FORM OF GUARANTEE UNDERTAKING

VALSTYBĖS GARANTIJA	STATE GUARANTEE
Atsižvelgdamas į tai, kad:	Taking into account that:
Lietuvos Respublikos Vyriausybė 2021 m. rugsėjo 01 d. nutarimu Nr. 700 „Dėl valstybės garantijos dėl UAB „Valstybės investicinis kapitalas“ išleidžiamų ne nuosavybės vertybinių popierių suteikimo“, priėmė sprendimą suteikti Valstybės garantiją užtikrindama UAB „Valstybės investicinis kapitalas“, juridinio asmens kodas 305611945, buveinė registruota adresu Gedimino pr. 38, LT-01104 Vilnius, Lietuvos Respublika (toliau – Emitentas), įsipareigojimus pagal obligacijas (toliau – Obligacijos), kurios išleidžiamos pagal 400 000 000 EUR vertės Vidutinės trukmės obligacijų programą (toliau – Programa), aprašytą 2021 m. rugsėjo 01 d. Programos informaciniame memorandume, kuris patvirtintas Emitento valdybos 2021 m. liepos 9 d. sprendimu Nr. 25 (toliau – Informacinis memorandumas),	The Government of the Republic of Lithuania by its Resolution No. 700 “On giving a State Guarantee for non-equity securities to be issued by UAB „Valstybės investicinis kapitalas“, dated 01 September 2021, decided to give a State Guarantee to secure obligations of UAB Valstybės investicinis kapitalas, legal entity code 305611945, address of the registered office: Gedimino Ave. 38, LT-01104 Vilnius, Republic of Lithuania (the “ Issuer ”), under the notes (the “ Notes ”) to be issued according to the EUR 400,000,000 Medium Term Note Programme (the “ Programme ”), described in the Information Memorandum of the Programme, dated 01 September 2021, as approved by the decision of the Board of the Issuer No. 25, dated 9 July 2021 (the “ Information Memorandum ”),
Lietuvos Respublikos finansų ministras, vadovaudamasis Lietuvos Respublikos valstybės skolos įstatymo 6 straipsnio 3 dalimi, kuria yra įgaliotas pasirašyti valstybės garantijas Lietuvos Respublikos (toliau – Valstybė arba Garantas) vardu, sutinka išleisti šią valstybės garantiją (toliau – Garantija):	The Minister of Finance of the Republic of Lithuania, in accordance with paragraph 3 of Article 6 of the Law of the Republic of Lithuania on the National Debt, by which it is authorised to sign state guarantees on behalf of the Republic of Lithuania (the “ State ” or the “ Guarantor ”), hereby consents to issue this state guarantee (the “ Guarantee ”):
(1) BET KURIAM Obligacijos TURĖTOJUI , su sąlyga, kad toks turėtojas turi Obligaciją nuosavybės teisėmis kaip apibrėžta toliau (toliau – Naudos gavėjas);	(1) IN FAVOUR OF ANY HOLDER of any Note, provided that such holder owns the Note as defined below (the “ Beneficiary ”);
(2) Garantija užtikrinamos visos Obligacijos, kurias numatoma išleisti pagal Programą, Informacinį memorandumą ir kiekvienos atitinkamos Obligacijų dalies Galutinės sąlygas (toliau – Galutinės sąlygos);	(2) All the Notes to be issued pursuant to the Programme, the Information Memorandum, and the Final Terms of each of the respective tranches of the Notes (the “ Final Terms ”) shall be secured by this Guarantee ;
(3) Garantas pripažįsta, kad jis gerai žino ir šios Garantijos tikslais sutinka su Programos, Informacinio memorandumo, Galutinių sąlygų ir Obligacijų terminais ir sąlygomis,	(3) The Guarantor acknowledges that it is fully aware of and accepts for the purposes of this Guarantee the terms and conditions of the Programme, the Information Memorandum, the Final Terms and the Notes,

Todėl Garantą suteikia Garantiją žemiau nurodytomis sąlygomis:	Therefore , the Guarantor gives this Guarantee under the terms and conditions indicated below:
<u>1 STRAIPSNIS</u>	<u>ARTICLE 1</u>
<u>Pirmo pareikalavimo garantija</u>	<u>First Demand Guarantee</u>
1.1 <u>Pirmo pareikalavimo garantija</u>	1.1. <u>First Demand Guarantee</u>
Garantas neatšaukiamai ir besąlygiškai įsipareigoja kiekvienam Naudos gavėjui pagal kiekvieno Naudos gavėjo pirmą rašytinį reikalavimą ir pagal šioje Garantijoje toliau išdėstytas sąlygas mokėti visas sumas, kurių kiekvienas Naudos gavėjas gali pareikalauti pagal Obligacijų Galutines sąlygas ir šią Garantiją iki maksimalios 150 000 000 EUR sumos, plius palūkanas ir kitas Emitento pagal Programą, Informacinį memorandumą, Galutines sąlygas ir Obligacijas mokėtinas sumas (toliau – Garantijos suma). Iš Garantijos sumos bendrai atimamos visos sumos, kurias Garantą anksčiau išmokėjo pagal šį 1 straipsnį.	The Guarantor hereby irrevocably and unconditionally undertakes to pay to each Beneficiary, on each Beneficiary’s first written demand, and in accordance with the conditions set out herein below, all sums which each Beneficiary may claim under this Guarantee and the Final Terms of the Notes up to a maximum amount of EUR 150,000,000 plus any interest, and others sums due or payable by the Issuer under or pursuant to the Programme, Information Memorandum, Final Terms and the Notes (the “ Guaranteed Amount ”). The Guaranteed Amount shall be reduced by the aggregate of all sums previously paid by the Guarantor pursuant to and in accordance with this Error! Reference source not found.
1.2 <u>Reikalavimai ir mokėjimai</u>	1.2. <u>Demands and payments</u>
(a) Atsižvelgiant į Garantijos 3 straipsnį, bet koks reikalavimas, kurį kiekvienas Naudos gavėjas pateikia Garantui pagal šią Garantiją, turi būti pateikiamas Garantui adresuotu rašytiniu pranešimu ir turi būti tokio turinio (toliau vadinamas Reikalavimu):	(a) Subject to Error! Reference source not found. hereof, any demand made by each Beneficiary to the Guarantor under this Guarantee shall be made by way of a written notification addressed to the Guarantor and having the following content (the “ Demand ”):
(i) adresuotas Lietuvos Respublikos finansų ministerijai, Lukiškių g. 2, LT-01512 Vilnius, Lietuvos Respublika;	(i) addressed to the Ministry of Finance of the Republic of Lithuania, Lukiškių St. 2, LT-01512, Vilnius, Republic of Lithuania;
(ii) nurodoma, kad Naudos gavėjas teikia Reikalavimą pagal šią Garantiją;	(ii) specifying that the Beneficiary is making a Demand under this Guarantee;
(iii) nurodoma Garanto mokėtina suma (nominali vertė, palūkanos, kiti mokėjimai pagal Obligacijas), taip pat tokių sumų mokėjimo valiuta (EUR);	(iii) specifying the amount due and payable (nominal value, interest, other payments under the Notes) by the Guarantor as well as the currency of payment of such sums (EUR);
(iv) nurodomi atitinkamos banko sąskaitos, į	(iv) providing details of the relevant bank

kurią turi būti atliktas mokėjimas, rekvizitai; ir	account into which payment should be made; and
(v) pasirašytas Naudos gavėjo ar jo įgalioto asmens ir pateiktas kartu su visais atitinkamais dokumentais, patvirtinančiais, kad Obligacijos nuosavybės teise priklauso atitinkamam Naudos gavėjui, taip pat, kad asmuo, pasirašęs Naudos gavėjo vardu, turi teisę pasirašyti (įskaitant, jei taikytina, išrašą iš komercinio registro, kuriame saugomi duomenys apie Naudos gavėją (jei taikytina, išverstą į lietuvių kalbą ir apostilizuotą), išrašą iš vertybinių popierių sąskaitos, kurioje apskaitomi Naudos gavėjo turimi vertybiniai popieriai) Reikalavimą.	(v) signed by the Beneficiary or a person authorised by it and accompanied by all the relevant documents certifying that the Notes are owned by the respective Beneficiary as well as that the person, having signed on behalf of the Beneficiary, has a right to do so (including, if applicable, an extract from a commercial register, in which the data about the Beneficiary is stored and kept (if applicable, translated into Lithuanian and bearing an <i>Apostille</i> seal), an extract from the securities account in which the securities, held by the Beneficiary are accounted).
(b) Garantą atliks Reikalavime nurodytą mokėjimą per 30 (trisdešimt) dienų nuo atitinkamo Reikalavimo gavimo dienos (imtinai) (toliau – Mokėjimo terminas) eurais, įvertinęs Reikalavimą, tačiau bet koku atveju neviršijant Garantijos sumos. Jei pateiktas Reikalavimas neatitiks 1.2 (a) dalyje nurodytų reikalavimų jis bus laikomas negaliojančiu ir Garantą jo nevykdys apie tai raštu informuodamas Naudos gavėją.	(b) The Guarantor shall make the payment requested in the Demand within thirty (30) days as from the date of receipt (included) of the relevant Demand (the “ Payment Period ”) and in EUR, after inspection of the Demand, but in any case not exceeding the Guaranteed Amount. If the Demand made does not comply with the requirements indicated in item 1.2 (a), it shall be regarded invalid and the Guarantor shall not perform it, informing the Beneficiary about it in writing.
1.3 Mokėjimo įsipareigojimai	1.3. Payment obligations
Garantas vienareikšmiškai pripažįsta, kad kiekvienas pagal šį 1 straipsnį pateiktas Reikalavimas sukuria atskirą mokėjimo įsipareigojimą to reikalaujančiam Naudos gavėjui, kol pasiekama Garantijos suma.	The Guarantor expressly acknowledges that each Demand made in accordance with this Error! Reference source not found. generates an independent payment obligation towards the requesting Beneficiary up to the Guaranteed Amount.
2 STRAIPSNIS	ARTICLE 2
<u>Pirmo pareikalavimo garantijos savarankiškumas</u>	<u>Autonomy of the First Demand Guarantee</u>
2.1. Pirmo pareikalavimo garantijos savarankiškumas	2.1. Autonomy of the First Demand Guarantee
Garantas vienareikšmiškai sutinka, kad ši Garantija	The Guarantor expressly agrees that this Guarantee

<p>yra atskira, besąlyginė ir neatšaukiama pirmo pareikalavimo garantija, nepriklausanti nuo jokių sutartinių arba deliktinių santykių, kurie egzistuoja arba gali egzistuoti tarp Garanto, Emitento, Naudos gavėjo ir bet kokio kito asmens, kuri jokiais aplinkybėmis ir jokių pagrindų negali būti suprantama kaip laidavimas pagal Lietuvos Respublikos civilinį kodeksą.</p>	<p>is an independent, unconditional and irrevocable first demand guarantee, autonomous from any contractual or non-contractual relation existing or which may exist between the Guarantor, the Issuer, the Beneficiary and any other person, which cannot be construed in any circumstances and for whatever reason as a surety (in Lithuanian “laidavimas”) within the meaning of the Civil Code of the Republic of Lithuania.</p>
<p>2.2. <u>Teisės atsisakyti mokėti apribojimai</u></p>	<p>2.2. <u>Defence restrictions</u></p>
<p>(a) Garantą aiškiai atsisako bet kurių teisių, kurias turi arba gali turėti ir kurios galėtų sumažinti arba panaikinti jo mokėjimo įsipareigojimus pagal šią Garantiją tarpusavio įskaitymo, įkeitimo teisės, gynybos arba kitu būdu.</p>	<p>(a) The Guarantor hereby expressly waives any right it has, or may have, which might reduce or extinguish its payment obligations under this Guarantee whether by way of set-off, lien, defence or otherwise.</p>
<p>(b) Atitinkamai, Garantą pripažįsta, kad jis negali nurodyti jokių prieštaravimų, pagrindo arba pateikti prašymą atsisakydamas vykdyti savo įsipareigojimus pagal šią Garantiją ir (ar) atlikti bet kokį mokėjimą, kurį jis turi atlikti pagal šią Garantiją, išskyrus atvejus, jeigu:</p>	<p>(b) Accordingly, the Guarantor acknowledges that it cannot raise any objection, ground or plea of any kind to refuse the performance of its obligations under this Guarantee and/or any payment to be made by it under this Guarantee, except for cases when:</p>
<p>(i) Naudos gavėjas pateikė Reikalavimą, kuriame numatyti Naudos gavėjo, Obligacijų duomenys ar Reikalavimo sumos neatitinka Naudos gavėjo duomenų, esančių komerciniuose registruose, vertybinių popierių sąskaitose, depozitoriume ar pan.;</p>	<p>(i) the Beneficiary made a Demand containing data of the Beneficiary, the Notes or Demand amounts which do not correspond to the Beneficiary data in commercial registers, securities accounts, depository, etc.;</p>
<p>(ii) Teisės aktų nustatyta tvarka Reikalavime nurodytoms Obligacijoms nustatyti disponavimo apribojimai, draudžiantys Obligacijų išpirkimą, apribotos Naudos gavėjo teisės ar pan.</p>	<p>(ii) there are restrictions imposed under legal acts on disposal to redeem the Notes indicated in the Demand, on the Beneficiary’s rights, etc.</p>
<p>(c) Ypač, bet tuo neapsiribojant, Garantą pripažįsta, kad jo įsipareigojimai atlikti mokėjimus pagal šią Garantiją nepriklauso nuo:</p>	<p>(c) In particular, but without limitation, the Guarantor acknowledges that its obligations to make payments hereunder are independent from:</p>
<p>(i) Obligacijų galiojimo, reguliarumo ir (ar) priverstinio vykdytinumo, taip pat nuo jose numatytų Emitento teisių ir įsipareigojimų;</p>	<p>(i) the validity, regularity and/or enforceability of the Notes and the rights and obligations of the Issuer thereunder;</p>
<p>(ii) Naudos gavėjo veiksmų nesiėmimo prieš Emitentą, siekiant priverstinio Naudos</p>	<p>(ii) any absence of action by the Beneficiary against the Issuer to enforce the</p>

gavėjo teisių pagal Obligacijos įgyvendinimo;	Beneficiary's rights under the Notes;
(iii) bet kokio įvykio, kuris galėtų užkirsti kelią Emitentui vykdyti kuriuos nors savo įsipareigojimus, įskaitant savo mokėjimo įsipareigojimus, pagal Obligacijas, įskaitant dėl nemokumo bylos iškelimo bet kurioje jurisdikcijoje savanoriškai arba teismo sprendimu.	(iii) the occurrence of any event whatsoever which could prevent the Issuer from performing any of its obligations, including its payment obligations, under the Notes, including in relation to the opening of any voluntary or judicial insolvency proceedings in any jurisdiction.
(d) Todėl Garantas ypač, bet tuo neapsiribojant, neturi teisės prieštarauti jokiame mokėjimo reikalavimui pagal šią Garantiją, negali pasinaudoti jokiais prieštaravimais, apsigynimo priemonėmis, išimtimis, įkeitimo teisėmis arba teise į tarpusavio įskaitymą, atsirandančiais iš arba dėl:	(d) Therefore, the Guarantor shall, in particular, but without limitation, not be entitled to challenge any demand of payment under this Guarantee nor raise any objection, defence, exception, lien or right of set-off resulting from or related to:
(i) kurių nors Obligacijų nuostatų;	(i) any provisions of the Notes;
(ii) bet kokio Emitento teisinės ir (ar) finansinės padėties pokyčio (įskaitant bet kokį jungimąsi, skaidymą arba kitos formos teisinę arba įmonės reorganizaciją).	(ii) any change in the legal and/or financial situation of the Issuer (including any merger, demerger or other form of legal or corporate reorganisation).
2.3. <u>Kitos teisės</u>	2.3. <u>Other rights</u>
Ši Garantija papildo visas kitas teises, teisių gynimo ar užtikrinimo priemones, kurias turi arba gali turėti Naudos gavėjas prieš kitą asmenį, įskaitant prieš Emitentą arba Garantą, suteikiamas pagal įstatymą arba kitu būdu.	This Guarantee is in addition to any other rights, remedies or security, which the Beneficiary has, or may have, against any other person, including against the Issuer or the Guarantor, whether provided for by law or otherwise.
Garantas šia Garantija aiškiai sutinka ir pripažįsta, kad Naudos gavėjas neprivalės taikyti arba priverstinai vykdyti jokių kitų teisių, užtikrinimo priemonių arba reikalauti mokėjimo iš jokio kito asmens prieš pateikdamas reikalavimą pagal šią Garantiją.	The Guarantor hereby expressly accepts and acknowledges that the Beneficiary will not be required to proceed against or enforce any other rights, security or claim payment from any other person before making a claim under this Guarantee.
<u>3 STRAIPSNIS</u>	<u>ARTICLE 3</u>
<u>Pirmo pareikalavimo garantijos terminas</u>	<u>Term of the First Demand Guarantee</u>
3.1. <u>Galiojimo laikotarpis</u>	3.1. <u>Effectiveness Period</u>

Ši Garantija įsigalioja Garantijos pasirašymo dieną ir baigs galioti ankstesnę iš toliau nurodytų datų (toliau – Pabaigos diena):	This Guarantee shall take effect on the date of execution of this Guarantee and expire on the earlier of (the “ Termination Date ”):
(a) diena, kurią visi mokėjimai, Garanto neatšaukiamai atlikti pagal šią Garantiją, bendrai sudaro Garantijos sumą;	(a) the date on which the aggregate of all payments irrevocably made by the Guarantor under this Guarantee amounts to the Guaranteed Amount;
(b) data, kurią visos garantuotos Obligacijos išpirtos visa apimtimi, ar tai būtų jų termino galutinė data, ar tai įvyktų pasinaudojant Obligacijų išpirkimo prieš terminą mechanizmais, ir visos sumos, į kurias kuris nors iš Naudos gavėjų turi teisę pagal Programą, Informacinį memorandumą, Galutines sąlygas ir Obligacijas, yra išmokėtos visa apimtimi.	(b) the date on which all the guaranteed Notes have been fully redeemed, whether at their maturity date or using any early redemption mechanisms of the Notes, and all the amounts to which any of the Beneficiaries is entitled according to the Programme, the Information Memorandum, the Final Terms and the Notes have been fully paid.
Jei Emitentas pagal Programą, Informacinį memorandumą, Galutines sąlygas ir Obligacijas laiku neįvykdo ar iš dalies neįvykdo savo įsipareigojimų, Naudos gavėjas gali pateikti Reikalavimą neįvykdytų įsipareigojimų daliai pagal šią Garantiją bet kuriuo metu nuo šios Garantijos įforminimo dienos iki dienos praėjus 3 (trims) kalendoriniams mėnesiams po Pabaigos dienos (toliau – Galiojimo laikotarpis).	If the Issuer under the Programme, the Information Memorandum, the Final Terms and the Notes fails to perform it time, in full or in part, its obligations, the Beneficiary may make a Demand for the outstanding part of the obligations under this Guarantee at any time as from the date of execution of this Guarantee up to a date falling 3 (three) calendar months after the occurrence of the Termination Date (the “ Effectiveness Period ”).
<u>4 STRAIPSNIS</u>	<u>ARTICLE 4</u>
<u>Garanto pareiškimai ir garantijos</u>	<u>Representations and Warranties of the Guarantor</u>
Garantas pareiškia ir garantuoja, kad šios Garantijos metu:	The Guarantor hereby represents and warrants that during the subsistence of this Guarantee:
(a) Saistantys įsipareigojimai	(a) Binding Obligations
Įsipareigojimai, kurie nurodomi kaip Garanto pagal šią Garantiją prisiimami įsipareigojimai, yra teisėti ir galiojantys įsipareigojimai, privalomi jam šioje Garantijoje nurodytomis sąlygomis.	The obligations expressed to be assumed by it in this Guarantee are legal and valid obligations, binding on it in accordance with the terms of this Guarantee.
(b) Nėra reikalavimo registruoti arba žyminių mokesčių	(b) No Filing or Stamp Taxes
Pagal Garanto jurisdikcijos įstatymus neprivaloma šią	Under the laws of the Guarantor’s jurisdiction, it is not

Garantiją pateikti, užfiksuoti arba registruoti jokiam tokios jurisdikcijos teisme arba kitoje įstaigoje, taip pat dėl šios Garantijos nereikia mokėti jokio žyminio, registracijos arba kito panašaus mokesčio.	necessary that this Guarantee be filed, recorded or enrolled with any court or other authority in such jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Guarantee.
(c) Imunitetas	(c) Immunity
Ta apimtimi, kiek Garantas gali turėti teisę kurioje nors jurisdikcijoje sau arba savo turtui reikalauti imuniteto dėl savo įsipareigojimų pagal šią Garantiją nuo bet jokio ieškinio, išieškojimo, arešto arba kitokio teisinio proceso, arba ta apimtimi, kiek kurioje nors jurisdikcijoje toks imunitetas jo turtui gali būti suteiktas, Garantas neatšaukiamai sutinka nereikalauti ir neatšaukiamai atsisako tokio imuniteto dėl savo įsipareigojimų pagal šią Garantiją didžiausia tokios jurisdikcijos įstatymų leidžiama apimtimi.	To the extent that the Guarantor may be entitled in any jurisdiction to claim for itself or its assets immunity in respect of its obligations under this Guarantee from any suit, execution, attachment or other legal process or to the extent that in any jurisdiction such immunity may be attributed to its assets, the Guarantor irrevocably agrees not to claim and irrevocably waives such immunity in respect of its obligations under this Guarantee to the fullest extent permitted by the laws of such jurisdiction.
(d) Lygiaverčiai (<i>pari passu</i>) reikalavimai	(d) <i>Pari Passu</i> claims
Pagal Lietuvos Respublikos įstatymus bet kurio Naudos gavėjo reikalavimai Garantui pagal šią Garantiją bus laikomi lygiaverčiais visų kitų jo kreditorių, kurių reikalavimai neužtikrinti, reikalavimams, išskyrus kreditorius, kurių reikalavimams suteikiamas pirmumas pagal bankroto, nemokumo, likvidavimo arba kitus panašius bendrai taikomus įstatymus.	Under the laws of the Republic of Lithuania, the claims of any Beneficiary against the Guarantor under this Guarantee will rank <i>pari passu</i> with the claims of all its other unsecured creditors save those creditors whose claims are preferred by reason of any bankruptcy, insolvency, liquidation or other similar laws of general application.
(e) Kita	(e) Other
Garantija teikiama atsižvelgiant į 2020 m. kovo 19 d. Europos Komisijos komunikatą dėl Laikinosios valstybės pagalbos priemonių, skirtų ekonomikai remti reaguojant į dabartinį COVID-19 protrūkį, sistemos (C(2020) 1863) ir jo 2020 m. balandžio 3 d. C(2020) 2215, 2020 m. gegužės 8 d. C(2020) 3156, 2020 m. birželio 29 d. C(2020) 4509, 2020 m. spalio 13 d. C(2020) 7127 ir 2021 m. sausio 28 d. C(2021) 564 pakeitimus, taip pat pagal 2020 m. gegužės 26 d. Europos Komisijos sprendimą Nr. SA.57008 (2020/N) Lietuva – COVID-19 – Pagalbos verslui fondas, pakeistą 2020 m. gruodžio 17 d. sprendimu Nr. SA.60073 (2020/N) Lietuva – COVID-19 – SA.57514, SA.57529, SA.57823 ir SA.58856 modifikacijos.	The Guarantee is given with regard to the Communication from the European Commission on Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak as adopted on 19 March 2020 (C(2020) 1863) and its amendments C(2020) 2215 of 3 April 2020, C(2020) 3156 of 8 May 2020, C(2020) 4509 of 29 June 2020, C(2020) 7127 of 13 October 2020 and C(2021) 564 of 28 January 2021 and decision of the European Commission No SA.57008 (2020/N) Lithuania – COVID-19 – Aid Fund for Business as adopted on 26 May 2020 and amended by the decision No SA.60073 (2020/N) Lithuania – COVID-19 – Modifications to SA.57514, SA.57529, SA.57823 and SA.58856 on 17 December 2020.

<u>5 STRAIPSNIS</u>	<u>ARTICLE 5</u>
<u>Delspinigiai</u>	<u>Default Interest</u>
Jei Garantą nesumoka kurios nors sumos, kurią jis turi mokėti pagal šią Garantiją per atitinkamą Mokėjimo terminą nurodytą Garantijos 1.2 straipsnio b dalyje, nuo laiku pagal šios Garantijos sąlygas nesumokėtos sumos skaičiuojami delspinigiai nuo atitinkamo Mokėjimo termino pabaigos iki Garanto atlikto mokėjimo dienos, taikant 0,02 proc. delspinigių normą.	If the Guarantor fails to pay any amount payable by it under this Guarantee within the relevant Payment Period provided in Article 1.2 (b) hereof, default interest shall accrue on any overdue amount payable under the terms of this Guarantee, as from the expiration of the relevant Payment Period up to the date of payment by the Guarantor, at a late interest rate equal to 0.02 percent.
<u>6 STRAIPSNIS</u>	<u>ARTICLE 6</u>
<u>Atskiros nuostatos</u>	<u>Severability</u>
Jei kuriuo nors metu kuri nors šios Garantijos nuostata yra arba tampa negaliojanti, neteisėta arba negali būti priverstinai įgyvendinama kuriuo nors aspektu, arba ši Garantija yra arba tampa negaliojanti kuriuo nors aspektu pagal kurios nors kitos jurisdikcijos įstatymus, toks neteisėtumas, negaliojimas arba negalėjimas priverstinai įgyvendinti neturės įtakos:	If at any time any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any respect, or this Guarantee is or becomes ineffective in any respect under the laws of any jurisdiction, such illegality, invalidity, unenforceability or ineffectiveness shall not affect:
(a) bet kokios kitos šios Garantijos nuostatos teisėtumui, galiojimui arba galimybei ją priverstinai vykdyti toje jurisdikcijoje arba šios Garantijos galiojimui toje jurisdikcijoje bet kuriuo kitu aspektu; arba	(a) the legality, validity or enforceability in that jurisdiction of any other provision of this Guarantee or the effectiveness in any other respect of this Guarantee in that jurisdiction; or
(b) tos arba bet kokios kitos šios Garantijos nuostatos teisėtumui, galiojimui arba galimybei ją priverstinai vykdyti kitose jurisdikcijose arba šios Garantijos galiojimui pagal tokių kitų jurisdikcijų įstatymus.	(b) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee or the effectiveness of this Guarantee under the laws of such other jurisdictions.
<u>7 STRAIPSNIS</u>	<u>ARTICLE 7</u>
<u>Taikoma teisė ir jurisdikcija</u>	<u>Governing Law and Jurisdiction</u>
7.1. <u>Taikoma teisė</u>	7.1. <u>Governing Law</u>
Šiai Garantijai ir visoms iš jos arba dėl jos kylančioms	This Guarantee and any non-contractual obligations

deliktinėms prievolėms taikomi Lietuvos Respublikos teisės aktai.	arising out of or in connection with it shall be governed by the laws of the Republic of Lithuania.
7.2. <u>Jurisdikcija</u>	7.2. <u>Jurisdiction</u>
Bet koks ginčas, kylantis iš šios Garantijos ar su ja susijęs, įskaitant ginčą šios Garantijos egzistavimo, galiojimo arba nutraukimo, arba jos negaliojimo pasekmių, arba dėl bet kokios deliktinės prievolės, kylančios iš arba dėl šios Garantijos, galutinai sprendžiamas arbitražu Vilniaus komercinio arbitražo teisme pagal Arbitražo procedūros reglamentą. Arbitražo teismo arbitrų bus 3 (trys). Arbitražo vieta – Vilnius, Lietuvos Respublika. Arbitražiniame procese bus vartojama lietuvių kalba.	Any dispute, arising out of or relating to this Guarantee, including a dispute regarding the existence, validity or termination of this Guarantee or the consequences of its nullity, or any non-contractual obligation arising out of or in connection with this Guarantee, shall be finally settled by arbitration in the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration. The number of arbitrators shall be 3 (three). The place of arbitration shall be Vilnius, the Republic of Lithuania. The language of arbitration shall be Lithuanian.
<u>8 STRAIPSNIS</u>	<u>ARTICLE 8</u>
<u>Baigiamosios nuostatos</u>	<u>Final Clauses</u>
Ši Garantija parengta anglų ir lietuvių kalbomis. Neatitikimų atveju, turi būti vadovaujama lietuvių kalba.	This Guarantee is prepared in English and in Lithuanian languages. In case of the discrepancies, the Lithuanian language version shall prevail.
LIETUVOS RESPUBLIKA / THE REPUBLIC OF LITHUANIA	
<hr/> Gintarė Skaistė Finansų ministrė / Minister of Finance [03 rd of September, 2021]	
Lietuvos Respublikos finansų ministerija / The Ministry of Finance of the Republic of Lithuania Lukiškių g. 2, LT-01512 Vilnius, Lietuva / Lithuania El. paštas / Email: finmin@finmin.lt	

USE OF PROCEEDS

The net proceeds from each issue of Series of Notes will be directed to the Fund, where the Issuer is acting as one of the Limited Partners and contributes its equity. The proceeds will further be used by the Fund via various types of financial instruments in order to support large and medium-sized enterprises in Lithuania affected by COVID-19 outbreak.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics and/or in grey does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

MiFID II Product Governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer[*'s/s'*] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[*'s/s'*] target market assessment) and determining appropriate distribution channels.

Final Terms dated []
UAB "Valstybės investicinis kapitalas"
Legal Entity Identifier (LEI): 6488M5FW8Q9X192H8T90
Issue of EUR [] Tranche No [] of Notes due []
under the Programme for the issuance of Notes
in the total amount of up to EUR []
[to be consolidated and form a single Series with [•]]
Guaranteed by the Republic of Lithuania

Terms used herein shall be deemed to be defined as such for the purposes of the General Terms and Conditions set forth in the Information Memorandum of the Programme of Notes of UAB "Valstybės investicinis kapitalas" in the total amount of up to EUR [], dated [] 2022, updating the information memorandum of 1 September 2021 [as supplemented by supplement(s) to it dated [] [and []] (the "**Information Memorandum**").

This document constitutes the Final Terms of Series No [] Tranche No [] of the Notes described herein and must be read in conjunction with the Information Memorandum.

Full information on the Issuer, the Programme and the Notes is only available on the basis of the combination of these Final Terms and the Information Memorandum.

1.	Issuer:	UAB "Valstybės investicinis kapitalas"
2.	Status of the Notes:	Guaranteed Notes
3.	Guarantor:	The Republic of Lithuania
4.	Series Number:	[]
5.	Tranche Number:	[]
6.	Currency:	EUR
7.	Aggregate principal amount:	up to EUR [] [in addition to []]. [<i>The Issuer may decrease the aggregate principal amount of the Tranche during the subscription of the Tranche.</i>]
8.	Number of Notes:	[]
9.	Nominal value per Note:	EUR []
10.	Issue Price per Note:	EUR []
11.	Minimum Investment Amount:	EUR []
12.	Settlement Date and Issue Date of the Notes:	[]
13.	Pricing Date:	[]
14.	Maturity Date:	[]

15. Decision by which the Notes of this Tranche are issued: []

PROVISIONS RELATING TO INTEREST PAYABLE

16. Interest Rate: []
17. Interest Basis: []
18. Interest Payment Dates: []
19. Day Count Fraction: []

REDEMPTION PROVISIONS

20. Redemption/Payment Basis: []
21. Events of Default: *[If any additional/different information will be provided with regards to the respective Tranche of Notes.]*
22. Early Optional Redemption Date: *[If any additional/different information will be provided with regards to the respective Tranche of Notes.]*
23. Early Optional Redemption Price: *[To be included, if applicable to the respective Tranche of Notes.]*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Listing: Application has been made for the Notes to be admitted to trading on the Baltic Note List of Nasdaq Vilnius AB.
25. Sub-agents for the Arranger (if any): []
26. Use of Proceeds: *[If there is other identified use of proceeds than indicated in the Information Memorandum, this to be included in the Final Terms.]*
27. Information about the notes of the Issuer that are already admitted to trading on the regulated markets: []

OPERATIONAL INFORMATION

28. ISIN Code: [[]]/[Temporary ISIN Code: []]. [Upon admission of the Notes to the regulated market the Notes will be consolidated and form a single Series with [●] and will have a common ISIN [●]]
29. Delivery: Delivery versus payment

RATING

30. Ratings: The Notes issued under the Programme have been rated:

[Fitch Ratings Ireland Limited]: []
[Other]: []

(The above disclosure should reflect the rating allocated to the Notes being allocated under the Programme generally, or, where the issue has been specifically rated, that rating)

[Fitch Ratings Ireland Limited and [] [is/are] established in the EEA and registered under Regulation (EU) No 1060/2009 (as amended)]/[.]

Vilnius, [date] [month] [year]

RESPONSIBILITY

UAB “Valstybės investicinis kapitalas” accepts responsibility for the information contained in these Final Terms.

Signed on behalf of UAB “Valstybės investicinis kapitalas”:

By: _____
Duly authorised

DESCRIPTION OF THE ISSUER AND THE FUND

Introduction

To assist medium-sized and large enterprises operating in Lithuania affected by the COVID-19 outbreak, the Republic of Lithuania has decided to establish the Fund, which consists of a government contribution and possible contributions from international financial institutions and private investors.

Two companies have been established for the implementation of the Fund: The General Partner (UAB “Valstybės investicijų valdymo agentūra”) and the Issuer (UAB “Valstybės investicinis kapitalas”), which is the State’s co-investor. The State invested EUR 1 million and EUR 101.2 million into the capital of these companies, respectively.

The main aim of the Fund is to help medium-sized and large enterprises operating in Lithuania, which were affected by the COVID-19 outbreak. In addition to other measures for financing small and medium-sized enterprises already in place, the Fund intends to invest in Lithuanian medium-side and large companies having experienced financial difficulties that pose threat to the continuity of their activities.

This Fund also aims to encourage the development of the capital market by attracting institutional investors, funds operating, and also seeking to insure investment return for participants in the Fund.

The Fund has been established in accordance with, among other, the Communication from the Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak as adopted on 19 March 2020 (C(2020) 1863) and its amendments C(2020) 2215 of 3 April 2020, C(2020) 3156 of 8 May 2020, C(2020) 4509 of 29 June 2020, C(2020) 7127 of 13 October 2020, C(2021) 564 of 28 January 2021, C(2021) 8442 of 18 November 2021 and as further may be amended from time to time, as well as the decision of the European Commission No SA.57008 (2020/N) Lithuania – COVID-19 – Aid Fund for Business as adopted on 26 May 2020 and amended by the decisions No SA.60073 (2020/N) on 17 December 2020, No SA.61815 (2021/N) on 26 February 2021, No SA.101074 (2021/N) on 22 December 2021, No SA.101446 (2022/N) on 25 January 2022 and as further may be amended from time to time.

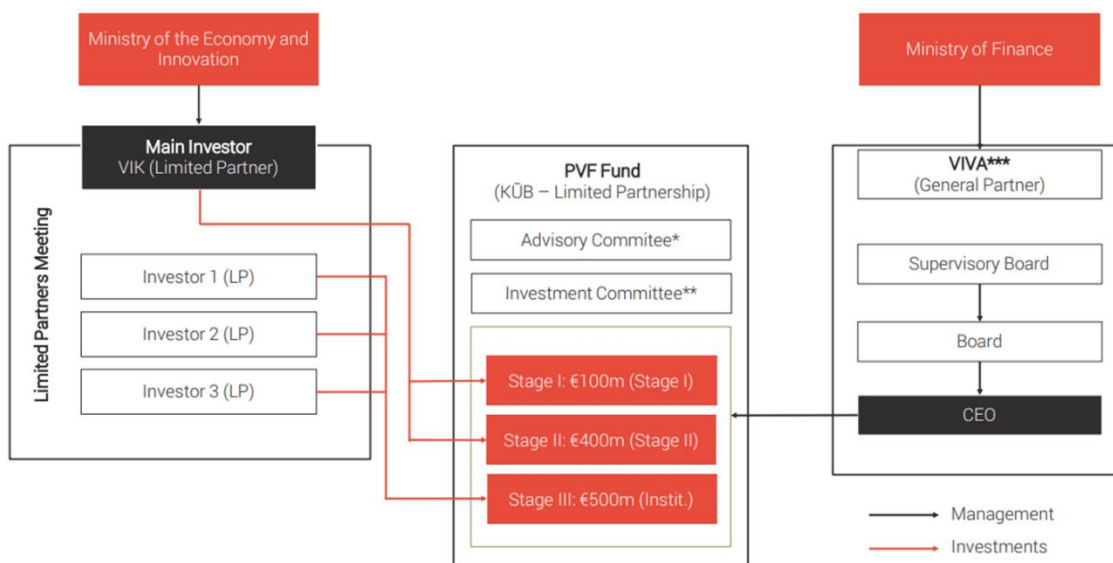
Objective, purpose and strategy

The principal purpose of the Fund is to consolidate the funds of the Republic of Lithuania as well as private investors, in order to finance medium and large enterprises, operating in Lithuania, the activities of which have already been impacted or will be impacted in the future by the outbreak of COVID-19, termination of which or disturbance of activities of which may have a negative impact on the stability of other business entities, operating in Lithuania and/or have other material social or economic outcomes in the Republic of Lithuania, also aiming return of these investments.

In particular, the main goals of the Fund are as follows:

- (i) provision of investment to small that has at least 50 employees on the application date, medium-sized and large entities, meeting the established requirements of the Fund, if termination of their activities is likely to cause a chain reaction and affect related entities and/or have significant socio-economic consequences;
- (ii) preservation of key economic sectors which will be better prepared for the recovery period;
- (iii) stimulation of the capital market by prioritising capital market instruments;
- (iv) attraction of private investors;
- (v) implementation of specific objectives (e.g. sustainable and green investment) in certain economic sectors.

Scheme 1. Structure of the Issuer and of the Fund



* For stages I and II, the Advisory Committee of the Fund consists of 3 members appointed by the Issuer, including 2 from the Bank of Lithuania and 1 independent member from Issuer's Board.

** The Investment Committee of the Fund consists of the members of the Board of General Partner of the Fund.

*** VIVA – General Partner, was established to manage the Fund and is granted National Development Agency status (in Lithuanian: *nacionalinė plėtros įstaiga*).

The Stage I was completed in March 2021, when the initial, EUR 100,000,000 State contribution was transferred into the Fund by the Issuer. During the Stage II the Issuer intends to issue up to EUR 400,000,000 Notes under this Information Memorandum. The final Stage III (if applicable), may include attraction of other limited partners directly into the Fund. However, since the investment period of the Fund will end on 30 June 2022, it does not seem very likely that the Stage III will be implemented.

Table 1: Key information about the Issuer

Legal and commercial name of the Issuer	UAB “Valstybės investicinis kapitalas” (in English: State investment capital)
Legal form	Private limited liability company (in Lithuanian: <i>uždaroji akcinė bendrovė</i>)
Head office (place of registration)	Gedimino ave. 38, Vilnius, Lithuania
Country of registration	Republic of Lithuania
LEI	6488M5FW8Q9X192H8T90
Legal person code	305611945
Legislation under which it operates	The laws of the Republic of Lithuania
Date of incorporation	26 August 2020
Operating period	Indefinite
Phone number	+ 370 659 38 315
E-mail	info@vika.lt
Website	www.vika.lt

	The information on the website does not form part of the Information Memorandum, unless certain of this information is incorporated by reference into the Information Memorandum (please see Section <i>Documents Incorporated by Reference</i>)
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Table 2: Key information about the Fund

Legal and commercial name of the Issuer	KŪB “Pagalbos verslui fondas” (in English: <i>Aid Fund for Business</i>)
Legal form	Limited partnership (in Lithuanian: <i>komanditinė ūkinė bendrija</i>)
Head office (place of registration)	Lukiškių str. 2, Vilnius, Lithuania
Country of registration	Republic of Lithuania
Legal person code	305640822
Legislation under which it operates	The laws of the Republic of Lithuania
Date of incorporation	13 October 2020
Operating period	Indefinite
Phone number	+370 618 22281
E-mail	info@viva.lt
Website	www.viva.lt

Table 3: Key information about the General Partner of the Fund

Legal and commercial name of the Issuer	UAB “Valstybės investicijų valdymo agentūra”
Legal form	Private limited liability company (in Lithuanian: <i>uždaroji akcinė bendrovė</i>)
Head office (place of registration)	Lukiškių str. 2, Vilnius, Lithuania
Country of registration	Republic of Lithuania
Legal person code	305612545
Legislation under which it operates	The laws of the Republic of Lithuania
Date of incorporation	27 August 2020
Operating period	Indefinite
Phone number	+370 618 22281
E-mail	info@viva.lt
Website	www.viva.lt

Business model of the Issuer and of the Fund

The Issuer’s main activities are defined in the Articles of Association thereof:

- (i) Management of state-owned assets transferred to the Issuer;
- (ii) Establishment, financing and participation in the activities of legal entities for the purpose of implementing the goal of the Issuer’s activities;
- (iii) Issuance of bonds;
- (iv) Attracting private investment.

The Issuer according to provisions of the Fund’s Participants Agreement, dated 6 October 2020 (with all subsequent supplements and amendments) (“**Agreement**”) concluded with General Partner, whereby established the Issuer’s obligation to invest into the Fund upon receipt of payment call letter. As established in the Agreement funds and profit to the Fund received from investments shall be distributed in accordance with the following distribution waterfall:

- (i) management fee to the General Partner;
- (ii) limited partners shall be repaid in proportion to their investment until the total distributed amount is equal to the initial capital invested it a minimum hurdle rate return, except the percentage share of private and additional investments of the state nonrepayable to the limited partner (p) which shall be set it a consent of the limited partner. The minimum hurdle rate shall be calculated on the basis of the ICE BOFA BB Euro High Yield Bond Index (HE10) applicable at the time when the limited partner invests in the Fund;
- (iii) the limited partner whose shares are owned by the state (the Issuer) shall be repaid the Z part of investments of all the limited partners plus the minimum hurdle rate. The Z part shall be calculated according to the formula $Z = p / (1 + p)$ (for example, if $p = 20\%$, then Z shall be 1/6 of investments of all limited partners);
- (iv) if the Funds investment is made at the expense of a limited partner whose shares are owned by the state (the Issuer), the invested capital and the minimum hurdle rate shall be paid to this limited partner (the Issuer);
- (v) any excess return in excess to the minimum hurdle rate shall be divided between the General Partner and other Fund’s participants (including the Issuer). In addition to the management fee, the General Partner shall receive with this payment exclusive rights to the 10% carried interest, if the Fund’s final result (calculated by dividing the total result by the Fund’s annualised rate of return) after the disposal of all the investments is higher than 0% (for example, if the Fund earns a return of more than 4% when the minimum hurdle rate is 4%), and 20% to the excess return, if the Fund’s annual performance is higher than 25% (for example, if the Fund receives a return of more than 5% when the minimum rate of return is 4%). Fund Participants share the excess return in proportion to the invested capital.

The Fund provides financial support to large and medium-sized enterprises affected by COVID-19 outbreak by investing in:

- (i) corporate debt securities,
- (ii) equity securities,
- (iii) loans.

When choosing a financing instrument, the Fund shall assess how the provision of the aid will change the enterprise’s financial condition and its indicators. The maximum duration of the aid is 6 years.

- (i) should the financial condition and indicators of the enterprise deteriorate significantly when financed under a debt instrument, the Fund should choose a share capital rather than a debt instrument;
- (ii) if the support is needed for a longer period of time, and the enterprise’s debt financial indicators are good enough, the recommendation is to choose aid in the form of debt securities;
- (iii) if the enterprise’s debt financial indicators are not good, the recommendation is to opt for aid in the form of shares and hybrid instruments that have or may have characteristics of share capital or in the form of share capital instruments (convertible bonds, mezzanine loans, preferred shares or ordinary registered shares).

Loans	Debt securities	Shares and hybrid instruments
EUR 300,000 to EUR 2 million	Starting from EUR 1 million	
If support is needed for a short term, and the enterprise’s debt financial indicators are sufficiently good.	Loans and bonds to one enterprise cannot exceed 25% of its turnover in 2019, or the double annual wage bill of the beneficiary (including	The sum of funds for recapitalization may not exceed the difference that has formed in the enterprise’s capital structure during the period from 31

Loans	Debt securities	Shares and hybrid instruments
	social charges as well as the cost of personnel working on the enterprise site but formally in the payroll of subcontractors) for 2019 or for the last year available. In the case of undertakings created on or after 1 January 2019, the maximum loan must not exceed the estimated annual wage bill for the first two years in operation	December 2019 till the date of adoption of the decision to invest. A subordinated loan to a large enterprise cannot exceed 8.4 % of its turnover in 2019 and to a medium-sized enterprise - 12.5% of its turnover in 2019.

When establishing the applicable interest rates the General Partner take into account the following:

- (i) the duration of the investment;
- (ii) investment lending risk and the quality of a collateral;
- (iii) the required Fund's investor return;
- (iv) the expected level of insolvency of the Fund's portfolio investments;
- (v) the management fee payable to the General Partner;
- (vi) minimum requirements of the European Commission for investment interest.

Evaluation of applications and decision-making of the Fund

Phase I. A preliminary decision on whether an enterprise is eligible for financing

Having evaluated the enterprise's application, the Fund shall make a preliminary decision on the enterprise's eligibility for financing. Having made a preliminary favourable decision, the Fund shall determine the following:

- (i) the ways and the extent to which the Fund could finance the enterprise;
- (ii) additional information and / or documents which the Fund may need when making a decision regarding the financing of the applicant, including documents, the preparation of which requires the involvement of reliable partners.

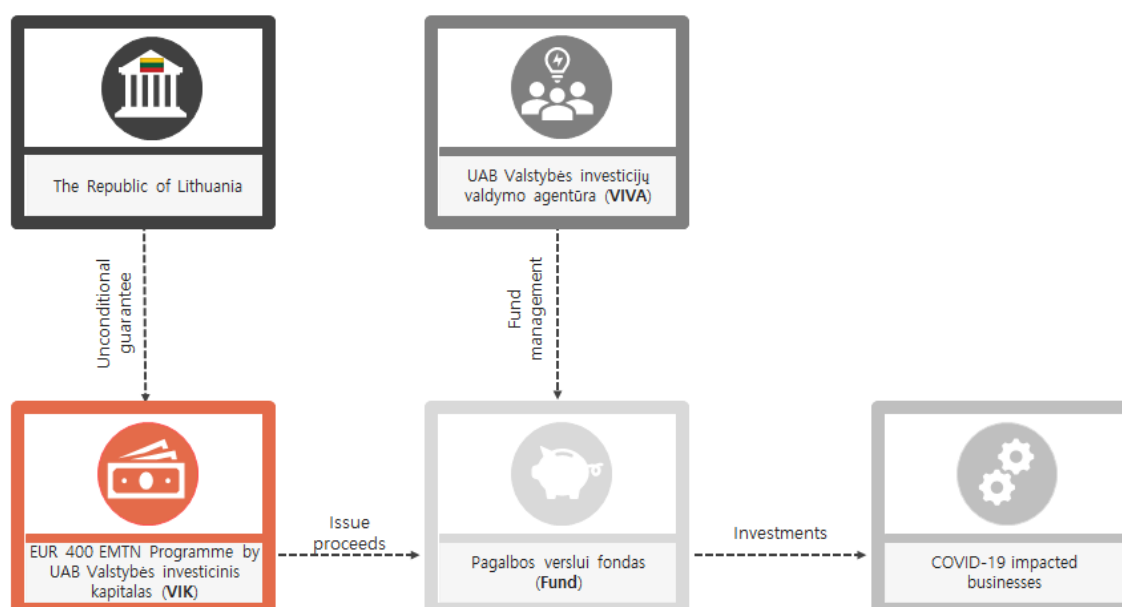
Given the fact that the Fund's decisions must be taken as promptly and objectively as possible, when applying to the Fund with their final application, the applicants may be asked to provide an opinion, evaluation or conclusion of property appraisers, lawyers or auditors selected by the Fund and recognized as reliable partners on certain issues (i.e. due diligence). The Fund shall not reimburse or compensate the costs incurred by applicants in cooperation with reliable partners of the Fund.

Phase II. Final decision on financing the enterprise

The Fund shall make the final decision to finance or to refuse to finance the enterprise and, having decided to finance the enterprise, the Fund shall determine the following:

- (i) the ways and the extent to which the Fund agrees to finance the enterprise;
- (ii) a timetable for financing actions;
- (iii) the main conditions of the proposed financing, including the main provisions of agreements and other documents required for granting financing, or drafts of such documents;
- (iv) the conditions which shall be met before granting financing or its part, or after the financing has been granted, if necessary.

Table 4. Overview of the issuance of the Notes and the use of proceeds



Legal Structure of the Issuer

The Issuer is established as a limited liability company (in Lithuanian: *uždaroji akcinė bendrovė*, UAB) registered in Lithuania. The Issuer has the following corporate governance structure:

- (i) general meeting of shareholders (the “**General Meeting**”; there is a Sole Shareholder in the Issuer);
- (ii) Management Board;
- (iii) Manager (General Manager, CEO).

Sole Shareholder

The Issuer is wholly owned by the Republic of Lithuania, represented by the Ministry of Finance, thus, its written decisions are deemed to be the decisions of the General Meeting.

The General Meeting elects members of the Management Board, approves the appointment of the auditors for a fixed term, adopts the decisions regarding increasing, reduction of the authorised capital, reorganisation, liquidation of the Issuer and other decisions.

Management of the Issuer

The Issuer has a two-tier management system, i.e. the Management Board and the Manager. The Supervisory Council is not formed in the Issuer.

The Management Board is a collegial management body, which is responsible for the strategic management of the Issuer, the appointment and removal of the Manager, calling the General Meetings, adoption of other corporate decisions which are economically feasible for the Issuer.

In addition, the Issuer employs the Manager. The Manager is responsible for the day-to-day management of the Issuer and enjoys the exclusive right of representing the Issuer vis-à-vis third parties except for the decisions where the consent of the Management Board is required in accordance of the Articles of Association.

Members of the Administrative and Management Bodies

Following Article 25 of the Articles of Association, the Management Board shall be elected for a term of 4 (four) years and shall be constituted from 3 (three) members. There is no limitation on the number of terms of office a member of the Management Board may serve. The Management Board shall elect the Chairman of the Management Board from among its members. Term of office of the current Management Board commenced on 26 August 2020. Thus, following the Law on Companies its term of office shall last until 26 August 2024, however, no longer than until the annual General Meeting, to be held in the year, when the term of office of the Management Board adjourns.

The Manager has employment relations with the Issuer which are of unlimited duration. Under the Law on Companies the Manager may be revoked from the position by the Management Board of the Issuer without any early notice for any cause.

Management Board

As at the date of this Information Memorandum, the Management Board consists of the following 3 members:

Name:	Position:
Šarūnas Ruzgys	Chairman of the Management Board (independent)
Jonas Bložė	Member of the Management Board (independent)
Tomas Urban	Member of the Management Board

Šarūnas Ruzgys. He has more than 20 years of active top management roles in financial industry with specific knowledge in corporate portfolio management, investment and pension funds management and regulatory environment and has participated in multiple cross-regional and multi-functional projects.

Other roles: CEO of Signeda UAB,

Previous roles: CEO and Chairman of the Management Board at Luminor Asset Management Company, President of Lithuanian Investment and Pension Funds Management Association, member of the Management Board of Lithuanian Business Confederation | International Chamber of Commerce.

Education: EMBA from Baltic Management Institute and Vytautas Magnus University, M.S. in Economics Vytautas Magnus University.

Jonas Bložė. He has more than 18 years of professional experience in commercial and business law, risk management, Business Development & Strategy Consulting.

Other roles: attorney-at-law, local and foreign court arbitrator, mediator.

Previous roles: INVEGA independent member of the Management Board, Management Board member of various companies.

Education: Mykolas Romeris University, Master of Law L.L.L.

Tomas Urban. He has more than 10 years of experience in consultancy sector: project management, funding, procurement, legal advice.

Other roles: Head of Business Environment Department at the Ministry of the Economy and Innovation, member of the Management Board at Investment and Business Guarantees (INVEGA).

Previous roles: Member of the Management Board at CPO LT, adviser to the Minister of the Economy and Innovation, Strategic Change Project Manager at Office of the Government, CEO and Founder at JCI Public Solutions.

Education: Mykolas Romeris University, Master of Management and Business Administration (Strategic Management of Organizations), Master of Law (LL.M.) (Business Law).

Audit Committee

There are no committees formed in the Company. The performance of the functions of the Audit Committee provided for in the applicable legal acts is delegated to the Management Board..

Under the applicable Lithuanian laws, the primary duties of the audit committee are:

- (i) to monitor the financial reporting processes of the Issuer;
- (ii) to monitor the effectiveness of its internal quality control and risk management systems;
- (iii) to monitor the audit of financial statements;

- (iv) to review and monitor the independence of the Issuer's auditors; and
- (v) to be responsible for recommending the appointment of external auditors and assessing their levels of remuneration.

Manager (Chief Executive Officer)

The Manager is responsible for the Issuer's operational administration in keeping with the guidelines and regulations issued by the Management Board. Robertas Vyšniauskas is serving as the Manager of the Issuer since its establishment.

Robertas Vyšniauskas. He has 20 years of professional experience in commercial and business law and 10 years of top management roles with deep knowledge in corporate governance, risk management, business development and strategy, M&A, management of multinational complexed projects.

Other roles: Chairman, Independent member of the Management Board and member of audit committee of EPSO-G, UAB and independent member of the Board of Vilniaus vystymo kompanija, UAB.

Previous roles: Independent member of the Management Board of the Issuer, independent member of the Management Board of the state-owned company Infostrutūra, VĮ, member of the Management Board or CEO or lawyer of related or holding companies of Vilniaus prekyba, UAB.

Education: Mykolas Romeris University, Master of Law (LL.M).

Legal Structure of the Fund

The Fund is established as a limited partnership (in Lithuanian: *komanditinė ūkinė bendrija*, KŪB) and registered in Lithuania. The Fund has two types of partners: General Partner, which is fully liable for the obligations of the Fund, and Limited Partners, liability of which is limited to their contributions to be committed to the Fund.

The Fund, established as a limited partnership, is organised and managed by Valstybinių investicijų valdymo agentūra, UAB (in English: *Agency of Management of State Investments*, being the General Partner of the Fund (the “**General Partner**”). The General Partner is wholly owned by the Republic of Lithuania, represented by the Ministry of Finance. In addition to that, the General Partner is included in the list of national development institutions (in Lithuanian: *nacionalinė plėtros įstaiga*), managed by the Bank of Lithuania, under the Law of the Republic of Lithuania on National Development Institutions.

Together with the General Partner the other founding Partner of the Fund (founder Limited Partner) is the Issuer.

The activities and operation of the Fund are mainly governed by the terms and conditions of the following agreements:

- (i) Activities Agreement of the Fund (in Lithuanian: *veiklos sutartis*), which is the document of establishment of the Fund, foreseeing key registration data of the Fund and other related provisions.
- (i) Partnership Agreement (in Lithuanian: *dalyvių sutartis*), i.e. the adherence agreement between the Fund and each of the limited partners, foreseeing the main provisions, related to activities of the Fund, its management, investment/divestment, rights and obligations of all the parties, related to the Fund, etc.

Management structure of the Fund

Meeting of the Limited Partners

Limited Partners shall not take part in the management of the Fund. Limited Partners have the right to access all documents of the Fund and the General Partner has the duty to present all documents and explanations requested by the Limited Partners in connection with the management of the Fund.

The main competence of meeting of the Limited Partners is:

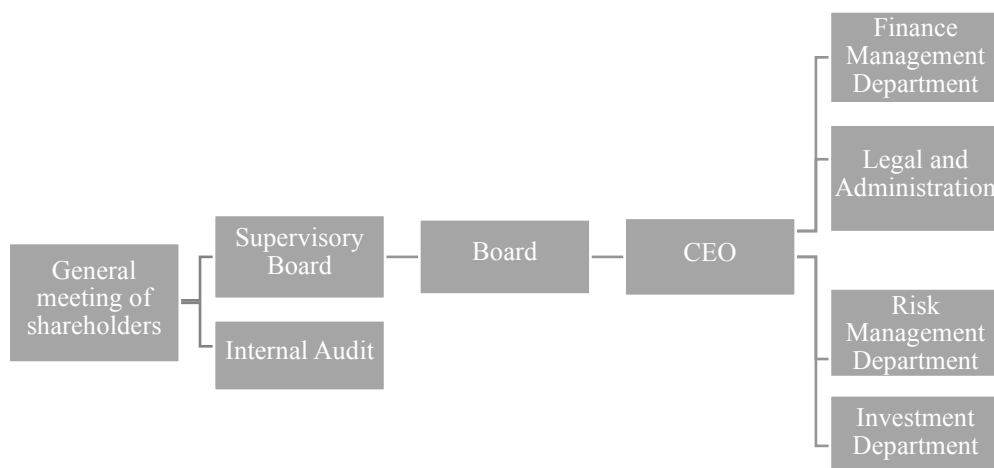
- (i) to approve the auditor of the Fund;
- (i) to approve the investment strategy of the Fund and their amendments;

- (ii) to approve the budget of the Fund, etc.

General Partner

The General Partner is responsible for selection, timing, size and disposition of the Fund's investments within the Fund's investment strategy. The General Partner is also responsible for, and control, each investment and asset of the Fund.

Table 3: General Partner's internal structure



Sole Shareholder of the General Partner

The General Partner is wholly owned by the Republic of Lithuania, represented by the Ministry of Finance, thus, its written decisions are deemed to be the decisions of the General Meeting of the General Partner.

The General Meeting elects members of the Supervisory Board, approves the appointment of the auditors for a fixed term, adopts the decisions regarding increasing, reduction of the authorised capital, reorganisation, liquidation of the Issuer and other decisions.

Supervisory Board of the General Partner

Name:

Giedrius Dusevičius
Algirdas Neciunskas
Skirmantas Miliauskas
Aušra Vičkačkienė

Position:

Chairman of the Supervisory Board (independent)
Member of the Supervisory Board
Member of the Supervisory Board (independent)
Member of the Supervisory Board

Giedrius Dusevičius. He has 18 years of management experience in the financial sector in Lithuania, Latvia, Estonia and Sweden. In Lithuania, he headed the leasing company Hanza Lizingas, was the Chairman of the Management Board of AB Bankas Hansabankas (current name AB bankas Swedbank), and a member of management of Swedbank Group. He has many years of management experience on Management Boards and Supervisory Boards of insurance and leasing companies in Lithuania, Latvia, Estonia and Sweden, and in business companies in Lithuania.

Giedrius graduated from the Faculty of Economics of Vilnius University and the Institute of International Relations and Political Science. He also completed INSEAD's Board Programme (AMP).

Currently, Giedrius is a Director of Digital Audio, UAB and Chairman of the Management Board of Klaipėdos nafta, AB.

Algirdas Neciunskas. He has many years of diverse experience in financial markets: from the analysis of financial markets, risk management, collateral policy-making to direct lending and the management of securities portfolio for monetary policy purposes. Algirdas acquired experience in corporate governance

while working on the Board of the Lithuanian Central Securities Depository. He deepened his knowledge of good governance at the Baltic Institute of Corporate Governance.

Algirdas is a Director of the Market Infrastructure Department of the Bank of Lithuania and a member of the Board of Lietuvos monetų kalykla, UAB.

Skirmantas Miliauskas. S. Malinauskas is a Private Equity and Corporate Finance professional with exposure to various industries and sectors. Formerly CEO in “FINJUSTUS” – an active corporate finance boutique focused on mid size M&A transactions. Prior to that S. Malinauskas was a CEO in AB “Finasta Holding” (holding company that owns Finasta bank, asset management companies in Lithuania and Latvia and brokerage company) and CEO in AB “Finasta Corporate Finance” (specialised investment banking company providing all services related to corporate finance). S. Malinauskas has more than 20 years experience in investment banking, financial analysis, corporate finance and private equity activities. S. Malinauskas has initiated and participated in numerous mergers and acquisitions. He was also a Member of Supervisory Board at AB bankas “Finasta”. S. Malinauskas is fluent in English, Lithuanian and Russian. S. Malinauskas currently is Private Equity Fund Manager at Orion Asset Management. S. Malinauskas holds a BSc. and MSc. degree from Vilnius University.

Aušra Vičkačkienė. She has more than 20 years of experience in civil service. For the past 10 years, she has worked in the field of state asset management, regulation of financial services and state debt management. She has represented the Ministry of Finance on several boards of state-owned companies for many years.

Aušra holds a Master’s degree in Management and Business Administration and a Bachelor’s degree in Management and Business Administration from Vilnius University.

She is the Director of State Asset Management Department of the Ministry of Finance, member of the Supervisory Board of Ignitis grupė, AB, also member of the Audit Committee and the Nomination and Remuneration Committee of the indicated group.

The Supervisory Board of the General Partner approves deviations from the investment guidelines, resolves conflicts of interest, reviews and supervises the results of activities of the Fund, reviews methodologies and reports of the Fund and carries out such other duties.

Management Board of the General Partner

<u>Name:</u>	<u>Position:</u>
Normantas Marius Dvareckas	Chairman of the Board
Agnė Daukšienė	Member of the Board
Andrius Sokolovskis	Member of the Board
Tomas Tumėnas	Member of the Board
Virginijus Doveika	Member of the Board

Normantas Marius Dvareckas. He is an independent member of the Board of the strategically important state-owned enterprise Valstybinių miškų urėdija (in English: *State Forest Enterprise*) and the leading PET packaging production company in the Baltic States Putokšnis, UAB, the founder and the head of the acquisition and merger consulting firm Ad Ventum, UAB, and an external evaluator of the innovative project programme Horizon2020 in Brussels.

Normantas Marius has experience in corporate governance as an independent member of the Management Board in strategically important state-owned enterprises Klaipėdos valstybinio jūrų uosto direkcija (in English: *Klaipėda State Seaport Authority*) and Oro Navigacija (in English: *Air Navigation*), as well as in private equity investment management at the investment company Avestis.

Normantas Marius graduated from the Faculty of Economics of Vilnius University. He has a Master’s degree in Management from ISM University of Management and Economics, and improved his qualification in acquisition and merger courses for executives at London Business School in Great Britain.

Agnė Daukšienė. She has 15 years of legal work experience in the areas of asset management, investment and establishment and development of pension funds, financial intermediation, investment and traditional banking, licensing and management consulting. She currently holds executive position in Ignitis, UAB, which is a company of strategic importance. She also was an executive at INVL Asset Management, one of the largest asset management companies in Lithuania, the specialised investment bank Finasta, and other companies under supervisions which provide financing and investing services.

Agnė holds a Master's degree in Law from the Faculty of Law of the Vilnius University and Master's degree in Executive Business Administration at the Baltic Management Institute.

Andrius Sokolovskis. He has 15 years of experience in the financial sector, in the field of business banking. He was responsible for financing various companies and the public sector as well as infrastructure projects in the Baltic States and Poland. Since 2005, he worked for Nordea Bank Lietuva. Since 2016, he has worked at the European Investment Bank (EIB), where he was holding the positions of a loan officer for financing private business, energy, commercial banks and National Development Banks in the Baltic Sea and North Europe region and financial monitoring officer for Western, Central and Eastern Europe.

Andrius is a graduate of the Faculty of Law of Mykolas Romeris University.

Tomas Tumėnas Tomas Tumėnas has 30 years of experience in finance and investment management. He has been the Chief Financial Officer of Linas Agro Group for almost 20 years. In 2016, T. Tumėnas was elected as the best CFO in Lithuania. Currently he is a member of the Board of Linas Agro Group, also managing Darius Zuba Holding and Baltic Fund Investments. T. Tumėnas is also member of the Supervisory Board of the credit union Saulėgraža, a member of the Board of the Academy of IT Specialists Turing College and the company Darius Zubas Holding and the National Pharmaceutical Group. T. Tumėnas studied at Vilnius and Manchester universities.

Virginijus Doveika. He has 18 years of experience in the financial sector. He managed various business divisions at SEB Bank for more than 14 years, including 6 years of serving as a member of the Management Board of SEB Bank and heading the Retail Banking Service in the Baltic States for 3 years, where he was responsible for a loan portfolio worth more than EUR 10 billion. Currently, Virginijus is a member of the Management Board of Ambr Payments, UAB, which is a licensed electronic money institution, and Director of Ambr Europe, UAB, which is currently pursuing a bank license.

Virginijus has a Bachelor's degree in Business Management and Administration from Vilnius University and a Master's degree in International Management from BMI. He studied at the IESE Business School (Spain), IMD Business School (Switzerland) and Wallenberg Institute (Sweden).

The Management Board of the General Partner corresponds to the Investment Committee of the Fund and is responsible, among other things, for the consideration and approval of all investment and divestment decisions of the Fund.

The Management Board of the General Partner also approves the strategy of implementation of investment guidelines, provides the information to the investors on the intended investments, provides the reports to the Supervisory Board of the General Partner and to the investors meetings, etc.

In the Management Board of the General Partner its members are responsible for the following main competences: financial risk management, anti-money laundering, terrorist financing, prevention thereof, structuring of loan instruments, equity investment structuring and management, management of funds investment process, etc.

Key Executives of the General Partner

Name:

Dainius Vilčinskis
Marta Jablonskė
Artūras Vilkas
Rolandas Ročius

Position:

Chief Executive Officer
Chief Financial Officer
Chief Investment Officer
Chief Risk Officer

Dainius Vilčinskas. He has 19 years of experience in the financial sector. He headed various divisions in corporate banking at Swedbank for more than 13 years. For the past 5 years, Dainius has headed the Corporate Banking Department in the three Baltic States. The Department was responsible for a loan portfolio worth more than EUR 8 billion and 300,000 business customers. While working at Swedbank, Dainius was a long-term member of the Board of the Lithuanian company and a member of the Supervisory Board of the Latvian company. While working in the field of corporate banking, he has gained extensive experience in corporate lending, financial analysis and risk management.

Dainius has Bachelor and Master degree of Business Management from Vilnius Gediminas Technical University. He has also completed courses of an Independent Board Member of the Baltic Institute of Corporate Governance.

Marta Jablonskė. She has more than 15 years of financial management experience in international corporations and Lithuanian business groups, as to Barclays, Oracle and BT Invest, also audit project management experience at PwC. Her major sector focus is financial services and IT, investment management, grocery retail and real estate development.

Marta has Bachelor and Master degree of Business Administration and Management from Vilnius University. She is a Fellow of the Association of Chartered Certified Accountants (ACCA) (United Kingdom).

Artūras Vilkas. He has more than 13 years of banking experience. Artūras mainly worked on corporate finance consulting solutions. At the dawn of the crisis, he worked with corporate restructuring projects, working with customers to find ways to continue the successful operation of their companies. Artūras was later appointed a Financial Advisor in structuring transactions for customers in central Lithuania. For the last 6 years, he worked for large Lithuanian and foreign capital companies in the heavy industry. He gained experience in financing development plans of large enterprises in various sectors, structuring transactions with other Lithuanian and foreign banks, financing acquisition transactions in Lithuania and abroad. Artūras holds a Master's degree in Finance and Banking from Vytautas Magnus University.

Rolandas Ročius. He has more than 12 years of experience in the field of banking. For 4 years, he was responsible for overseeing major SEB Bank's business customers who were experiencing difficulties, searching for individual restructuring solutions. Since 2013, Rolandas was the Chairman of the Credit Committee of SEB Bank, having powers to make financing decisions of up to EUR 10 million; later he became the Head of the Department and was the acting Director of the Credit Department. For the past 2 years, Rolandas has been responsible for risk management and the quality of the credit portfolio of UAB SME Finance, the largest alternative business financier in the Baltic States, as well as the preparation of risk management documents required for a specialized bank license.

He holds a Bachelor's degree in Statistics from Vilnius University.

Funding sources

The Issuer funds its operations primarily by issuing Notes under this Programme. The Issuer seeks to fund itself in such a way to ensure timely funding for the Fund's operations and no significant funding deficit for the Fund is created. Issuer also seeks to ensure a large investor base and to diversify its funding geographically and by investor type.

Marketing

The Issuer's marketing activities are currently limited to marketing of the Notes. Marketing of the Notes is conducted by the Arranger together with the Issuer, and addressed to eligible counterparties and professional clients only, as specified in this Information Memorandum and in the Final Terms. The Issuer will use the following marketplaces for marketing activities:

- (i) website of Nasdaq Vilnius www.nasdaqbaltic.com;
- (ii) website of the Issuer www.vika.lt;
- (iii) Bloomberg information distribution channel.

The Issuer might organize investor roadshow marketing meetings to introduce the Offering of the Notes.

Risk management

The Issuer due to established obligation to invest into the Fund, has not concluded a separate risk management policy.

The Fund's risk management includes decision making, investment diversification and requirement for companies that aims to receive investment.

Investment decision making of the Fund

The Fund's management structure ensures proper representation of the investors' interests, transparent, sustainable and independent activities of the Fund. Investment decisions are made by the Fund's Investment Committee composed of independent investment experts.

Investment diversification of the Fund

The total remaining outstanding (unsold) value of instruments for one company undersigned investment agreements may not exceed 10% of the total assets of the Fund and the investment instruments provided for in the investment policy.

Requirements for companies

When making investment decisions, the Fund shall carefully evaluate the condition and future prospects of companies applying for financial aid. Companies shall provide detailed information about their financial condition, outstanding liabilities, also any encumbrances or restrictions imposed on the company's assets. The safeguards in place ensure that the companies which have received financial aid use it purposefully, for example, providing for a clear purpose for the use of financing or the financial indicators which the company must achieve using the aid.

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had as from the date of establishment of the Issuer until the date of this Information Memorandum, a significant effect on the financial position or profitability of the Issuer.

Selected Financial Information

The following table is a summary of the Issuer's financial performance and key performance indicators for the financial years ended 31 December 2021 and 31 December 2020. The information set out in the table below has been extracted (without any material adjustment) from, and is qualified by reference to and should be read in conjunction with the Issuer's audited financial statements for the years ended 31 December 2021 and 31 December 2020, which is incorporated by reference to this Information Memorandum and forms an integral part of hereof. The Issuer's audited annual financial statements are prepared according to International Financial Reporting Standards (IFRS).

(EUR thousand)

	31 December 2021	31 December 2020
Total balance	143,014	98,311
Investments in subsidiaries and associates	142,264	4,125
Cash and cash equivalents	586	94,178
Total equity	93,174	97,298
Total liabilities	49,840	1,013
Net profit (loss)	(5,124)	(2,902)

Source: Audited financial statements of the Issuer as at 31 December 2021 and 31 December 2020

After the closing date of the reporting period, on March 2022, the issue of bonds of EUR 25,000,000 was implemented under the Programme and the Issuer invested the proceeds of EUR 25,000,000 in the Fund upon the Capital Call Notice. TAXATION

The following is a general summary of certain tax considerations in the Republic of Lithuania in relation to the Notes. It is not exhaustive and does not purport to be a complete analysis of all tax consequences relating to the Notes, as well as does not take into account or discuss the tax implications of any country other than the Republic of Lithuania. The information provided in this Section is not to be treated as legal or tax advice; and prospective Investors are advised to consult their own tax advisors as to the tax consequences of the subscription, ownership and disposal of the Notes applicable to their particular circumstances.

This summary is based on the laws of Lithuania as in force on the date of this Information Memorandum and is subject to any change in law that may take effect after such date, provided that such changes could apply also retroactively.

The summary covers Lithuanian tax consequences of ownership and disposition of the Notes to a resident individual or a non-resident individual acting through a fixed base in Lithuania or a resident entity or a non-resident entity acting through a permanent establishment in Lithuania (the “**Lithuanian Holder**”) or a non-resident individual or non-resident entity which is not acting through a permanent establishment in Lithuania that holds such Notes (the “**Non-Lithuanian Holder**”).

As used in the preceding paragraph, a “**resident individual**” means an individual whose permanent place of residence is in Lithuania, or whose personal, social or economic interests are located in Lithuania or who is present in Lithuania continuously or intermittently for at least 183 days in the relevant tax period or at least 280 days in two consecutive tax periods and at least 90 days in one of these tax periods, and a “**resident entity**” means an entity which is legally established in Lithuania. A “**non-resident individual**” means an individual whose permanent place of residence is outside Lithuania, whose personal, social or economic interests are located outside Lithuania and who is present in Lithuania for less than 183 days in the relevant tax period and less than 280 days in two consecutive tax periods or who is present in the Republic of Lithuania for more than 280 days in two consecutive tax periods, but less than 90 days in one of these tax periods, and a “**non-resident entity**” means an entity which is legally established outside Lithuania.

Taxation of non-resident entities acting through a permanent establishment in Lithuania is the same as that of resident entities defined above, if such a non-resident entity earns interest income through its permanent establishment in Lithuania. Therefore, it is not separately outlined in further Sections of this Information Memorandum. For relevant details on the taxation of Lithuanian permanent establishments as Noteholders, please refer to the taxation of resident entities.

Taxation of non-resident individuals acting through a fixed base in Lithuania is the same as that of resident individuals defined above, if such a non-resident individual earns interest income performing activity through a fixed base in Lithuania.

Withholding Tax, Income Tax

Taxation of interest

Payments to Lithuanian Holders

Payments in respect of interest on the Notes (including, to the extent applicable, the difference between the redemption price and the issue price of the Notes) to a resident individual will be subject to personal income tax at progressive tax rates of (i) 15%, if the total amount of income (excluding income from employment, self-employment, dividends, remuneration of board members and certain other types of income) received by a resident individual during a calendar year does not exceed the sum of 120 Lithuanian gross average salaries, which is determined on the basis of the gross average monthly salary as set forth in the Law on Approval of the State Social Insurance Fund Budget Indicators (in 2022, threshold amount would be EUR 180,492) and (ii) 20%, which will apply to any income (excluding income from employment, self-employment, dividends, remuneration of board members and certain other types of income) received by a resident individual during a calendar year, exceeding the aforementioned threshold. Part of the total amount of interest (including interest on the Notes) received by a resident individual during the calendar year up to

the amount of EUR 500 will be exempt from personal income tax. The tax relief will not apply on the interest received from entities established in a tax haven or from individuals whose permanent place of residence is in a tax haven. Personal income tax will be paid by a resident individual himself/herself.

Payments in respect of interest on the Notes (including, to the extent applicable, the difference between the redemption price and the issue price of the Notes) to a resident entity will be included into calculation of its taxable profit. Taxable profit will be subject to corporate income tax at a general rate of 15% or an incentive rate applicable to the Noteholder. Banks and credit unions, including branches of foreign banks in the Republic of Lithuania, shall pay additional 5% corporate income tax on profits (subject to special calculation rules) exceeding EUR 2 million.

Payments to Non-Lithuanian Holders

Payments in respect of interest on the Notes (including, to the extent applicable, the difference between the redemption price and the issue price of the Notes) to a non-resident individual will be subject to personal income tax at progressive tax rates of (i) 15%, if the total amount of income (including Lithuanian-sourced interest, royalties, income from sports and entertainment activities, capital gains and rent from real estate located in the Republic of Lithuania and capital gains from movable property registerable in the Republic of Lithuania) received by a non-tax resident individual during the calendar year does not exceed the sum of 120 Lithuanian gross average salaries, which shall be determined on a basis of the gross average monthly salary as set forth in the Law on Approval of the State Social Insurance Fund Budget Indicators (in 2022, the threshold amount would be EUR 180,492) and (ii) 20%, which shall be applied to the total amount of the above listed categories of income exceeding the aforementioned threshold. Separate double tax treaties with the Republic of Lithuania may provide for a lower tax rate. The Issuer as a Lithuanian interest-paying entity will withhold 15% personal income tax and if it turns out at the end of the year that a part of the amount was subject to a 20% rate, a non-resident individual will pay the difference himself/herself.

Payments in respect of interest on the Notes (including, to the extent applicable, the difference between the redemption price and the issue price of the Notes) to a non-resident entity which is registered or otherwise organized in a state of the European Economic Area or in a state with which the Republic of Lithuania has concluded and brought into effect double tax treaty, will not be subject to withholding tax in Lithuania. Payments in respect of interest on the Notes to a non-resident entity other than listed above will be subject to 10% withholding tax.

If the Issuer as an interest-paying person is unable to identify the Noteholder and determine such Noteholder's eligibility for a lower tax rate or exemption from the withholding tax, payments of interest in respect of the Notes to (including, to the extent applicable, the difference between the redemption price and the issue price of the Notes) to any such Noteholder will be subject to the 15% withholding tax to be withheld and paid to the budget of the Republic of Lithuania by the Issuer.

Taxation on Disposition of Notes

Payments to Lithuanian Holders

Capital gains (i.e. the difference between the sale price and acquisition costs) on disposal of the Notes received by a resident individual will be subject to personal income tax at progressive tax rates of (i) 15%, if the total amount of income (excluding income from employment, self-employment, dividends, remuneration of board members and certain other types of income) received by a resident individual during a calendar year does not exceed the sum of 120 Lithuanian gross average salaries which shall be determined on the basis of the gross average monthly salary as set forth in the Law on Approval of the State Social Insurance Fund Budget Indicators (in 2022, the threshold amount would be EUR 180,492) and (ii) 20%, which will be applied to any income (excluding income from employment, self-employment, dividends, remuneration of board members and certain other types of income) received by a resident individual during a calendar year, exceeding the aforementioned threshold. Part of the capital gains received from the sale of securities (including the Notes) during the calendar year up to the amount of EUR 500 is exempt from personal income tax. The tax relief will not apply if the sale proceeds are received from entities established in a tax haven or from individuals whose permanent place of residence is in a tax haven.

Capital gains (i.e. the difference between the sale price and acquisition costs) on disposal of the Notes received by a resident entity will be included into calculation of its taxable profit. Taxable profit will be subject to corporate income tax at a general rate of 15% or an incentive rate applicable to the Noteholder. Banks and credit unions, including branches of foreign banks in the Republic of Lithuania shall pay additional 5% corporate income tax on profits (subject to special calculation rules) exceeding EUR 2 million.

Payments to Non-Lithuanian Holders

The disposition of Notes by the Non-Lithuanian Holder, i.e. a non-resident individual or a non-resident entity which is not acting through a permanent establishment in Lithuania will not be subject to any Lithuanian income or capital gain tax.

Payments by the Guarantor

In case under the terms of the Notes payments representing interest to the Noteholders are made by the Guarantor, the above-described interest taxation regime for Lithuanian Holders and Non-Lithuanian Holders respectively may apply.

Registration and Stamp Duty

Transfers of the Notes will not be subject to any registration or stamp duty in Lithuania.

Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall Lithuanian tax consequences of the ownership of the Notes.

TRANSFER RESTRICTIONS

There are no restrictions on transfer of Notes as they are described in the applicable Lithuanian laws. However, the Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including, without limitation, in the United States of America, Australia, Canada, Hong Kong and Japan.

The distribution of this Information Memorandum, any Final Terms and the Offering of the Notes in certain jurisdictions may be restricted by law. Any person residing outside the Republic of Lithuania may receive this Information Memorandum only within limits of applicable special provisions or restrictions.

The Issuer requires persons into whose possession this Information Memorandum or any Final Terms comes to inform themselves of and observe all such restrictions. This Information Memorandum and any Final Terms may not be distributed or published in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including the United States of America, Australia, Canada, Hong Kong and Japan. Neither this Information Memorandum nor any Final Terms constitute an offer to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The Issuer, the Arranger or their representatives and/or legal advisers do not accept any legal responsibility whatsoever for any such violations, whether or not a prospective investor is aware of such restrictions.

In addition to that neither this Information Memorandum nor any Final Terms may be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Notes offered hereby in any jurisdiction in which such offer or invitation would be unlawful. Persons in possession of this Information Memorandum and/or the Final Terms are required to inform themselves about and to observe any such restrictions, including those set out in this Section. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Information Memorandum. Any representation to the contrary is a criminal offence in the United States.

The Notes have not been and will not be registered in accordance with the U.S. Securities Act of 1933 (the “**Securities Act**”) or under the securities laws of any state of the United States of America and accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in or into the United States of America, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any securities laws of any state of the United States of America.

Unless specifically otherwise stated in this Information Memorandum, the Notes may not be, directly or indirectly, offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws including the United States of America, except for the exceptions to registration obligation allowed by the securities laws of the United States of America and its states, Australia, Canada, Hong Kong and Japan. The Issuer and the Arranger require persons into whose possession this Information Memorandum or any Final Terms comes to inform them of and observe all such restrictions.

GENERAL INFORMATION

Authorisation

The establishment of the Programme was authorised by the resolution of the Management Board of the Issuer No 25, dated 9 July 2021. The update of the Programme was authorised by resolutions of the Management Board of the Issuer No 7, dated 27 June 2022.

Each Final Terms issued in respect of each issue of Notes shall be approved by a separate resolution of the Management Board of the Issuer.

The entry into and the giving of the Guarantee Undertaking was authorised by Resolution No 700 of the Government of the Republic of Lithuania, adopted on 1 September 2021. The Guarantee Undertaking shall be signed by the Minister of Finance.

In addition to that, the Issuer has undertaken to pay a Guarantee fee, equal to 0.1% from the Guarantee amount, i.e. EUR 150,000.

Each of the Issuer and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the Guarantee relating to them.

Significant/Material Change

Since 31 December 2021 there has been no material adverse change in the prospects of the Issuer nor any significant change in the financial or trading position of the Issuer, except that on 26 January 2022 the Government of the Republic of Lithuania approved the consolidation of the national development institutions Investicijų ir Verslo Garantijos UAB, Viešųjų Investicijų Plėtros Agentūra UAB, Valstybės Investicijų Valdymo Agentūra UAB (the General Partner), Žemės Ūkio Paskolų Garantijų Fondas UAB and the Issuer on the basis of a private limited company Investicijų ir Verslo Garantijos (“INVEGA”), with the Ministry of Finance of the Republic of Lithuania implementing the property and non-property rights and obligations of the state as a shareholder of the consolidated national development institution.

On 13 April 2022, the Government of the Republic of Lithuania with regard to anticipated consolidation adopted a resolution No. 354, according to which all the shares of Investicijų ir Verslo Garantijos UAB, Žemės Ūkio Paskolų Garantijų Fondas UAB and the Issuer has been transferred to the Ministry of Finance of the Republic of Lithuania for possession, use and disposal the right of trust,

Although it is hardly conceivable, based on Management Board and Manager knowledge, during the anticipated consolidation and after the transfer of the Issuer on the basis of INVEGA, the Issuer might be merged by absorption with other national development institutions, on the basis of INVEGA. However, this information cannot be considered a foregone conclusion. Nor the Issuer, nor the Management Board or Manager cannot give any assurance on how the consolidation reform will be implemented.

At present, it is not possible to assess the impact on the Issuer’s operations, as there were no further decisions on when and how the reform will be implemented.

Auditors

The financial statements of the Issuer have been audited without qualification for the years ended 31 December 2021 and 31 December 2020 by Deloitte Lietuva, UAB, authorised public auditors, in accordance with the IFRS.

Clearing of the Notes

The Notes have been accepted for clearance through Nasdaq CSD. The appropriate common code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Final Terms.

Legal Entity Identifier (LEI)

The Legal Entity Identifier (LEI) code of the Issuer is 6488M5FW8Q9X192H8T90.

GLOSSARY

In this Information Memorandum, the definitions will have the meaning indicated below, unless the context of the Information Memorandum requires otherwise. Definitions are listed in alphabetical order and the list is limited to the definitions which are considered to be of most importance. Other definitions may be used elsewhere in the Information Memorandum.

<u>Abbreviation</u>	
“Admission”	The admission of the Notes to trading on Nasdaq Vilnius.
“Arranger”	Luminor Bank AS, registration code 11315936, registered office at Liivalaia 45, 10145, Tallinn, Estonia, represented within the Republic of Lithuania by Luminor Bank AS Lithuanian branch, registration code 304870069, registered office at Konstitucijos ave. 21A, 03601 Vilnius, Lithuania.
“Articles of Association”	Articles of Association of the Issuer effective as at the date of this Information Memorandum.
“Business Day”	A day on which banks in Vilnius are open for general business.
“Company” or “Issuer”	UAB “Valstybės investicinis kapitalas”, a private limited liability company, organized and existing under the laws of the Republic of Lithuania, legal entity code 305611945, registered office at Gedimino ave. 38, Vilnius, the Republic of Lithuania, data about the Company is collected and stored with the Register of Legal Entities of the Republic of Lithuania, being the founding limited partner of the Fund.
“CRA Regulation”	Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
“EEA”	European Economic Area.
“EU”	European Union.
“EUR, €, Euro”	The lawful currency of the European Union Member States that adopted the single currency, including Lithuania.
“Events of Default”	Shall have the meaning assigned to in Section <i>General Terms and Conditions of the Notes</i> .
“Final Terms”	The final terms of the relevant Tranche of the Notes.
“Fund”	KŪB „Pagalbos verslui fondas”, a limited partnership, organized and existing under the laws of the Republic of Lithuania, legal entity code 305640822, registered office at Lukiškių str. 2, Vilnius, the Republic of Lithuania, data about the Fund is collected and stored with the Register of Legal Entities of the Republic of Lithuania.
“General Meeting” or “Sole Shareholder”	General Meeting of Shareholders (sole shareholder) of the Issuer, the supreme body or the Issuer.
“General Partner or VIVA”	UAB Valstybės investicijų valdymo agentūra, a private limited liability company, organized and existing under the laws of the Republic of Lithuania legal entity code 305612545, registered office at Lukiškių str. 2, Vilnius, the Republic of Lithuania, data about the company is collected and stored with the Register of Legal Entities of the Republic of Lithuania, being the general partner of the Fund.
“General Terms and Conditions”	General Terms and Conditions, applicable to all the Notes to be issued in each of the respective Tranches, as indicated in Section <i>General Terms and Conditions of the Notes</i> .
“Guarantor”	The Republic of Lithuania.
“Information Memorandum”	This document, prepared for the purpose of the Offering and the Admission, including its annexes, information incorporated by reference and supplements, if any.
“Investors”	Qualified investors as defined in article 2(e) of the Prospectus Regulation, which are allowed to participate in the Offering and subscribe the Notes under this Information Memorandum.
“Manager” or “CEO”	The Manager (General Manager) of the Company.

<u>Abbreviation</u>	
“MiFID II”	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
“Nasdaq CSD”	Lithuanian branch of Nasdaq CSD SE (<i>Societas Europaea</i>), the merged central securities depository of Lithuania, Latvia, Estonia and Iceland, the clearing and settlement institution of these Baltic countries, legal entity code 304602060, registered at the address Konstitucijos ave. 29-1, Vilnius, Lithuania.
“Nasdaq Vilnius” or “Nasdaq”	Nasdaq Vilnius AB (Vilnius Stock Exchange), a public limited liability company organized and existing under the laws of the Republic of Lithuania, legal entity code 110057488, registered at the address Konstitucijos ave. 29, Vilnius, Lithuania. The company's data is collected and stored with the Register of Legal Entities of the Republic of Lithuania.
“Notes”	Notes of the Issuer in the aggregate amount of up to EUR 400,000,000, to be issued by the Issuer and offered to the Investors during the Offering under the terms and conditions of this Information Memorandum and subject to Final Terms. The Notes may be issued and offered in different Series and Tranches, and the Final Terms will be announced to each of the relevant Tranche.
“Noteholders”	Holders of the Notes of the respective Tranche, issued by the Issuer and acquired by the Investors based on this Information Memorandum and the relevant Final Terms.
“Noteholders’ Meeting”	Meeting of the Noteholders of the Issuer of each of the Note Tranche.
“Programme”	The programme of the Notes based on this Information Memorandum and each Final Terms, prepared in compliance with this Information Memorandum.
“Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
“Regulation S”	Regulation S under the U.S. Securities Act.
“Section”	A section of this Information Memorandum.
“Series”	One or several series of Notes in which they may be offered and issued from time to time.
“Tranche”	One or more tranches of Notes which each Series of Notes may be comprised of.
“U.S. Securities Act”	The United States Securities Act of 1933, as amended.
“VAT”	The value added tax applicable in the Republic of Lithuania.