



KEY RISK FACTORS RELATED TO THE ACQUISITION OF THE COMPANY'S EQUITY SECURITIES:

Risk related to the change of the legal status of the Company, risk of changes in the technology market, risk of inflation and deflation, general risk, risk of transactions with related parties, risk of success of former, current and future investment projects, risk that Company's business can be adversely affected by loss of major customers, Interest rate risk, currency risk, credit risk, risk of liquidity of the Company's investments (further information on the risks related to investments in the Shares is provided in Section V of the Prospectus).

The Prospectus is available on the website of the Company www.invltechnology.it as from 9 March 2023.



I. GENERAL INFORMATION ON THE COLLECTIVE INVESTMENT UNDERTAKING

1. MAIN INFORMATION AND WARNINGS

This Prospectus has been prepared in accordance with the Law on Collective Investment Undertakings of the Republic of Lithuania and the Law on Managers of Alternative Collective Investment Undertakings of the Republic of Lithuania as well as the Rules for the Contents and Submission of the Prospectus and Key Information Document of the Collective Investment Undertaking approved by Resolution No. 03-150 of 12 July 2012 of the Bank of Lithuania.

UAB INVL Asset Management, which assumed management of the Company and is its Management Company, shall be responsible for the correctness of the contents of the Prospectus. Where necessary, the contents of the Prospectus may be amended or supplemented, and notification thereof shall be provided under the procedure and the terms laid down in the applicable legislation.

This Prospectus shall not constitute an offer to buy or sell the Company's equity securities. While considering and/or evaluating the acquisition, ownership or transfer of the Company's equity securities, investors should consult their selected lawyer or provider of investment and financial services regarding the legal, tax and other consequences of the acquisition of the Company's equity securities.

The Company's equity securities are traded in on the secondary market. Decisions to acquire, hold or transfer the Company's equity securities should be made on the basis of the information provided in this Prospectus, the Company's incorporation documents and, in the Key Information Document. The information provided in the Prospectus should be interpreted as conforming to the actual circumstances as of the Prospectus announcement date. Neither the submission of this Prospectus nor the acquisition of the Company's equity securities on the secondary market or the redemption of the Company's own shares under any circumstances serve as the basis for assuming that no changes (financial or other) have taken place in the Company's activities since the Prospectus announcement date.

The Prospectus contains forward-looking statements that are based on the opinion, expectations and forecasts of the Management Company concerning future events and financial trends that might influence the Company's activities. Forward-looking statements include and/or may include information on the possible or expected results of the Company's activities, investment strategy, contractual relations, borrowing plans, investment terms and conditions, future regulatory impact, and other information. Forward-looking statements are based on the information available as of the Prospectus announcement date. The Management Company shall not be obliged to specify or modify such statements, except as required by applicable legislation.

By acquiring the Shares, the investor confirms that he is aware of and agrees that the Shares held by him would be mandatorily redeemed in the cases and under the procedure laid down in the Articles of Association and/or the Prospectus.

Any disputes, controversies or claims arising in connection with the Company's equity securities, or the information provided in this Prospectus shall be resolved at the competent court of the Republic of Lithuania, in accordance with the legislation of the Republic of Lithuania.

DEFINITIONS

All definitions used in this Prospectus shall be interpreted as they are defined in the Company's incorporation document (the Articles of Association) which are enclosed hereto as an Annex to the Prospectus.

**2. MAIN DATA ON THE COLLECTIVE INVESTMENT UNDERTAKING**

2.1.	Name	Special closed-end private capital investment company INV L Technology.
2.2.	Legal form of activities, type, subfunds	Special closed-end investment company.
2.3.	Commencement date of the Company's activities	The date of issue of the licence (the permission to approve the Company's incorporation documents and to select the depository) of the closed-end investment company is 14 July 2016.
	Term of the Company's activities	The Company will operate for 10 years after the date of the permission of the Supervisory Authority to approve the Company's incorporation documents and of to select the depository for the first time (i.e., 14 July 2016). The duration of the Company's activities may be extended for a period not exceeding 2 years.
2.4.	Name of the Management Company Registered address Telephone Fax E-mail Website	UAB INV L Asset Management Gynėju St. 14, LT-01109 Vilnius +370 700 55 959 +370 5 279 0602 info@invl.com www.invl.com

3. BRIEF DESCRIPTION OF THE INVESTMENT STRATEGY

The purpose of the Company is to accumulate and invest the Shareholders' funds in order to rationalize the structure of the investment portfolio (including the improvement of the management of Operational Companies, promotion of mutual cooperation between Operational Companies, etc.), to carry out the activity of investment and reinvestment in Operational Companies, and to supervise the economic and financial activities of the controlled companies.

Through investment diversification and risk management the Management Company seeks to reduce the risk and prevent potential reduction in the value of investments and create value by selecting investment objects and relying on the experience of other market participants.

The aim of the Company shall be to earn a return for the benefit of the Shareholders from investments into Operational Companies which are registered or carry out their activities in the European Union (European Economic Area) Member States, in the Organisation for Economic Cooperation and Development (OECD) member countries and Israel. For the sake of clarity, Operational Companies may control and/or acquire companies in other countries than those specified herein; however, this shall not be deemed as the Activities of the Operational Company carried out outside the countries referred to herein.

The Company shall contribute to the development and creation of the value of Operational Companies, i.e. it will seek the development of the activities of such companies, more effective management and distribution of available resources as well as optimal business processes of such companies allowing to expect successful development, increase in the market share, increase in profitability and other factors encompassing the long-term activities of these companies, and the implementation of their objectives. The assets of the Company shall be invested in Operational Companies for a definite period of time in order to sell their securities at a profit (due to the increase in the value of the companies) during the period of the Company's activities. The Management Company may adopt a decision to invest the Company's funds into the Operational Companies being controlled for the additional 2 years after the expiration of the Investment Period.

With a view to increase a return on investment and ensure the supervision of investments, it shall be sought to participate in the management of Operational Companies as a member of an advisory body or the Company's management body or in any other form depending on the specifics of the business operations and geography of a particular company. Moreover, professionals with an impeccable reputation shall be also delegated into the management bodies of Operational Companies in order to ensure the implementation of strategic objectives and the use of the potential of Operational Companies.

4. CHARACTERISTICS OF THE INVESTOR WHO IS RECOMMENDED TO ACQUIRE THE SHARES IN THE COLLECTIVE INVESTMENT UNDERTAKING

The equity securities issued by the Company shall be intended only for investors who are able to tolerate investment-related risk specified in the Articles of Association and in this Prospectus. The Shares should be acquired only by the person who can tolerate a higher-than-average risk. The Shares should be acquired to keep them until the expiration of the activities of the



Company. Investors should invest in the Shares only in such case if they have accumulated sufficient experience in investing into equity securities issued by public limited liability companies and collective investment undertakings and are able to assume the risk related to the decrease in the value or loss of these investments, i.e., the loss of the partial or whole invested amount is acceptable to them.

5. INFORMATION ON WHERE AND HOW ONE CAN GET FAMILIARISED WITH THE PROSPECTUS, THE INCORPORATION DOCUMENTS OF THE COLLECTIVE INVESTMENT UNDERTAKING AND ANNUAL AND SEMI-ANNUAL REPORTS AS WELL AS ON WHERE ONE CAN OBTAIN INFORMATION ON THE COLLECTIVE INVESTMENT UNDERTAKING

This information shall be publicly announced on the website of the Company at www.invltechnology.lt. Shareholders shall have the right, upon the written request, to arrive in the registered office of the Management Company and receive paper copies of these documents free of charge.

6. STATE TAX POLICY IN RESPECT OF THE COLLECTIVE INVESTMENT UNDERTAKING AND THE STAKEHOLDERS OF THIS UNDERTAKING

This paragraph of the Prospectus contains only a brief summary of certain tax implications related to the acquisition and transfer of the Shares. It has been prepared in accordance with the legislation applicable as of the Prospectus announcement date which may be amended, including the amendments which are applicable to the circumstances until the entry into force of such legal acts. This summary does not purport to be a detailed description of all tax implications that would be sufficient to adopt decisions regarding the acquisition, ownership and transfer of the Shares. Shareholders and the persons who consider the possibility of acquiring the Shares should seek advice from tax advisors in order to consider relevant circumstances related to the calculation and payment of taxes.

Taxation on the Company's activities. The Company operates in compliance with all requirements of the applicable legislation; therefore, its activities shall be subject to the regular taxation policy established for investment companies. The Company shall not pay any corporate income tax. The rates of other taxes shall be equal to those established in the legislation of the Republic of Lithuania.

Taxation on dividends. Legal persons. Income received by Lithuanian and foreign legal persons as dividends from the legal persons registered in the Republic of Lithuania is subject to the corporate income tax at the rate of 15 %. This tax shall not be applicable where the recipient of dividends was or intends to be the owner of at least 10 % of the shares of the legal entity registered in the Republic of Lithuania for 12 consecutive calendar months (including the moment of disbursement of dividends). It is important to note that this exception is not applied if dividends are paid out to the legal persons established in tax haven jurisdictions (as they are defined in the legislation of the Republic of Lithuania). Having regard to the fact that the Company operates as an investment company which has obtained the permission of the Supervisory Authority to approve its incorporation documents and select the depository, the legal persons who received the dividends paid out by it shall not be subject to the corporate income tax. Natural persons. Income received by Lithuanian and foreign natural persons as dividends from the legal persons registered in the Republic of Lithuania is subject to the personal income tax at the rate of 15 % or 20 %, having regard to the particular resident's actual situation in terms of taxes in a particular year. If dividends are received as income by the residents of foreign countries with which the Republic of Lithuania has concluded a treaty for avoidance of double taxation, the residents and such treaty shall restrict the right of the Republic of Lithuania to impose taxation on dividends – the provisions of such treaty shall apply. When paying dividends to a natural person, the legal person registered in the Republic of Lithuania shall have the duty to calculate and pay the tax.

Taxation on capital gains. Legal persons. Capital gains received from investment units, shares or stakes of collective investment undertakings (including the Company) shall not be subject to the tax. Capital gains from the sale in the Republic of Lithuania of the shares of the legal persons registered in the Republic of Lithuania shall not be subject to the tax. Natural persons. Capital gains received by the Lithuanian residents from the sale of the shares shall be subject to the personal income tax at the rate of 15 %. However, if the amount of such gains is below EUR 500 within a single calendar year, the tax shall not be applied. This exemption shall not be applicable if the shares are transferred by the Lithuanian resident to the issuing company. The payable personal income tax shall be calculated and paid by 1 May of each calendar year for the previous full calendar year. Capital gains received by foreign natural persons from the sale in the Republic of Lithuania of the shares of the legal persons registered in the Republic of Lithuania shall not be subject to the tax.

Taxation on gifts and inheritance. If the Shares are given to a natural person as a gift, such acquisition would be subject to the personal income tax at the rate of 15 %. The tax shall not be applicable where the Shares are given as a gift by the beneficiary's spouse, children (adopted children), parents (adoptive parents), brothers, sisters, grandchildren, grand-grandchildren, or gran-grandparents, or where the shares are given by a non-Lithuanian resident. Furthermore, donation income shall not be subject to taxation unless their value exceeds EUR 2,500 per calendar year. In the case of inheritance where the value of the Shares is below EUR 150,000, the 5 % inheritance tax shall be applicable, and if the value of the Shares exceeds this amount, the 10 % inheritance tax shall be imposed. The property shall be exempt from the tax where the property is



inherited by a surviving spouse, parents (adoptive parents), children (adopted children), grandparents, grandchildren, brothers, sisters, guardians (foster parents), wards (foster children), or where it is inherited by foreign residents, or the value of the inherited property (the Shares) does not exceed EUR 3,000.

Value-added tax. In Lithuania, the acquisition or transfer of the Shares is not subject to value-added tax.

7. STAKEHOLDER'S RIGHTS

The Shareholders shall have the following property rights:

- 7.1. to receive a share of the Company's profit (dividend) if the General Meeting of Shareholders decides to distribute it to the Shareholders during the term of the Company's activities.
- 7.2. to sell or otherwise transfer all or some of their Shares to the ownership of other persons on the secondary market or to the Company when it carries out the redemption of the Shares.
- 7.3. under the procedure laid down in the legislation of the Republic of Lithuania and in the Articles of Association, to receive a part of the Company's funds disburseable in case of winding up the Company (i.e. liquidation of the Company).
- 7.4. other property rights provided for in the legal acts and in the Articles of Association of the Company.

The Shares shall confer to the Shareholders the following non-property rights:

- 7.5. to participate in General Meetings.
- 7.6. to vote in General Meetings according to the rights conferred by the Shares. One Share shall give one vote at the General Meeting.
- 7.7. to obtain information about the Company under the procedure established by the legislation of the Republic of Lithuania.
- 7.8. to give questions to the Management Company in advance, related to issues on the agenda of General Meetings.
- 7.9. other non-property rights provided for in the legislation and in the Articles of Association.



II. DATA ON THE CAPITAL AND DISTRIBUTION OF INCOME AND EXPENSES

8. EQUITY

8.1. The number of the Shares issued by the Company is 12,175,321 units, and the authorised capital of the Company amounts to EUR 3,530,843.09. The Company issues ordinary registered Shares. The Shares are intangible. They are recorded by making entries in the Shareholders' personal securities accounts. These accounts are managed under the procedure laid down in the legal acts regulating the financial instruments market. The par value per Share is EUR 0.29. The par value of all the Shares is the same. The value of the Shares varies according to the Net Asset Value.

8.2. –

9. SPECIFICATION OF THE PROPERTY VALUATION PROCEDURE; SPECIFICATION OF THE DETERMINATION (CALCULATION) RULES; PROCEDURE FOR CALCULATION OF THE VALUE PER INVESTMENT UNIT OR SHARE

The Company maintains its financial books and records and prepares financial statements in compliance with the IAS, the Law on Accounting of the Republic of Lithuania, the Law on Collective Investment Undertakings of the Republic of Lithuania, the legal acts adopted by the Board of the Bank of Lithuania defining the keeping of financial accounting and preparation of statements as well as other legal acts regulating financial accounting and statements. The currency in which the Net Asset Value is calculated shall be the euro. The Net Asset Value shall be calculated by subtracting the liabilities from the Company's assets, including the Management Fee liabilities and the Performance Fee liabilities.

The Company's assets and liabilities shall be stated at a fair value, except for the cases established in the IAS. Fair value shall be the value at which the assets would be sold or the liability would be transferred in an orderly transaction between the market participants as of the measurement date. The calculations of the Net Asset Value shall be performed at least once per year on the basis of an independent business valuator who has the right to engage in such activities at the values determined by Operational Companies (directly or through a SPV). A business valuator shall comply with the qualification, transparency and experience requirements established by the Management Company in the Company's Accounting Policy and Net Asset Value Calculation Rules and the legal acts.

The calculation of the Net Asset Value shall be carried out as of the last day of the quarter of the calendar year and the established value shall be announced:

- 9.1. for the first quarter of the calendar year and the first three quarters of the calendar year – no later than within a month after the end of the reporting quarter.
- 9.2. for six months – no later than within 2 months after the end of the six-month reporting period.
- 9.3. for a year – no later than within 4 months after the end of the reporting year.

10. COLLECTIVE INVESTMENT UNDERTAKING'S ANNUAL FINANCIAL STATEMENT PREPARATION AND PROFIT DISTRIBUTION DATES, FINANCIAL YEAR

The Company's financial year shall coincide with the calendar year. Annual financial statements for the previous financial year shall be prepared no later than within four calendar months after the end thereof. The decision on profit distribution can be adopted only by the General Meeting; therefore, the profit distribution dates are not known beforehand.

11. RULES FOR INCOME DISTRIBUTION AND USE

Decisions on the Company's income distribution and use shall be made by the Management Company, having regard to the Company's investment strategy. Income shall be used for the covering of the Company's operating expenses, investment (reinvestment) and disbursement to the investors. No income use targets have been expressed as a percentage. No allocation of new Shares has been foreseen.

12. DIVIDENDS

Dividend shall be a share of profit allocated to the Shareholder pro rata to the nominal value of the Shares held by the Shareholder. A decision on the payment of dividends shall be adopted by the General Meeting, having regard to the recommendations provided by the Management Company. Where interim dividends are paid, the set of the Company's financial statements shall be prepared and audited by the auditor no earlier than 30 days prior to the decision to distribute dividends. The Company shall pay out the distributed dividends within one month from the date of the decision of the General Meeting to pay out dividends, except for the cases where the Management Company adopts a decision to postpone the payment of dividends



in compliance with the Articles of Association. The Management Company can, by its reasoned decision, postpone the payment of dividends if the payment of dividends:

- 12.1. results in the violation of the requirements for diversification of investments of the Company.
- 12.2. poses a threat to the sustainability of the Company's finances.
- 12.3. poses a risk to the proper fulfilment of the obligations assumed by the Company or poses a risk that the Company is unable to complete the transactions for the acquisition of Operational Companies or of additional investment into Operational Companies (in this case the implementation of the transaction is understood as a process from the commencement of negotiations with the counterparty until the completion (implementation) of the transaction)).

The Management Company shall adopt the respective decision and renew the payment of dividends in order to ensure that dividends are paid to the Shareholders no later than within one month from the moment where the grounds that have determined the suspension of the payment of dividends have disappeared; however, in any case the payment of dividends cannot be postponed for a period exceeding one year after the date of adoption by the General Meeting of the decision to pay out dividends. The dividends payable to the Shareholders shall be transferred into the accounts indicated by the Shareholders or (if the Shareholder's data are not known) into the deposit account, under the procedure laid down by law. The Company shall pay out dividends in Euros. The right to receive dividends shall be vested in persons who were Shareholders of the Company or had the right to dividends on any other lawful grounds at the end of the record day of the General Meeting.

13. EXPENSES

13.1. The total amount of expenses covered from the Company's assets and related to the Company's activities shall not exceed 4 per cent of the average annual Net Asset Value. Where the average Net Asset Value of the Company has fell to EUR 2.5 million and below, the total amount of the expenses covered from the Company's assets and related to the activities of the Company shall not exceed EUR 100,000. The Performance Fee and the expenses related to the discounting of the Performance Fee and the Management Fee shall not be included into the specified maximum amount of expenses.

13.1.1. The Management Fee is the remuneration paid to the Management Company for management of the Company's assets, which shall be payable for each quarter of a calendar year. During the Investment Period, the Management Fee for the entire quarter of a calendar year shall be equal to 0.625 per cent and, upon its expiration, to 0.5 per cent of the Company's weighted average capitalisation. Its amount shall be calculated as a value according to the following formula:

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

where:

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

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

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

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

where:

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

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

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

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



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

where:

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

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

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

If the Management Fee is calculated only for a part of a calendar quarter of the year, the Management Fee in percentage terms shall be recalculated by dividing it by the number of all business days in the calendar quarter and multiplying by the number of business days in the period for which the Management Fee is calculated. If there was no trading in Shares throughout the entire calendar quarter, the Management Fee for a quarter of the calendar year shall be equal to 0.625 per cent during the Investment Period and, upon the expiration of such period, it shall be equal to 0.5 per cent on the average Net Asset Value of the Company which is calculated as the arithmetic average of the values at the beginning and at the end of the quarter.

The Management Fee for the Investment Period shall be paid under the following procedure:

- 80 per cent shall be paid within 5 Business Days at the end of the calendar quarter of a year.
- 20 per cent, which may not exceed EUR 750,000 during the entire Investment Period (after the aforementioned limit has been reached, the portion of the Management Fee shall not be further calculated and respective funds will be attributed to the Shareholders' equity), shall be paid together with the first-time payment of the Performance Fee to the Management Company (this amount shall be accounted for as the Company's liability to the Management Company until the funds disbursement date, and if the Management Company fails to acquire any rights to the Performance Fee, the liability shall be cancelled and the respective amount of funds shall be attributed to the Shareholders' Equity).

Upon the Investment Period, the Management Fee shall be paid out within 5 Business Days after the end of the calendar quarter of a year.

The Management Fee for the previous four quarters of a calendar year shall be specified by the auditors. After they have submitted the conclusions regarding the Net Asset Value or the average weighted quarterly Share price of the Company on the regulated market, an overpayment or an underpayment of the Management Fee may be established. The determined underpayment amount would be paid together with the Management Fee due for the quarter for which the payment deadline of the Management Fee has not matured when an underpayment is established. In the case of an overpayment of the Management Fee, the payment of the Management Fee would be reduced by such overpaid amount for the quarter for which the payment deadline of the Management Fee has not expired, when an overpayment has been determined.

The calculation, accounting and inclusion of the Management Fee in the Net Asset Value is detailed in the Company's Accounting Policy and Net Asset Value Calculation Rules established by the Management Company.

Performance Fee

The share of the Company's profit due to the Management Company – the Performance Fee – is subject to the Company's return which is calculated in respect of the entire Company rather than in respect of an individual Shareholder. The return of the Company shall be determined using the Microsoft Excel XIRR formula which estimates the time of positive and negative flows (i.e. due account is taken of periodicity) and their size.

The Company's profit is the amount of positive and negative flows in respect of the Shareholders during the entire period of the Company's activities, where:

- Initial negative flow is equal to the Net Asset Value of the Company on the last day before the issuance of the licence of a closed-end investment company to the Company by the Supervisory Authority.
- Positive flow – the dividends paid out to the Shareholders, if any was paid out when distributing the Company's net profits.
- Positive flow – the funds disbursed to the Shareholders by the Company when redeeming its Shares.
- Positive flow – the funds disbursed to the Shareholders by the Company when mandatorily redeeming its Shares.
- Positive flow – the funds disbursed to the Shareholders by the Company when reducing the Company's authorised capital.
- Positive flow – the Net Asset Value before the Performance Fee as of the Performance Fee calculation date.
- Positive flow – the Performance Fee paid to the Management Company.

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COMPANY INVL TECHNOLOGY

- Positive flow – any other payments to the Shareholders.
- Negative flow – the size of each new Share issue.

The funds comprising the Net Assets shall be paid only to the Shareholders *pro rata* until the Shareholders have been returned the initial amount invested in the Company which is equal to the sum of negative flows indicated in paragraph 157 of the Articles of Association.

Profit of the Company shall be distributed as follows:

- after the return of the initial amount invested in the Company to the Shareholders, profit of the Company shall be paid only to the Shareholders until the share of profit assigned to them reaches the average return of 8 per cent earned by the Company on the negative flows indicated above (amounts of funds invested by the Shareholders).
- after the distribution of the average return payments, profit of the Company shall be paid only to the Management Company until the ratio of the average return paid to the Shareholders in cash and the profit of the Company paid to the Management Company equals 80/20.
- after the aforementioned payments have been made, 80 per cent of all the remaining available funds shall be disbursed to the Shareholders and 20 per cent shall be paid to the Management Company as the Performance Fee.

The correctness of the calculation of the Performance Fee shall be checked by the Depository.

Until the disbursement of the Performance Fee, it shall be accumulated, included and reflected in financial statements as the liability to the Management Company, having regard to the requirements for the Company's Accounting Policy established in the IAS and by the Management Company.

The Performance Fee shall be paid to the Management Company every time that funds are disbursed to the Shareholders.

The Performance Fee liability shall be recalculated as of the Net Asset Value calculation date.

The calculation, accounting and inclusion of the Performance Fee liability in the Net Asset Value is detailed in the Company's Accounting Policy and Net Asset Value Calculation Rules established by the Management Company.

- 13.1.2. Under the agreement signed with the Depository, the annual Depository Fee established in the Depository service agreement shall be applied to the Company. The annual Depository Fee shall not exceed 0.9 per cent, calculated on the last reconciled value of the Company's net assets.
- 13.1.3. The remuneration to the auditors shall be paid under the terms and conditions of the contracts concluded by the Management Company with the respective service providers each year of the Company's activities. Remuneration shall be included into the total amount of expenses indicated in paragraph 13.1.
- 13.1.4. –
- 13.1.5. –
- 13.1.6. –
- 13.1.7. The Company's net assets shall be used to cover the following expenses:
- 13.1.7.1. remuneration to property and business appraisers.
 - 13.1.7.2. incorporation (business structuring) of the Company.
 - 13.1.7.3. accounting expenses of the Company, expenses of services of determining the value of Shares.
 - 13.1.7.4. remuneration for audit services and consultations.
 - 13.1.7.5. remuneration to consultants for legal consultations, legal assistance and representation.
 - 13.1.7.6. expenses of litigation and legal proceedings.
 - 13.1.7.7. remuneration to financial institutions for the services provided (opening and management of accounts, performance of cash and value transactions, fulfilment of orders, currency exchange, etc.) and expenses related to such services (commission and other fees).
 - 13.1.7.8. expenses incurred by the Advisory Committee (if any formed).
 - 13.1.7.9. expenses incurred by the Investment Committee.
 - 13.1.7.10. expenses incurred by the Audit Committee.
 - 13.1.7.11. state and municipal taxes, fees and charges.
 - 13.1.7.12. expenses of preparation of information on the Company (including the Company's documents and contracts), translation and submission of such information to the Shareholders.



- 13.1.7.13. expenses related to acquisition, management, and sale of investment objects.
 - 13.1.7.14. consultancy expenses.
 - 13.1.7.15. expenses of preparing and amending prospectuses and the Articles of Association.
 - 13.1.7.16. expenses related to obtaining and modifying licences and permits.
 - 13.1.7.17. expenses related to admission of the Company's Shares to trading on a regulated market and remuneration to the operator of the regulated market for its services.
 - 13.1.7.18. expenses related to services provided by the Lithuanian Branch of Nasdaq CSD SE.
 - 13.1.7.19. expenses for notaries and registers.
 - 13.1.7.20. expenses related to the loans received in the name of the Company.
 - 13.1.7.21. expenses of insurance against any change in the rate of currency exchange and the interest rate.
 - 13.1.7.22. other than expenses incurred due to a change in the value of financial assets or financial liabilities denominated in Euro due to exchange rate changes.
 - 13.1.7.23. expenses related to the maintenance of the Company's assets.
 - 13.1.7.24. expenses related to the development of the Company.
 - 13.1.7.25. expenses related to processing, registration and deregistration of instruments used to secure liabilities.
 - 13.1.7.26. expenses of forced recovery.
 - 13.1.7.27. expenses of insurance for the persons responsible for the Company's activities (i.e., insurance coverage for damage and/or liability).
 - 13.1.7.28. expenses of the Company's presentation (representation, advertising, etc.) and marketing expenses.
 - 13.1.7.29. remuneration to the regulated market operator and financial intermediaries in connection with the distribution or redemption of new Shares.
 - 13.1.7.30. expenses of discounting the Management Fee and the Performance Fee (including accounting corrections that must be made according to the IAS and/or the Accounting Policy and/or the rules for calculating the Net Asset Value).
- 13.2. In the event that the Management Company and/or the Depository has incurred expenses due to any reasons for the benefit of the Company and/or the Shareholders (to the extent related to their stakes in the Company), these expenses shall be compensated upon submission of the respective invoice by the Management Company and/or the Depository to the Company and/or the Management Company and by making a transfer of funds by the Management Company from the account of the Company's funds into the account of the Management Company and/or the Depository.
- 13.3. –
- 13.4. The Management Company has concluded agreements with UAB FMĮ INVL Financial Advisors regarding the distribution of the portion of the Management Fee of the Company received by the Management Company. Under these agreements, the Management Company shall pay 12.5 per cent of the received Management Fee of the Company to UAB FMĮ INVL Financial Advisors for the Shares entered into the Shareholders' securities accounts managed by it. This fee shall not create any conflict of interest between the Company and/or the Management Company and/or the Shareholders and/or UAB FMĮ INVL Financial Advisors. In the event that, when applying the conflict-of-interest management procedures, the Management Company would identify a potential conflict of interest, measures would be taken to manage it properly. When managing the Company, no hidden commission shall be received and/or paid.
- 13.5. –



III. DATA ON INVESTMENT UNITS OR SHARES

14. KEY DATA ON THE INVESTMENT UNITS OR SHARES OFFERED BY THE COLLECTIVE INVESTMENT UNDERTAKING:

- 14.1. Ordinary registered non-material share of the Company with the nominal value of EUR 0.29.
- 14.2. –
- 14.3. –
- 14.4. Each Shareholder shall have the right to select the manager of the personal accounts of the Shareholders holding the Shares. Personal value accounts shall be managed in compliance with the provisions of the applicable legislation.
- 14.5. The rights conferred and the obligations created by the issued Shares are set forth in paragraph 7 of the Prospectus, the Articles of Association and the respective legal acts regulating the Company's activities. The Shares shall confer the equal voting rights to all Shareholders, and they can be restricted only in the cases provided for in the legal acts applicable to the Company's activities. The Company and/or the Management Company shall not set any restrictions on the transfer of the Shares.
- 14.6. –
- 14.7. The nominal value per Share shall be EUR 0.29.

15. TERMS OF THE ISSUE OF INVESTMENT UNITS OR SHARES AND DECISION-MAKING PROCEDURES RELATED TO THE ISSUE OF INVESTMENT UNITS OR SHARES

New Shares can be issued by increasing the authorised capital of the Company by a decision of the General Meeting upon a proposal of the Management Company. The proposal of the Management Company regarding the increase in the authorised capital must *inter alia* discuss in detail the procedure of issue of new Shares and terms of payment for them, as well as the reason why it is proposed to increase the authorised capital of the Company. The current Shareholders shall have the pre-emptive right to acquire the newly issued Shares pro rata to the number of Shares held by them (on the rights record date). The Shareholder cannot transfer the pre-emptive right to acquire the newly issued Shares to any other persons. Newly issued Shares can be offered not to the Shareholders of the Company provided that the existing Shareholders have not subscribed for all the Shares planned to be issued within the period established by the decision of the Management Company, which may not be shorter than 10 calendar days or longer than 30 calendar days. The Shares from the new issue of Shares shall be paid for within the term laid down in the Share Subscription Agreement which may not exceed 30 Business Days. The Shares may be paid for in cash or in-kind contributions. The procedure of payment for the Shares by in-kind contributions shall be established by the General Meeting, having regard to the requirements of the legal acts. New Shares shall be issued only after having received the money into the Company's account or the non-pecuniary contribution has become the property of the Company. Newly issued Shares can be offered publicly only after the Company has published the Prospectus under the procedure laid down by the laws of the Republic of Lithuania. The Company shall publish the Prospectus publicly under the procedure laid down by law no later than by the start of the public offering of the Shares or their admission to trading on the regulated market.

16. TERMS AND PROCEDURE OF THE PLACEMENT (SALE) OF INVESTMENT UNITS OR SHARES:

- 16.1. The Shares have been admitted to trading on the Nasdaq Vilnius stock exchange (the secondary market). Transactions regarding the Shares shall be concluded pursuant to the rules established by the stock exchange which are available online at: www.nasdaqbaltic.com. A Shareholder can also transfer the Shares to third parties by concluding various over-the-counter (direct) transactions (sale and purchase, donation, etc.). Having concluded such transactions, a Shareholder shall, no later than within 5 days after the moment of conclusion of the transaction, submit the transaction documents to an intermediary of public turnover in securities so that the concluded transactions are duly accounted for by marking the change in the ownership rights to the Shares in the securities accounts.
- 16.2. Payment for the Shares sold on the Nasdaq Vilnius Stock Exchange (on the secondary market) shall be made under the procedure established by the Nasdaq Vilnius Stock Exchange and in the contract concluded with an intermediary of public trading in securities. Payment for the sold Shares shall be made to the Shareholder on the second Business Day after the date of conclusion of the Share sale transaction on the stock exchange, unless otherwise provided for in the contract concluded with the intermediary of public trading in securities. The intermediary of public trading in securities shall be held liable for the timely and proper settlement under the procedure established by the legal acts regulating public trading in securities and by the rules of the stock exchange.



16.3. The ownership rights of the Shares shall come into existence as from the making of the respective entry in the Shareholder's personal securities account managed by the selected intermediary of public trading.

17. TERMS AND PROCEDURE OF THE REDEMPTION OF INVESTMENT UNITS OR SHARES:

17.1. The redemption of the Shares shall be limited. During the term of the Company's activities, no Shares of the Company shall be redeemed at the Shareholders' request. If the Shareholder wants to sell the Shares, he can do this on the secondary exchange (on the stock exchange or under over-the-counter transactions).

17.2. The redemption of Shares upon the expiration of the term of the Company's activities (unless it has been extended) shall be carried out by the Management Company (contact information indicated in paragraph 2.4 of the Prospectus). Redemption shall be carried out through intermediaries of public trading whose information shall be submitted to the Shareholders before the redemption of the Shares.

17.3. The Company shall acquire the Shares in accordance with the Law on Companies of the Republic of Lithuania. The Company can acquire the Shares either by itself or through the person acting in his own name but in the interests of the Company.

Restriction on redemption of Shares

The Company may repurchase its own shares when the Shareholders have the option to sell or not to sell their Shares to reduce the difference in the price of the Company's Shares on the Nasdaq Vilnius Stock Exchange compared to the value of the Shares calculated according to the Net Asset Value of the Company. The share repurchase price is determined and justified by the proposal of the Management Company. The Company acquires its own Shares in accordance with the requirements of the Law on Companies of the Republic of Lithuania. The Company may acquire Shares itself or through a person acting in its own name but on behalf of the Company.

During the buy-out process of the Company's own Shares, when the aim is to distribute the funds to all Shareholders proportionally, the Company acquires the Shares in accordance with the requirements of the Law on Companies of the Republic of Lithuania. The Company may acquire Shares itself or through a person acting in its own name but on behalf of the Company.

Notwithstanding the above-mentioned exceptions, the redemption of Shares is restricted and in the absence of the above-mentioned conditions. During the Company's operation, the Shares will not be redeemed on request by the Shareholder. During the period of the Company's activity, the Shares will be redeemed only in the cases provided for in the Articles of Association.

Redemption of the Shares where the incorporation documents and/or the Prospectus of the Company are amended

In the event that the General Meeting of the Company adopts a decision regarding material amendments to the Company's incorporation documents that have a negative impact on the Shareholders' interests, or other decisions the adoption of which under the Law on Collective Investment Undertakings of the Republic of Lithuania grants the right to the Shareholders to demand that the Shares held by them are redeemed, the Company shall ensure the proper implementation of the Shareholders' right to demand that the Shares held by them without any deductions.

The Management Company shall inform each Shareholder about these decisions of the General Meeting by sending the respective notice no later than 1 month prior to the entry into force of the amendment to the respective documents. The Management Company shall inform each Shareholder in writing about amendments to the key documents related to the change of the Company's investment strategy by sending the respective notice no later than 2 months prior to the entry into force of the amendments to the respective documents.

The Management Company shall inform the Shareholders about its decision to merge the Company with another collective investment undertaking after the Supervisory Authority has granted the permit to merge the collective investment undertakings but no later than 30 days prior to the last day of the term during which the Shareholders are entitled to demand that their Shares be redeemed without any deductions. The Shareholder's right to exercise the right indicated in this paragraph shall expire 5 Business Days prior to the planned merger completion date. The shareholder notice shall contain the information that must be provided under the applicable legal acts and other information that is relevant to the Shareholders at the discretion of the Management Company.

The Shareholders shall have the right to voice an objection and demand that their Shares be redeemed within 1 month until the entry into force of the amendments to the respective documents, except for the cases where the Company's investment strategy is modified. Where the Company's investment strategy is modified, the Shareholders can voice an objection and demand to redeem their Shares within 2 months prior to the entry into force of the amendments to the respective documents. The Management Company may determine longer terms than those specified in this paragraph during which the Shareholders can exercise their right to redeem the Shares.



Material amendments to the Company's incorporation documents and/or the Prospectus shall be made provided that there are no objections from any Shareholder. It shall be considered that not a single Shareholder had objected if, in compliance with the requirements of the legal acts, the Shareholders who objected to material amendments to the documents and demanded that their Shares be redeemed without any deductions have been granted this right.

After the General Meeting has adopted the decision regarding material amendments to the Company's incorporation documents and/or Prospectus that would have an impact on the Shareholders' interests or another decision the adoption of which, in accordance with the Law on Collective Investment Undertakings of the Republic of Lithuania, grants the right to the Shareholders to demand that the Shares held by them are redeemed, the Management Company shall take a decision that would specify the conditions under which material amendments to the Company's documents are made, including but not limited to the decision regarding the number of Shares that can be redeemed, in case of exceeding of which the Company shall not perform the mandatory redemption of Shares from the Shareholders who demanded it and, accordingly, no material amendments to the Company's documents are made.

Amendments shall be deemed material if:

- such amendments can have a negative impact on the financial situation of the Company or the Shareholders (the set fees, charges or deductions are increased, or new fees, charges or deductions are introduced, etc.).
- such amendments restrict or cancel the rights granted to the Shareholders or influence in any other way the Shareholders' possibilities of exercising the rights related to their investments.
- they are included into the list of material amendments approved by the Supervisory Authority.

Having regard to the content, nature, scope and impact of the amendments to the incorporation documents and/or the Prospectus on the Shareholders' interests, the Board of the Management Company shall decide on a case-by-case basis whether such amendments to the incorporation documents and/or the Prospectus are deemed material.

Information on whether initiated amendments to the incorporation documents and/or the Prospectus are deemed material shall be provided in the agenda of the General Meeting.

The Management Company shall ensure that the draft resolutions of the organised General Meeting would separately outline the terms and conditions of the redemption of Shares. A notification on the redemption of Shares carried out by the Company shall be published publicly under the procedure established by the legal acts of the Republic of Lithuania. The Management Company shall not notify the Shareholders of material amendments to the documents if these amendments are made due to the changed provisions of the legislation of the Republic of Lithuania.

17.4. –

17.5. When redeeming the Shares, settlements with the Shareholder shall be made under the procedure established by the Nasdaq Vilnius Stock Exchange. The Shareholder shall receive funds under the terms and conditions of the agreement concluded with the selected intermediary of public trading. In the case of the Company's liquidation, settlement with the Shareholders shall be made by transferring the amounts payable to the Shareholders into the accounts indicated by the Shareholders or (if the Shareholder's data are not known) – into the depository account, under the procedure laid down by law. Payments to the Shareholders shall be effected in Euro.

17.6. The Management Company shall take economically justifiable measures to ensure that accounts with the Shareholders are settled as fast as possible when redeeming the Shares; however, the terms of settlement shall depend on those involved in the settlement and not necessarily on the persons chosen by the Management Company; therefore, the Management Company may not indicate the terms of settlement with the Shareholders. Settlement with the Shareholders shall be made upon the expiration of the term of the Company's activities.

17.7. –

18. CHANGE OF INVESTMENT UNITS OR SHARES

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19. TERMS AND PROCEDURE OF THE SUSPENSION OF THE REDEMPTION OF INVESTMENT UNITS OR SHARES

19.1. The redemption of Shares may be suspended if:

- 19.1.1. this is necessary in order to protect the interests of the public and of the Shareholders against the potential insolvency of the Company or a drop in the redemption price where the market position of investment instruments is unfavourable and the value of the investment instruments portfolio has decreased.
- 19.1.2. there are no sufficient funds to pay for the Shares being redeemed, and the sale (realisation) of available investment instruments would be unprofitable.



19.1.3. such sanction is applied by the Supervisory Authority.

At the decision of the Management Company, settlement with the Shareholders of the Company being liquidated can be suspended, or accounts can be settled only in part until the Company has obtained the tax administrator's confirmation regarding the full settlement with the state and/or municipal budgets and state monetary funds.

19.2. Information on the suspension of the redemption of Shares and/or settlement with the Shareholders of the Company being liquidated shall be provided through the Nasdaq Vilnius Stock Exchange and on the website of the Company at: www.invlttechnology.lt.

20. RULES FOR THE SALE OF INVESTMENT UNITS OR SHARES AND DETERMINATION OF THE REDEMPTION PRICE:

20.1. When determining the price of the new issue of Shares, the Management Company shall seek to ensure that the issue price would be not lower than the last Net Asset Value or the average medium Share price for the last 6 months on the regulated market. The price of redeemed Shares shall be calculated on the basis of the last Net Asset Value, if there were no material changes in economic circumstances that might make establishment of the Net Asset Value inevitable, taking into account all amounts actually paid to the Shareholders since the publication of the respective Net Asset Value.

20.2. -

21. PROCEDURE FOR ANNOUNCEMENT OF THE SALE AND REDEMPTION PRICES AND THE VALUE PER INVESTMENT UNIT OR SHARE

The value per Share shall be announced through the Nasdaq Vilnius Stock Exchange or on the website of the Company at: www.invlttechnology.lt at the frequency of announcement of the Net Asset Value set in paragraph 9 of the Prospectus.



IV. INFORMATION ON INVESTMENTS

22. OBJECTIVES AND INVESTMENT STRATEGY OF THE COLLECTIVE INVESTMENT UNDERTAKING

The purpose of the Company shall be to accumulate and invest the Shareholders' funds in order to rationalize the structure of the investment portfolio (including the improvement of the management of Operational Companies, promotion of cooperation between Operational Companies, etc.); to carry out the activities of investment and reinvestment in Operational Companies; to perform the supervision of the economic and financial activities of the controlled companies.

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

The aim of the Company is to earn a return for the benefit of the Shareholders from investments into Operational Companies which are registered or carry out their activities in the European Union (European Economic Area) Member States, the Organisation for Economic Cooperation and Development (OECD) member countries and Israel. For the sake of clarity, Operational Companies can control and/or acquire companies in other countries than those specified in this paragraph but this shall not be deemed as the Activities of the Operational Company carried out outside the states referred to in this paragraph.

The Management Company shall invest at least 70 per cent of the Net Asset Value directly or through a SPV into the stakes of Operational Companies in order to control or to make a significant impact on such companies (by concluding the shareholders' agreement or acting together with other investors or with the management of such companies).

By investing directly or using a SPV, the Management Company shall (on behalf of the Company) contribute to the development and value-added creation of companies, i.e. it shall seek the development of activities of such companies, more effective management and distribution of available resources and optimal business processes of such companies that would allow to expect successful development, increase in the market share, rise in profitability and other factors encompassing the long-term activities of such companies as well as the achievement of their objectives. The Management Company shall invest the property of the Company in Operational Companies for a defined period of time in order to sell their securities at a profit (due to the increase in the value of the companies) during the term of the Company's activities. The Management Company may adopt a decision to invest the Company's funds in the controlled Operational Companies for the additional two years after the expiration of the Investment Period.

With a view to increase a return from investments and to ensure the supervision of investments, the Management Company shall seek to participate in the governance of Operational Companies as a member of the advisory body or the company's managing body, or in any other form depending on the specifics and geography of the activities of a particular company. Furthermore, by using its human resources, hard work on the market and network of professional contacts, and, where necessary, shall delegate professionals in the respective field with an impeccable reputation to the managing bodies of Operational Companies in order to ensure the implementation of strategic objectives and the exploitation of the potential of Operational Companies.

The Management Company shall manage the Company's portfolio of investment instruments in compliance with the following main principles of diversification principles (the compliance of the Company's portfolio of investment instruments with the principles set forth below will be achieved within four years from the date on which the Supervisory Authority issued a permit to approve the incorporation documents of the Company and to choose the Depository):

No more than 30 per cent of the Net Asset Value can be invested in transferable securities of one new company being established or the money market instruments and/or in transferable securities issued by the operating company or the money market instruments:

- which are not entered into the trading list on the market which is considered to be a regulated market and operating in the Republic of Lithuania or in any other EU member state in compliance with the Law on Markets in Financial Instruments of the Republic of Lithuania, or
- which are not admitted to trading on the market operating, recognised, supervised and available to the public in any other EU Member State or any other state according to the set rules.

No more than 30 per cent of the Net Asset Value can be invested in:

- deposits for a term no longer than 12 months which can be collected upon demand in a credit institution, domiciled in an EU Member State or in another state where risk limiting supervision is no less strict than in the European Union;

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COMPANY INVL TECHNOLOGY

- financial derivatives which are admitted to trading on the multi-lateral trading facility but not admitted to trading on regulated markets and in which the counterparty in the transactions concluded beyond these markets conform to the criteria established by the Supervisory Authority and is subject to risk limiting supervision and which can be checked and reliably and accurately assessed on a daily basis and sold or otherwise realised for a consideration at any time at their fair value;
- the investment objects issued by a single person and provided for in Article 145(5) of the Law on Collective Investment Undertakings of the Republic of Lithuania, including the investment units and/or shares of closed-end collective investment undertakings if the investment strategy, requirements for investment diversification and the term of activities of collective investment undertakings conform to the Company's investment strategy, requirements for investment diversification and the term of the Company's activities, or if the Company has the possibility of returning the investments at any time;
- the investment units and/or shares of collective investment undertakings issued by a single person if these collective investment undertakings meet the following conditions:
 - o the sole purpose of such undertakings is to accumulate persons' funds by public offering of investment units or shares and by splitting them to collectively invest them in transferable securities and/or other planned liquid assets and investment units or shares of which must be redeemed at any time upon request of their holder, these undertakings are licensed in the Republic of Lithuania and their supervision is no less strict than established in the European Union, and the Supervisory Authority cooperates with the relevant supervisory authority of another member state or third country.
 - o protection of the rights of participants in the undertakings, including regulation of separation of assets, borrowing, lending and gratuitous transfer of assets, is no less strict than established for harmonised collective investment undertakings under the Law on Collective Investment Undertakings of the Republic of Lithuania.
 - o the undertakings present semi-annual and annual reports on their activities that allow to assess their assets and liabilities, profit and activities within the reporting period.
 - o no more than 10 per cent of their net assets, according to their incorporation documents can be invested into investment units or shares of other collective undertakings.

For the sake of clarity, the total amount of investments into transferable securities issued by a single person, money market instruments, deposits and liabilities arising out of financial derivatives transactions with that person may not exceed 30 per cent of the Net Asset Value.

The Company's assets may be invested into shares of the companies which are admitted to the trading list of the market which is deemed regulated according to the Law on Markets in Financial Instruments of the Republic of Lithuania and which operate in the Republic of Lithuania or in another EU (European Economic Area) Member State or into shares of the companies which are admitted to trading in a market operating, recognised, supervised and available to the public in an EU Member State or another state according to set rules if the sum of nominal values of these shares acquired by the company accounts at least for 1/10 of the authorised capital of such company. The Company may invest not more than 20 per cent of the Net Asset Value into the shares of the companies referred to in this paragraph of the Articles of Association.

For the sake of efficiency of the Company's activities and control over its investments, an Investment Committee shall be formed by the decision of the Board of the Management Company. The Investment Committee shall consist of not more than 4 members, who will be the persons having the right to adopt investment decisions. Members of the Investment Committee shall be appointed and dismissed by the Board of the Management Company. An approval of the Investment Committee shall be obtained for all investments of the Company (directly into the Operational Company or through a SPV) and their sale.

The procedure of formation, responsibilities and functions of the Investment Committee as well as its decision-making procedure and other procedures shall be established in the Regulations of the Investment Committee.

For the sake of efficiency of activities of the Company and to ensure effective handling of potential conflicts of interest, an Advisory Committee may be formed by a decision of the Board of the Management Company. The purpose of the Advisory Committee is to ensure having knowledge about and knowing the specifics of various fields, into which the Company's assets may be invested (directly to an Operation Company or through an SPV). The Advisory Committee shall present its opinion and conclusions to the Investment Committee regarding investments of the Company.

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



The investment strategy for the Company's property entrenched in the Articles of Association may be changed respectively by amending the Articles of Association by the decision of the General Meeting.

The investment object(s) of the Company (both the one that is managed directly or by using a SPV) may be transferred only after having obtained a prior consent of the Depository. No consent of the Depository referred to in this paragraph is needed if the assets of the Operational Company whose equity securities are stored by the Depository are transferred.

The direct ownership of the Company's investment objects and the ownership of SPV securities shall be possible. Where investments are made through a SPV, all documents related to investments into SPV shall be submitted to the Depository so that the Depository could perform its functions established in the applicable legal acts.

Where necessary, funds may be borrowed on behalf of the Company (by pledging or not pledging its assets) in order to ensure a higher investment return (by additionally financing the investment objects acquired by the Company (or of the controlled companies using a SPV). The Management Company can adopt a decision to borrow on behalf of the Company up to 80 per cent of the Net Asset Value as of the loan agreement conclusion date (by taking the last Net Asset Value established and announced under the procedure laid down in the Articles of Association). The loan agreements of the Company shall expire not earlier than 3 months prior to the expiration of the term of the Company's activities or the extended term of the Company's activities.

Respectively, the maximum possible leverage ratio under the general approach (as defined in the Regulation) shall be 150 % (or 1.5) and 150% (or 1.5) for the calculation of the maximum possible leverage ratio under the liability method (as defined in the Regulation).

The Company's assets shall not be lent or used as a guarantee or a warranty to secure the liabilities of other persons, except for SPV or Operational Companies into which the Company invests if the property of such persons is invested into the property conforming to the Company's investment strategy and the following two conditions are met:

- the amount of funds lent or a guarantee or a warranty issued by the Company makes up the portion of the loan, guarantee or warranty amount granted to the person that is not higher than the share owned by the Company by the right of ownership in that person's authorised capital.
- the total amount of funds lent, or the guarantee and warranty amount granted to that person does not exceed 50 per cent of the Net Asset Value.

The Company shall not use any benchmark.

Upon the establishment of the Company, its investment portfolio may not meet the set diversification requirements for 4 years after the date on which the Supervisory Authority issued a permit to approve its incorporation documents and to choose the Depository. In all cases, the right not to comply with the established diversification requirements shall not abolish the obligation of the Management Company to invest the Company's assets pursuant to its investment strategy.

In the event that, upon the expiration of the set term, the investment requirements shall be violated due to the reasons beyond the control of the Management Company, such situation must be eliminated as soon as possible but no later than within 1 year from the date on which the Management Company became aware of this situation. This term may be longer only in exceptional cases where the Management Company is unable to rectify the situation due to the reasons beyond its control. In this case, upon the expiration of the 1-year term, the Management Company shall immediately notify in writing the Supervisory Authority of the existing situation and its reasons. The notice shall also specify the planned term for the fulfilment of the requirement.

23. INVESTMENT CONSULTANTS

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24. PLACES WHERE ONE CAN GET FAMILIAR WITH THE HISTORY OF THE ACTIVITIES OF THE COLLECTIVE INVESTMENT UNDERTAKING

The history of the Company's activities shall be set forth in the Company's business and financial reports available on its website at: www.invltechnology.it.



V. INFORMATION ON THE TYPES OF RISKS AND THEIR MANAGEMENT

25. RISK FACTORS RELATED TO THE ACQUISITION AND INVESTMENT OF INVESTMENT UNITS OR SHARES

Any kind of investment is inherently related to risk, and investment into Shares is additionally related to specific and higher-than-average long-term risk. Such type of investment is suitable only for persons who are capable of assuming this risk and understand that, by acquiring the Shares, they can lose the entire invested amount.

In addition to the risk factors listed below, there can be further risk factors that are not specified herein because, when preparing this Prospectus, the Management Company has no information about such factors or considers them to be insignificant. However, such risks can affect the Company's financial results and have an impact on the value of the Shares. Therefore, the information on risk factors provided herein should not be deemed a detailed and final description of risk factors encompassing all risk factors. Having regard to the aforesaid, the decision to acquire Shares must be adopted having considered the risk factors specified below.

The net asset value of the Company can increase or decrease; for this reason, the Shareholder may not recover the amount invested into the Company. There are no guarantees, and no guarantees may be granted regarding the Company's activities and investment return or a specific investment of the Company, and the investment results of the previous period do not guarantee that they will be the same in the future as well.

The sequence of presentation (disclosure) of the risk factors is not based on the analysis of the probability of the occurrence and impact of the respective factors on the Share value and the comparison of factors because due to the specifics of the activities of the Company and/or Operational Companies (fast-developing technologies) such analysis and comparison could not be sufficiently grounded and could mislead the Shareholders.

The tools for the management of risk factors are not and cannot be considered as ensuring the elimination of respective risk factors.

GENERAL RISK FACTORS IN THE BUSINESS FIELD WHERE THE COMPANY AND ITS PORTFOLIO COMPANIES OPERATE

- 25.1. **Risk related to the change of the legal status of the Company.** On obtaining the License issued by the Bank of Lithuania on 14 July 2016, the Company's operations became subject not only to the Law on Companies, the Law on Securities and other related legal acts as it was prior to obtaining the License, but also to the Law on Collective Investment Undertakings and other related legal acts, which establish certain specific obligations for protection of the interest of the Company's Shareholders and certain operating restrictions, e.g. the Company is may invest the funds it manages in keeping with the requirements of the Company's investment strategy and certain limitations in applicable laws are applied to the Company with regard to its investments, their diversification, management thereof, etc. Furthermore, the Company's operating expenses might increase due to requirements that it periodically asset the value of assets, safeguard its assets at a Depository and so on. It should also be noted that investments in the shares of the Company (with the License) involve higherthan-average long-term risk. The Company cannot guarantee that Shareholders will recover money that is invested. Note also that redemption of the Company's shares is restricted, i.e., Shareholders cannot demand that the Company or the Management Company redeem their shares. But Shareholders are able to sell the shares of the Company on the secondary market.
- 25.2. **Risk of changes in the technology market.** The business of information technologies and the market related to information technologies change particularly quickly. Therefore, there is a risk that due to unforeseen changes in the market the value of investments of the Company or the investment return from investment objects of the Company can decrease, the development of companies acquired by the Company will take longer and/or will cost more than planned, therefore, the Company's investments will not be profitable and/or their value will decrease. When managing this risk, the Management Company will pay sufficient attention to the monitoring of global trends and the formation of adequate personnel policy by ensuring that the Company's investments would change subject to technology change.
- 25.3. **Risk of inflation and deflation.** There is a risk that in case of inflation the value of a Share will grow slower than the inflation, which would result in the return lower than inflation. In such a case, the real return earned by persons who sold the Shares of the Company in the market from increase in the value of the Shares can be smaller than expected. In case of deflation, there would be a risk that the value of the Company's investments will decrease by reason of the drop of the general price level. Managing this risk, it will be sought to ensure the efficient activities and communication of the Company, thus increasing the attractiveness of its Shares to a wider circle of investors.

RISK FACTORS CHARACTERISTIC OF COMPANY AND ITS PORTFOLIO COMPANIES

- 25.4. **General risk.** The value of investments into the Company can fluctuate significantly in the short term, depending on the situation in the market. Investments into the Company should be made for a long term in order that the Shareholder could avoid the risk of short-term price fluctuations. Redemption of the Shares of the Company is limited, i.e. a Shareholder cannot demand that the Company or the Management Company, which took over its management, would redeem the Shares. But a Shareholder of the Company has a possibility to sell Shares of the Company in the secondary market. The inherent risk reflects the nature of investment into low-liquidity financial instruments; therefore, there are no effective tools for the management of such risk applicable by the Management Company.
- 25.5. **Risk of transactions with related parties.** There are quite a few transactions with related parties among the Company and its Portfolio Companies. Following applicable taxation legislation, transactions with related parties must be conducted at arm's length (i.e., independent and on an equal footing). In spite of the fact that the Management uses all efforts in order to ensure the conformity with the above-mentioned standard, a theoretical taxation risk remains here, i.e., the risk that applicable taxes will be calculated according to prices applicable at arm's length in case it was determined that certain transactions were conducted disregarding this principle, also the risk that relevant fines and default interest will be imposed. To manage this risk, the Management Company will seek to follow the most recent practice in the application of the tax legal acts reasonably articulated by the tax administrator; however, it cannot be considered that this risk has been eliminated.
- 25.6. **Success of former, current and future investment projects.** The Company carried out investment projects of large scope in the past and can carry them out in the future. Though the Management Company and its employees, as well as the employees of companies managed by the Company (directly or indirectly), when forecasting investments, rely on all the information and analytical resources they have, there is no guarantee that all the information, which was relied on when planning investments, was full and correct. Besides, there is no guarantee that investment plans and investments will earn the expected or planned return or that the investment will not cost more than planned. If the investment projects which are being carried out or planned investment projects turn out to be worse than expected, if the return on these projects is less than planned or if their price turns out to be more than planned, this can have a significant adverse effect on the Company's activities, its financial situation and performance. Also, there is no guarantee that the current investment projects related to increase of the Portfolio companies' capacities, introduction of new products and/or technologies will meet the needs of the Portfolio companies' customers.
- 25.7. **Companies's business can be adversely affected by loss of major customers.** Though the Company is not dependent on any one major customer or their group, still loss of one or several of them and inability to substitute other similar customers for the lost ones can have an adverse effect on the Company's controlled Operational Companies' business, financial situation or performance.
- 25.8. **Interest rate risk.** There is a risk that in case of fast recovery of the global economy or increase in inflation, central banks will increase interest rates and it will be more expensive to service loans in connection with the Company's investments, therefore, the value of the Company's investments can decrease. To manage this risk, the Management Company will seek to consider potential unfavourable scenarios of economic development when concluding the transactions of financing the Company's activities.
- 25.9. **Currency risk.** The Operational Companies enter into a large portion of non-EUR denominated agreements in foreign markets, whereas some of their performance costs are incurred in EUR, therefore a drop in the rate of respective currencies can have a negative effect on profitability of the managed companies. A large part of computers and other equipment is purchased from foreign manufactures where payments are also made in non-EUR currencies. Besides, having in mind that the Operational Companies operates in many states, there is a risk that the attractiveness or profitability of the Company's investments will decrease also due to fluctuations in rates of other currencies. The Management Company will manage this risk by seeking that before the conclusion of non-EUR denominated transactions, the exchange rates of the respective currencies against the Euro would be examined and they would be constantly monitored.
- 25.10. **Credit risk.** There is a risk that buyers of products and services of companies (directly or indirectly) owned by the Company will fail to fulfil their obligations in time – this would have a negative effect on the profit of the Company and/or companies (directly or indirectly) managed by it. In case of late performance of a large part of obligations, the ordinary business of the Company and/or companies (directly or indirectly) owned by it may be disrupted, it may be necessary to search for additional sources of financing, which may be not always available. The Company also incurs the risk of keeping funds in bank accounts or investing into short-term financial instruments. The Management Company will seek to ensure that the Company takes reasonable and economically justifiable measures when evaluating the counterparties in transactions and their ability to properly perform the assumed obligations.

OF THE SPECIAL CLOSED-END INVESTMENT PRIVATE CAPITAL
COMPANY INVL TECHNOLOGY

- 25.11. **Risk of liquidity of the Company's investments.** There is a risk that investments into Operational Companies will be relatively illiquid and finding buyers for such companies can take some time. Furthermore, financing conditions can become worse due to deteriorating economic condition of the world, a region or a country, where the Operational Company is acting. Therefore, sale of the Company's investments can take longer than planned or their return may be less than planned. When investing into Operational Companies, securities issued by which (shares, bonds and other financial instruments) are not admitted to trading on regulated markets, there is a probability of facing a situation when sale of securities, due to absence of demand or other conditions in the market, can take longer than planned or not be as profitable as planned or may even cause losses. Managing this risk, the Management Company will take measures so that the Company has sufficient information about the market situation and adopt decisions on the sale of the Company's investments based on such information.
- 25.12. **Liquidity risk.** There is a risk that due to deteriorating economic condition of the world, a region or a country it will become difficult/expensive for the Company (managed by the Management Company) to obtain new loans for acquisition of investment objects or to refinance old loans, therefore the value of the Company's investments can decrease. In order to reduce this risk, the Management Company will seek to maintain a sufficient level of liquidity in the Company or will seek to organize timely financing from financial institutions or other parties. Acquiring Shares of the Company, the Shareholders assume the risk of securities liquidity – in case of a drop in demand for Shares or delisting them from the stock exchange, investors would find it difficult to sell them. In case of deterioration of the Company's financial situation, the demand for Shares of the Company, as well as their price may decrease.
- 25.13. **Risk of investments by Operational Companies.** Operational Companies can control/acquire companies in countries other than those indicated in Article 18 of the Articles of Association and that shall not be considered as performance of the Company's activities beyond the limits of the countries indicated in Article 18 of the Articles of Association. However, there is a risk that companies acquired/controlled by Operational Companies will be relatively illiquid and finding buyers for such companies can take some time. Furthermore, financing conditions can become worse due to deteriorating economic condition of the world, a region or a country. Therefore, there is a probability of facing a situation when, due to activities of companies managed by an Operational Company or sale of companies managed by an Operational Company, the Operational Company will suffer losses, which will be reflected in the Net Asset Value of the Company. The Portfolio Companies are party to public sector contracts, which may be affected by political and administrative decisions, and the success and profitability of such contracts may be influenced by political considerations. Public sector customers account for a significant portion of revenues of the Portfolio Companies. The extent and profitability of public sector business of the Portfolio Companies may be influenced by political considerations. It may also be affected by political and administrative decisions concerning levels of public spending. In certain cases, due to applicable regulations, such as European Union tender rules, certain terms of public sector contracts, such as pricing terms, contract period, use of business partners and ability to transfer receivables under contract, provide the Portfolio Companies with less flexibility than comparable private sector contracts do. Moreover, decisions to decrease public spending may result in the termination or downscaling of public sector contracts, which could have a material adverse effect on business, results of operations, financial condition and prospects of the Portfolio Companies. Contracts in the public sector are also subject to review and monitoring by authorities to ensure compliance with applicable laws and regulations, including those prohibiting anti-competitive practices. The Management believes that it complies with these laws and regulations. However, regulatory authorities may nevertheless deem a Portfolio Company to be in violation of such laws or regulations, and the relevant Portfolio Company could be subject to fines, penalties and other sanctions, including exclusion from participation in tenders for public contracts. Any such event would have a material adverse impact on the business, results of operations, financial condition, prospects and reputation of the Portfolio Company or some of them. The Company could be subject to information technology theft or misuse, which could result in third party claims and harm its business, reputation, results and financial condition. The Company could face attempts by other persons to gain unauthorised access to the Company's information technology systems, which could threaten the security of the Company's information and stability of its systems. These attempts could arise from industrial or other espionage or actions by hackers that may harm the Company or its customers. The Company may be not successful in detecting and preventing such theft and attacks. Theft, unauthorised access and use of trade secrets or other confidential business information as a result of such an incident could disrupt the Company's business and adversely affect its reputation and competitive position, which could materially adversely affect the Company's business, results of operation or financial condition.
- 25.14. **Risk of insolvency of Operational Companies.** Operational Companies, in performance of their activities, can face insolvency problems (go bankrupt, undergo restructuring, etc.). Accordingly, such situations can have a negative effect on the price of the Shares or result in insolvency of the Company itself. The Management Company will seek to take measures in order to ensure that insolvency is localised and would not cause a negative impact on the activities of the companies controlled by the Company.



- 25.15. **Risk of the Company's insolvency.** In case of realisation of one or several of the risks, which would have a negative effect on the value and/or liquidity of Operational Companies, this can result in the Company's solvency problems, when the Company will be incapable of fulfilling its obligations. In such a case, Shareholders of the Company can lose all their funds invested into the Company. The Management Company will provide the Shareholders with all information specified by law which would enable the Shareholders to take respective decisions regarding the possession or sale of Shares, having regard to the Company's financial situation.

RISK FACTORS RELATED TO THE COMPANY'S SHARES (INVESTMENTS THERETO)

- 25.16. **Past performance risk.** The past performance of the Company and its investments is not a reliable indication of the future performance of the investments held by the Company.
- 25.17. **No guarantee of return.** The Shareholders and investors of the Company should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.
- 25.18. **Market risk.** Acquisition of Shares of the Company entails the risk to incur losses due to unfavourable changes in the Share price in the market. A drop in the price of the Shares can be caused by negative changes in the value of assets and profitability of the Company, general share market trends in the region and in the world. Trade in Shares of the Company can depend on comments of financial brokers and analysts and announced independent analyses about the Company and its activities. If the analysts give an adverse opinion about prospects of the Shares of the Company, this can also have a negative effect on the price of Shares in the market. In assessing shares, non-professional investors are advised to address intermediaries of public trading or other specialists in this field for help.
- 25.19. **Turmoil in emerging markets could cause the value of the Shares to suffer.** Financial or other turmoil in emerging markets has in the recent past adversely affected market prices in the world's securities markets for companies operating in the affected developing economies. There can be no assurance that renewed volatility stemming from future financial turmoil, or other factors, such as political unrests that may arise in other emerging markets or otherwise, will not adversely affect the value of the Shares even if the Lithuanian economy remains relatively stable.
- 25.20. **The market value of Shares may be adversely affected by future sales or issues of substantial amounts of Shares.** All the Shares of the Company may be provided for sale without any restrictions (except for certain limited restrictions) and there can be no assurance as to whether or not they will be sold on the market. The Company cannot predict what affect such future sales or offerings of Shares, if any, may have on the market price of the Shares. However, such transactions may have a material adverse effect, even if temporary, on the market price of the Shares. Therefore, there can be no assurance that the market price of the Shares will not decrease due to subsequent sales of the Shares held by the existing Shareholders of the Company or a new Share issue by the Company.
- 25.21. **The marketability of the Shares may decline and the market price of the Shares may fluctuate disproportionately in response to adverse developments that are unrelated to the Company's operating performance.** The Company cannot assure that the marketability of the Shares will improve or remain consistent. Shares listed on regulated markets, such as Nasdaq, have from time to time experienced, and may experience in the future, significant price fluctuations in response to developments that are unrelated to the operating performance of particular companies. The market price of the Shares may fluctuate widely, depending on many factors beyond the Company's control. These factors include, amongst other things, actual or anticipated variations in operating results and earnings by the Company and the Portfolio Companies and/or their competitors, changes in financial estimates by securities analysts, market conditions in the industry and in general the status of the securities market, governmental legislation and regulations, as well as general economic and general market conditions, such as recession. These and other factors may cause the market price and demand for the Shares to fluctuate substantially and any such development, if adverse, may have an adverse effect on the market price of the Shares which may decline disproportionately to the operating performance of the Company and/or the Portfolio Companies. The market price of the Shares is also subject to fluctuations in response to further issuance of Shares by the Company, sales of Shares by the Company's existing Shareholders, the liquidity of trading in the Shares and capital reduction or purchases of Shares by the Company as well as investor perception.
- 25.22. **Dividend payment risk.** There is a risk that the Company will not pay any dividends. The decision to pay out dividends will depend on the profitability of activities, cash flows, investment plans as well as the overall financial situation and other circumstances. Managing this risk, the Management Company will seek to inform the Shareholders, within the



terms established by law, about the Company's financial results so that the Shareholders could plan their cash flows accordingly.

- 25.23. **Liquidity of the Company's Shares is not guaranteed.** It may be possible that in case an investor wants to urgently sell the Company's securities (especially a large number of them), demand for them on the exchange will not be sufficient. Therefore, sale of shares can take some more time or the investor may be forced to sell shares at a lower price. Analogous consequences could appear after the exclusion of the Company's Shares from the Secondary List of Nasdaq. Besides, in case of deterioration of the Company's financial situation, demand for the Shares of the Company and, at the same time, their price may decrease.
- 25.24. **Risk of conflict of interest.** There is a risk that there will be situations when interests of the Management Company (or persons related to it) and the Company or Shareholders will differ or interests of individual Shareholders will differ, i.e. there will be a conflict of interest. When it is impossible to avoid a conflict of interest, the Management Company must ensure that Shareholders are treated fairly. Employees of the Management Company and other persons related to the Management Company and persons, directly or indirectly related to the Management Company by relationship of control, must immediately, as soon as they become aware of such information, notify the Investment Committee and the Advisory Committee (if any formed) about a potential or existing conflict of interest. The Investment Committee, approving of investment decisions, shall take into account the information presented to it about potential or existing conflicts of interest. The Investment Committee shall immediately inform the head and the Board of the Management Company about conflicts of interest it is aware of. Following legal acts regulating organisation of activities of collective investment undertakings, the Management Company has implemented appropriate measures for avoiding conflicts of interest, which enable to perform the activities of managing the risk of conflicts of interest and managing conflicts of interest independently, in order to avoid/reduce the risk of conflicts of interest or properly manage a conflict of interest when it occurs.
- 25.25. **Risk related to forward-looking statements.** Forward-looking statements are based on estimates, opinion, expectations and forecasts regarding future events and financial trends that will possibly have an impact on the Company's activities. Future-looking statements include information about potential or presumable results of the Company's activities, investment strategy, contractual relationships, borrowing plans, investment conditions, effect of future regulation and other information. The Company cannot assure that the forward-looking statements will reflect future events and circumstances fully and correctly. The Company, the Management Company and their employees do not undertake to adjust or modify the forward-looking statements, except to the extent required by laws and the Articles of Association.
- 25.26. **Risk of valuation of the Company's assets.** The assets of the Company will be evaluated according to the main rules set in the Articles of Association, incorporated by reference to this Prospectus and the accounting policy of the Management Company. Valuation of individual assets held by the Company shall be performed by a property appraiser, however, such valuation of assets shall be only determining the value of the assets, which does not automatically mean the exact sale price of an investment held by the Company, which depends on many circumstances, for example, economic and other conditions, which cannot be controlled. Thus, the sale price of investments held by the Company can be higher or lower than the value of assets determined by a property appraiser. To manage this risk, only the property appraisers who can ensure the high quality of services will be selected.
- 25.27. **Competition risk.** The Company, investing into Operational Companies, competes with other investors, including, without limitation, with other investment companies or private capital investment funds. Thus, there is a risk that competition with other investors will demand that the Company would conduct transactions at less favourable conditions than it would be possible in other cases. When managing this risk, the Management Company will seek to use the maximally broad network of business contacts in order to conduct transactions the knowledge of which is not sufficiently wide to create significant competition.
- 25.28. **Risk related to the duty to redeem the Company's shares.** The applicable legal acts provide for the duty of the Company in certain circumstances to redeem its shares from the Shareholders who demanded such redemption. Accordingly, if the Company becomes subject to the duty to offer to the Shareholders redemption of its own Shares and if such a redemption is requested by the Shareholders holding a significant number of Shares, the Company may be forced to sell its investments urgently, which can significantly reduce the return earned by the Company from the sale of investments. The respective measures are provided for the management of this risk in the Articles of Association.
- 25.29. **Risk of suspension of the redemption of Shares and full or partial non-redemption of Shares.** The Management Company, having regard to the activities of the Company and the circumstances established in the legislation under which the redemption of Shares may be suspended, can at any time adopt a decision to suspend the redemption of Shares. The Management Company may not take the decision to suspend the redemption of Shares and Shares will not be redeemed from the Shareholders (the redemption of Shares will be cancelled), before the disappearance of the



reasons which determined the decision to suspend the redemption of Shares. All or part of the Shares can be not redeemed from the Shareholders if the Company encounters the lack of liquidity, or the Company becomes insolvent (the Company is not protected against bankruptcy and its insolvency process can be initiated in the cases established in the legal acts). When managing this risk, the Management Company will comply with the obligations provided for in the applicable legislation and related to the management of the Company's assets and it will seek to ensure that, if there are any preconditions for the circumstances specified above that are known to the Management Company, actions would be taken to protect the interests of the Shareholders and/or the Company's creditors; however, this is not and may not be deemed as the obligation of the Management Company to ensure the proper performance of the Company's liabilities.

LEGAL AND TAXATION RISK FACTORS

- 25.30. **Risk of changes in laws and regulations.** There is a risk that upon changes in legal acts of the Republic of Lithuania or the states where assets of the Company are invested or where Operational Companies, into which the Company invests, operate, such changes in legal acts can have a negative effect on the protection of the Company's investments, the activities, profitability and value of the Operational Companies or such changes in legal acts can have a negative effect on rights and interests of the Company otherwise. Managing this risk, it will be sought to have in place an effective regulation monitoring system and participate in associated business structures which can have a lawful impact on legislative processes that are significant to the Company.
- 25.31. **Risk related to possible liability of the Company.** There is a risk that the activities of the Company and the general performance results of the Company can be negatively affected by demands and claims regarding non-disclosed or non-identified obligations and/or violations in connection with investments acquired by the Company, which may result in the Company's liability for such obligations and/or violations and for this reason the value of the Company's investments and, at the same time, the price of the Shares can significantly decrease. It should be also noted that, the Company after the reorganization – the merger of Former parent company with the Company (previous name – BAIP grupe AB), which continues its activities after the reorganization, took over all the assets, equity and liabilities of the Former parent company. For any and all the obligations of the Former parent company after the reorganization, the Company took responsibility.
- 25.32. **Tax risk.** Lithuanian tax legislation which was enacted or substantively enacted at the end of the reporting period may be subject to varying interpretations. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be successfully challenged by relevant authorities. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Management is not aware of any circumstances that could lead to significant tax charges and penalties in the future that have not been provided for or disclosed in these financial statements. Uncertain tax positions of the Company and of the Portfolio Companies are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognized based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period. There is also a risk that upon changes in economic conditions, political situation in the country or due to any other reasons, new taxes on Shareholders of the Company, the Company or the Operational Companies will appear or the rates of current taxes will increase, therefore the price, liquidity and/or attractiveness of the Shares or the value of investments of the Company may decrease. Managing this risk, the Management Company will seek to organise the Company's activities by ensuring the optimal tax regime applicable to it.

OTHER RISKS

- 25.33. **Risk of breach of diversification requirements.** There is a risk that more than 30% of the Net Asset Value of the Company will be invested in transferable securities or Money Market Instruments of one start-up company and/or transferable securities or Money Market Instruments issued by an existing company, and such non-compliance with diversification requirements will last for more than 4 years from the date of the permission of the Supervisory Authority to approve the Company's incorporation documents and select the Depositary. The management of this risk shall be aimed at increasing the value of other Operating Companies in the Company's portfolio in order to meet the requirements for investment diversification.
- 25.34. **The global credit crisis may have an impact on higher borrowing costs and the availability of borrowed capital.** The availability of borrowed capital may be limited in Europe as a result of the ongoing recession and financial difficulties, leading to an increase in borrowing costs. The difficult economic situation in Greece, Spain, Cyprus and



other EU Member States can negatively affect the financial situation of banks operating in Europe. In addition, the risk of lower consumer confidence can have a negative impact on financial markets and economic conditions in the European Union and globally, which could have significant negative consequences on the Group's activities in a variety of ways: (i) it may be difficult or impossible to raise capital to cover further acquisitions of the Group and existing debts and liabilities; (ii) the risk of the Group's difficult financial situation may increase as a result of the current economic situation.

25.35. Investments into the Shares are related to higher-than-average long-term risk. The Company cannot guarantee that the Shareholders will recover the invested funds.

25.36. –

25.37. –

SUSTAINABILITY RISK FACTORS AND THEIR IMPACTS

25.38. **Sustainability risk.** Sustainability risk means an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. The materialisation of this risk could have a negative impact on the value of the Company's net assets and the assets of the Company's Shareholders. In order to mitigate this risk, the Management Company also assesses the sustainability factors and associated sustainability risks relevant to the specific investment being analysed and applies its Policy on Responsible Investment and Integration of Sustainability Risks.

25.39. **Waste risk.** There is a risk that Operating Companies will not properly manage computer waste or other electronic waste. This waste contains hazardous metals that, if not handled properly, can pose a risk to the environment and health. In order to avoid this risk, the Company will encourage the Operating Companies to recycle computer waste and other electronic waste (if possible).

25.40. **Geopolitical risk.** There is a risk that the Company operations may be affected by geopolitical changes (e.g., state conflicts, internal conflicts of neighbouring countries, uprisings or wars), and as a result the value of the Company's investments may decrease or the Company's investments may not be realised at the desired time. The routine monitoring of the geopolitical situation by the Management Company should contribute to the management of this risk.

25.41. **Management and human resources risks.** The success of the Company's investment will largely depend on the decisions made by the managers of the companies controlled (directly or indirectly) by the Company, as well as the decisions made by the people responsible for the management of the Company, and the experience and abilities of the said people. There is no guarantee that the same persons will manage the companies controlled (directly or indirectly) by the Company, as well as the Management Company for the entire term of the Company's activities. The Management Company will seek to implement a promotion policy that ensures that key personnel motivation to participate in the Company's and its investment activities until the end of the term of the Company's activities.

25.42. **Risk of corruption.** The company will invest in countries where the level of corruption is significantly higher than in Lithuania or other European Union countries. There is a risk that due to corruption, the Company's investments may be impaired. The potential impact of the risk, the probability of its occurrence and, accordingly, the risk to the Company's operations is medium.

Assessment of the likely impact of sustainability risk on return on the Fund's investments. Taking due account of the Company's investment strategy in respect of sustainability factors, the Management Company is of the opinion that the impact of sustainability risk on the potential return on the Company's investments corresponds with the impact of general investment risks, including market risk, credit risk and liquidity risk.

26. WHERE AND HOW ADDITIONAL INFORMATION ON THE TYPES OF RISKS CAN BE OBTAINED

The Shareholders can find additional information about the risks related to the Shares in the Articles of Association and historical Prospectuses which were announced in order to admit the Shares to trading on a regulated market. In addition, such information will be made available subject to request to the Management Company.



VI. INFORMATION ON FINANCING AND FINANCED COLLECTIVE INVESTMENT
UNDERTAKINGS

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VII.SUSTAINABILITY

34. SUSTAINABILITY REQUIREMENTS INTO INVESTMENT DECISIONS

In carrying out its activities, the Company's Investment Committee shall evaluate the investment decisions, which consists of: (i) financial, market and/or product analysis; (ii) due diligence of the investment object; and (iii) setting the requirements of compliance of the investment decision with ESG (environmental, social and governance) or sustainability requirements (hereinafter – the **ESG requirements**).

In accordance with the regulations of the Company's Investment Committee and Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, the Company's Investment Committee shall assess the compliance of the investment decision with the following ESG requirements prior to adopting an investment decision:

- Environmental requirements:
 - o sustainability of waste management organisation.
 - o ensuring the energy sustainability of the Company's investment object (legal entity).
- Requirements for the sustainable development of society:
 - o compliance of the working conditions of employees and/or external service providers and/or contractors with legal requirements.
 - o diversity, ensuring the formulation and implementation of personnel policy.
- Requirements for effective management:
 - o effectiveness of prevention of corruption and bribery.
 - o opportunities to fully and transparently disclose the results of the execution of the investment decision to the Company's investors.
 - o conformity of the investment decision with the interests of both large and small Shareholders of the Company.

Assessment of negative impact on sustainability. Although the Management Company has integrated an assessment of sustainability risks into its investment decision-making procedures and applies some other ESG practices but no account is currently taken of principal adverse impacts of investment decisions on the sustainability factors, as defined in Regulation (EU) 2019/2088 of 27 November 2019 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector. In the opinion of the Management Company, currently, the possibilities of collecting necessary information are limited.

The Company's objective is not sustainable investment as defined in Regulation (EU) 2019/2088 of 27 November 2019 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector, nor is it intended to promote environmental or social performance or any combination thereof. The investments related to this financial product do not take into account the EU criteria for environmentally sustainable economic activity.



VIII.GOVERNANCE

35. GENERAL MEETING OF SHAREHOLDERS

The competence of the General Meeting and its convening and decision-making procedures shall not differ from the competence and procedure established by the Law on Companies of the Republic of Lithuania to the extent the Articles of Association or the Law on Collective Investment Undertakings of the Republic of Lithuania do not indicate otherwise. The right of initiative to convene the meeting shall be vested in the Management Company and the Shareholders whose Shares confer at least 1/10 of all the votes at the General Meeting. The convening of the General Meeting shall be organised by the Management Company.

All decisions of the General Meeting shall be adopted by a 3/4 majority of votes conferred by the Shares held by the Shareholders present at the Meeting, except for the decisions specified below which are taken by a 2/3 majority of votes carried by the Shares held by the Shareholders participating at the Meeting, i.e., decisions:

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

The decisions of the General Meeting specified below can be adopted only after taking into account the recommendations provided by the Board of the Management Company and/or the Investment Committee of the Company and with regard to consequences of the respective decision, namely, decisions regarding:

- amendment to the Articles of Association.
- distribution of the profit (loss) of the Company.
- formation, use, reduction and cancellation of reserves.
- increase or reduction of the authorised capital.
- approval of Transactions Having a Material Effect on the Company in accordance with the procedure established in the Company's policy for transactions with associated parties.
- reorganisation, spin-off or transformation of the Company.
- merger of the Company with other collective investment undertakings.
- approval of the agreement with the Depository, appointment of the person authorised to sign the approved agreement with the Depository on behalf of the Company, change of the Depository.
- liquidation of the Company or extension of the term of activities of the Company.
- restructuring of the Company.

The Management Company must present its recommendations on draft decisions on issues indicated above together with the announced draft decisions proposed by the Management Company. The Board of the Management Company shall determine the issues on which recommendations will be provided by the Investment Committee of the Company.

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

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

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

Representatives of the Management Company shall have the right to participate in the General Meetings with the right of advisory vote.

An extraordinary General Meeting shall be convened if:

- that is requested by the Shareholders who have the right to initiate the convening of the General Meeting or the Management Company.

- the auditor or audit firm terminates its agreement with the Company and/or the Management Company or for any other reasons cannot audit the set of the Company's annual financial statements.
- the Management Company seeks to terminate the management agreement with the Company, or there are reasons why the agreement between the Company and the Management Company cannot be performed.
- in other cases provided for in the legislation of the Republic of Lithuania and in the Articles of Association.

The General Meeting can take decisions and shall be deemed to have taken place irrespective of the number of votes conferred by the Shares held by the Shareholders present at the meeting.

The General Meeting shall have no right to adopt decisions which are assigned to the competence of the Management Company by the Articles of Association, or which are management decisions in their essence.

36. MEMBERS OF THE MANAGEMENT BODIES AND THE SUPERVISORY COUNCIL

Management and supervisory bodies of the Company shall not be formed. Management of the Company shall be transferred to the Management Company; therefore, in accordance with the Law on Collective Investment Undertakings of the Republic of Lithuania, the rights and obligations of the Board and the Manager of the Company established in the Law on Companies of the Republic of Lithuania shall be transferred to the Management Company.

The Company management fee provided for in paragraph 13.1.1 of the Prospectus shall be paid to the Management Company for the management of the Company. The Management Company shall also have the right to the share of the Company's profit established according to the provisions of paragraph 13.1.1 of the Prospectus.

INFORMATION ON THE MANAGER AND CFO OF THE MANAGEMENT COMPANY



Laura Križinauskienė – General Manager of the Management company

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
General manager

Educational background and qualifications

Vilnius Gediminas Technical University, Master's degree in Management and Business Administration

Work experience

Since 2017. INVL Asset Management, UAB - CEO
 2016-2017 Danske Bank A/S Lithuanian branch – Operational manager, Head of Global Function
 2012-2016 Baltpool UAB – general manager, member of the Board
 2010-2012 FINASTA bank AB – Director of the Capital market department
 2005-2012 held various positions in Finasta FMĮ AB, FINASTA bank AB, Finasta investicijų valdymas (currently INVL Asset Management)

Participation in other companies

FMI Financial Advisors, UAB (code 304049332, Gynėjų str. 14, Vilnius) – Member of the Board
 IPAS INVL Asset Management (code 40003605043, Elizabetes iela 10B-1, Riga, Latvia) – Member of the Supervisory Board
 AS INVL atklātais pensiju fonds (code 40003377918, Elizabetes iela 10B-1, Riga, Latvia) – Member of the Supervisory Board



Vytenis Lazauskas – Head of Finance of the Management Company

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)

Head of Finance of INVL Group.

Educational background and qualifications

1999 – 2005. Vilnius University. Master’s degree in Finance. Bachelor’s degree in Accounting and Audit.

Work experience

Since 2018. UAB INVL Asset Management. Head of Finance of INVL Group.

2003 – 2018. PricewaterhouseCoopers, UAB. Senior project manager.

37. INFORMATION ON THE MANAGEMENT COMPANY

- 37.1. Information on the Management Company is provided in Section 2 of the Prospectus. The numbers of the licence of the Management Company to engage in the activities of a management company: VJK-005 (Licence of the Management Company acting in compliance with the Law on Collective Investment Undertakings) and 3 (Licence of the Management Company acting in accordance with the Law on the Managers of Alternative Collective Investment Undertakings).
- 37.2. With a view to ensure the effectiveness of the Company's activities and investment control, the Investment Committee shall be formed by the decision of the Board of the Management Company. The Investment Committee shall consist of no more than 4 members who will be the persons entitled to adopt investment decisions. The Board of the Management Company shall appoint and dismiss members of the Investment Committee. An approval of the Investment Committee must be obtained for all investments of the Company (directly into the Operational Company or through a SPV) and their sale.
- 37.3. The procedure of formation, responsibility and functions of the Investment Committee as well as its decision-making and other procedures shall be established in the Regulations of the Investment Committee.
- 37.4. For the sake of efficiency of activities of the Company and to ensure effective handling of potential conflicts of interest, an Advisory Committee may be formed by a decision of the Board of the Management Company. The purpose of the Advisory Committee is to ensure having knowledge about and knowing the specifics of various fields, into which the Company's assets may be invested (directly to an Operation Company or through an SPV). The Advisory Committee shall present its opinion and conclusions to the Investment Committee regarding investments of the Company.
- 37.5. The procedure of formation, responsibilities, functions of the Advisory Committee, decision-making procedure and other procedures of the Advisory Committee shall be set in the regulations of the Advisory Committee.

INFORMATION ON THE BOARD OF THE MANAGEMENT COMPANY AND MEMBERS OF THE INVESTMENT COMMITTEE



Darius Šulnis – Chairman of the Board of the Management company

Main workplace – Invalda INV L, AB (code 121304349, Gynėjų str. 14, Vilnius) - president

Participation in other companies

Invalda INV L, AB (code 121304349, Gynėjų str. 14, Vilnius) – the President

Šiaulių bankas, AB (code 112025254, Tilžės str. 149, Šiauliai) – Member of the Supervisory Board

Litagra, UAB (code 304564478, Savanorių ave. 173, Vilnius) – Member of the Board

INV L Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INV L Baltic Sea Growth Fund – Investment Committee Member

FERN Group, UAB (code 306110392, Granito str. 3-101, Vilnius) – Chairman of the Supervisory Board



Nerijus Drobavičius – Member of the Board of the Management company and Member of Investment Committee of the Company

Main workplace – INV L Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) Private Equity Partner

Participation in other companies

BSGF Sanus, UAB (code 304924481, Gynėjų str. 14, Vilnius) – Director

InMedica, UAB (codas 300011170, L. Asanavičiūtės str. 20-201, Vilnius) – The Chairman of the Board

INV L Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INV L Baltic Sea Growth Fund – Investment Committee Member

MBL A/S (CVR-no 12825242) – Member of the Board

MBL Poland Sp. z.o.o. (ul. Sulejowskiej 45d, 97-300 Piotrków Trybunalski, Polska, KRS 0000065219) – Member of the Supervisory Board

Reneso, UAB (code 302941941, Gynėjų str. 14, Vilnius) – Director

Sugrasta, MB (code 305287386, Pranapolio str. 11, Vilnius) – Director

Eglės sanatorija, UAB (code 152038626, Eglės str. 1, Druskininkai) – Board Member

Namita UAB (code 301026531, Dvaro str. 123A, Šiauliai) – Board Member



Vytautas Plunksnis – Member of the Board of the Management company and Member of the Investment Committee of the Company

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) Head of Private Equity

Participation in other companies

INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member

Eco Baltia AS (Maskavas str. 240-3, Rīga, Latvia 40103446506) – Chairman of the Supervisory Board

Eco Baltic vide, SIA (code 40003309841, Ropažu nov., Stopiņu pag., Rumbula, Getliņu iela 5) – Member of the Supervisory Board

Ecoservice, UAB (code 123044722, Dunojaus str. 29, Vilnius) – Chairman of the Board

B2Y, SIA (code 40103243404, Maskavas iela 322A, Rīga) – Chairman of the Board

Norway Registers Development AS (code 985 221 405 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board

NRD Systems, UAB (code 111647812, Gynėjų str. 14, Vilnius) – Member of the Board

NRD CS, UAB (code 303115085, Gynėjų str. 14, Vilnius) – Member of the Board

Novian Systems, UAB (code 125774645, Gynėjų str. 14, Vilnius) – Chairman of the Board

NRD Companies AS (code 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board

BC Moldova-Agroindbank SA (MAIB) (code 1002600003778, Constantin Tănase str. 9/1, Chisinau, Moldova) – Chairman of the Supervisory Board

Investuotoju Asociacija (code 302351517, Konstitucijos av. 23, Vilnius) – Chairman of the Board



Kazimieras Tonkūnas - Chairman of the Investment Committee

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) INVL Technology Managing Partner

Participation in other companies

Norway Registers Development AS (code NO 985 221 405, Lokketangen 20 B, 1337 Sandvika, Norway) – Chairman of the Board

NRD CS UAB (code 303115085, Gynėjų St. 14, Vilnius) – Chairman of the Board

NRD Companies AS UAB (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Chairman of the Board

Zissor AS (code 986845550; Bragernes Torg 6, 3017 Drammen, Norway) – Supervisory board

member

Elsis PRO, UAB (code 300064148, Baltupio St. 14, Vilnius) – Chairman of the Board

Novian Technologies, UAB (code 301318539, Gynėjų St. 14, Vilnius) – Chairman of the Board



Vida Tonkūnė - Member of the Investment Committee

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų St.14, Vilnius) INVL Technology Partner

Participation in other companies

Norway Registers Development AS (code NO 985 221 405, Lokketangen 20 B, 1337 Sandvika, Norway) – member of the Board

NRD Systems, UAB (code 111647812, Gynėjų St. 14., Vilnius – member of the Board

Etronika, UAB (code 125224135; Gynėjų St. 14, Vilnius)- Chairman of the Board

Novian Systems, UAB (Gynėjų St. 14, Vilnius 125774645) – Member of the Board

NRD Companies AS, UAB (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – member of the Board

NRD CS, UAB (code 303115085 Gynėjų St. 14, Vilnius) – Member of the Board

37.6. On 27 June 2016, the Management Company and the Company concluded the Investment Company Management Agreement in which it is agreed that the Management Company will receive the management fee and acquire the right to the share of the Company's profit (as defined in paragraph 13.1.1 of the Prospectus) for the management of the Company, i.e. the Company's investment management, administration, marketing and other related activities as defined in the Law on Collective Investment Undertakings of the Republic of Lithuania.

Under the above Agreement, the Management Company acquired the right:

- To perform all actions of the management bodies of the Company and other actions assigned to the competence of the Management Company under the applicable legal acts and/or the Articles of Association.
- To represent the Company's interests in the relations with the Supervisory Authority, the Depository of the Company, other institutions, bodies and organisations as well as natural and legal persons.
- To conclude and implement transactions on behalf, at the expense and in the interests of the Company as well as perform other actions related to the management of the Company's assets.
- To make deductions from the Company's assets provided for in the Articles of Association.
- To receive the remuneration comprised of the Management Fee and the Performance Fee.
- To delegate some of its functions to the company entitled to provide respective services.
- To initiate and carry out the issue, distribution and subscription of the Company's shares under the procedure established in the Articles of Association.
- To suspend and/or resume the payment of dividends to the Shareholders on the grounds and under the procedure established in the Articles of Association.

The Agreement shall be valid until the full discharge of the obligations of the Parties or until the termination or other expiration of the Agreement on the grounds established in the Agreement, the Articles of Association or in the applicable legislation.

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The Agreement may be terminated on the initiative of the Company after the General Meeting has decided under the procedure established by the Company in the Articles of Association to replace the Management Company of the Company and hand over the management of the Company to another management company when:

- the Management Company is liquidated.
- the Management Company undergoes restructuring.
- bankruptcy proceedings have been initiated against the Management Company.
- the Supervisory Authority takes a decision to restrict or cancel the rights provided for in the licence of the Management Company related to management of investment companies.
- the Management Company commits a material breach of the Agreement, the Articles of Association or legal acts which is not eliminated within a reasonable period of time (if it is possible to eliminate it).

The Agreement may be terminated on the initiative of the Management Company only due to important reasons. In such a case the Management Company shall convene the General Meeting which would resolve the issues related to the termination of the Agreement, replacement of the Management Company, handover of the management of the Company to another company and the approval of such actions by the Supervisory Authority. In any case the Management Company shall notify the Company and the Shareholders of its intention to terminate the Agreement and inform the Supervisory Authority about such notification no later than 6 months in advance.

In the event that the Agreement is terminated due to reasons for which the Management Company is not responsible (irrespective of which Party initiates the termination of the Agreement), the Management Company shall receive compensation amounting to the sum of management fees for the last 4 full quarters. In addition, the Management Company shall receive the full Performance Fee due until the Agreement termination date (accrued and not paid).

37.7. Other collective investment undertakings managed by the Management Company:

HARMONISED INVESTMENT FUNDS:

The open-ended harmonised investment fund INVLT Baltic Fund is oriented towards investors with limited investment experience. Monetary resources of the Fund are invested into the shares of companies listed on the Baltic stock exchanges or of companies actively operating in the Baltic countries, aiming to achieve maximum return and assuming high risk. The Fund is focussed on long-term investments by identifying attractive economic sectors and specific companies.

INVLT Umbrella Fund is a harmonised umbrella investment fund which consists of the following three subfunds:

- INVLT Emerging Europe Bond Subfund – funds are invested into debt securities of developing European country governments and companies indicated by the credit analysis as the most promising. The Subfund combines the riskier (bonds of companies) and safer (bonds of governments) investments to ensure a stable return on investment. The purpose of the Subfund is to ensure balanced growth of the Subfund's assets.
- INVLT Global Emerging Markets Bond Subfund – funds are invested in the debt securities of governments, municipalities and companies in emerging countries selected by the manager as the most promising. The Subfund combines the riskier (bonds of companies) and safer (bonds of governments and municipalities) investments to ensure a stable return on investment. The purpose of the Subfund is to ensure balanced growth of its assets.

SPECIAL COLLECTIVE INVESTMENT UNDERTAKINGS:

INVLT Alternative Investment Fund, a closed-end special investment fund investing in other collective investment undertakings - Fund will invest 100% of its assets in other collective investment undertakings, including qualifying special collective investment undertakings, collective investment undertakings for informed investors and collective investment undertakings other than harmonised collective investment undertakings (hereinafter – the Alternative CIUs), which in turn invest the majority of their assets in the alternative asset class, which includes private equity, energy and infrastructure, tangible assets (real estate, forests, land), private debt and other alternative asset classes. At the start of the Fund's operations and/or in the absence of the possibility to invest the Fund's assets in Alternative CIUs and/or to manage the Fund's liquidity risk, up to 100% of the Fund's assets may be invested directly or through other collective investment undertakings in debt securities of governments and/or companies of emerging Europe and/or other money market instruments (including deposits).

SUTNTIB INVLT Baltic Real Estate is a real estate investment company listed on AB NASDAQ Vilnius. INVLT Baltic Real Estate seeks to earn a return on investments into commercial-purpose real estate, thus ensuring the growth of lease income. Based on economic logic, investments into the transformation of the objects included into the existing portfolio by taking advantage of their good location are also considered. The companies owned by INVLT Baltic Real Estate have invested into commercial-purpose properties such as business centres and production and warehousing real estate properties in Lithuania and Latvia. All properties bring lease income and have the prospects of further development.

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The closed-end umbrella investment fund intended for informed investors INVLT Alternative Assets Umbrella Fund, which consists of the following 7 subfunds:

- The purpose of the investment activity of INVLT Special Opportunities Fund is to collectively invest accrued monetary resources into risky companies generating higher-than-average return. Investments can be made either directly or using special purpose vehicles. The geography of the investment activity of the Subfund is the underdeveloped countries which have a higher growth potential. A major focus and the highest priority will be given to companies operating in Eastern Europe and in the Commonwealth of Independent States.
- INVLT Baltic Sea Growth Capital Fund – the Subfund seeks to earn return on investment into the companies operating in the states of the Baltic Sea region whose equity securities are not traded on regulated markets and which can become regional leaders of a particular business sector. These investments should bring adequate, risk-adjusted return to its Participants. The target return should be achieved through the investments of the Subfund not directly into the specified assets but through investments into the securities – investment units issued of the Main Collective Investment Undertaking. Investments will make up to 95 per cent of the assets comprising the NAV. Due attention should be paid to the fact that the Subfund's assets will not be directly diversified. Sufficient diversification of the assets comprising the Subfund will be achieved through compliance by the Main Collective Investment Undertaking with the investment policy and strategy provided for in its incorporation documents. The incorporation documents of the Main Collective Investment Undertaking will be made available to the Investors together with the Rules and the Prospectus.
- INVLT Partner Global Distressed Debt Fund I – Subfund seeks long-term increase in the value of the capital invested in the Subfund by its participants while receiving a steady return on the Subfund's assets. The Subfund intends to achieve this investment objective indirectly through the acquisition, holding and transfer of Authorised Investments related to Distressed Entities. Directly Authorised Investments will be acquired, held and transferred by the master CIU and/or another collective investment undertaking in which the master CIU will invest. In exceptional cases (e.g., after the master CIU has exercised the right to distribute the unrealised assets of the master CIU to the participants of the master CIU (including the Subfund) at the end of the term of the master CIU activities), the Subfund may temporarily acquire the Authorised Investments directly, however, take prior economically reasonable measures to prevent the Subfund from acquiring ownership of the Authorised Investments directly (e.g., shall exercise the right for the Manager of the master CIU to find a purchaser for such Authorised Investments before their ownership passes to the Subfund), given that the Subfund does not intend to acquire the Authorised Investments directly.
- INVLT Sustainable Timberland and Farmland Fund II – Capital Fund – Subfund seeks long-term increase in the value of the capital invested in the Subfund by its Participants while receiving a steady return on the Subfund's assets. The Subfund intends to achieve this investment objective through the indirect acquisition, holding and transfer of agricultural and forestry land in the Member States of the European Union. These assets shall be acquired, held and transferred directly (or through controlled persons) to the Funded CIU. The Subfund shall not acquire land directly for agricultural and forestry purposes, but shall act as a financing collective investment undertaking for the Funded CIU. In exceptional cases (e.g., after the master CIU has exercised the right to distribute the unrealised assets of the master CIU to the participants of the master CIU (including the Subfund) at the end of the term of the master CIU activities), the Subfund may temporarily acquire agricultural and forestry land (or equity and/or debt securities issued by the legal entities that manage them) directly, however, shall take prior economically reasonable measures to prevent the Subfund from acquiring ownership of these assets directly, given that the Subfund does not intend to acquire agricultural and forestry land directly.
- INVLT Renewable Energy Fund I - Subfund seeks a long-term increase in the value of the capital invested in the Subfund by the investors while receiving a steady return on the Subfund's assets. The Subfund intends to achieve this investment objective by investing in existing (or future) renewable energy and/or other infrastructure in the Investment Area and earning an above average risk-adjusted return thereon. The assets comprising the Subfund will be invested in green field and brown field renewable energy (solar, wind, biogas, etc.) projects, which will include but be not limited to (i) the construction of new power plants, (ii) the acquisition of existing power plants, (iii) the development and/or acquisition of infrastructure necessary for the operation of power plants, and (iv) the efficient management of existing power plants. Investment returns will be generated by (i) receiving compensation for the energy produced by the renewable energy facilities (power plants) controlled by the Subfund, and (ii) increasing the value of these facilities and their associated infrastructure. Please note that the Subfund's assets at the end of the Investment Period, after having been guaranteed by the Management Company, will comply with the risk diversification provisions set out in the Subfund's Rules.
- INVLT Partner Global Infrastructure Fund I - Subfund seeks to achieve a long-term increase in the value of the capital invested in the Subfund by investors while generating regular income from the Subfund's assets. The Subfund intends to achieve this investment objective by indirectly acquiring, holding and disposing of interests in the CIUs comprising the Portfolio that invest in core infrastructure (the CIUs comprising the Portfolio are collective investment undertakings whose interests are committed to be acquired by the Management Company for the account and benefit of the Subfund or whose interests will at any time form part of the Subfund's assets). The Subfund will acquire interests in the Portfolio CIUs whose portfolio consists of infrastructure assets (including securities issued by legal entities directly and/or indirectly managing such assets) that have (i) strong market exposure, (ii) high barriers to entry to the relevant markets, (iii) limited demand elasticity, (iv) a long lifetime, and (v) a correlation with inflation.

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- INVL Partner Private Equity Fund I – Subfund seeks to achieve a long-term increase in the value of the capital invested in the Subfund by investors while generating regular income from the Subfund's assets. The Subfund intends to achieve this investment goal by indirectly investing primarily in European and US healthcare, technology and business services sector companies. The sectors in which the Subfund will invest could be reviewed and changed by the Master Fund, and new sectors could be identified and selected, taking into account various factors, including, but not limited to, market trends, economic and regulatory perspectives, risk-return ratio, etc.

The closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund II, which consists of the following 1 subfunds:

- INVL Partner Energy and Infrastructure Fund - Subfund seeks to achieve a long-term increase from investments in infrastructure facilities and related assets. The desired return is not intended to be achieved by investing in the specified assets directly, but by investing in the securities of the Master Fund. The Master Fund invests in economic and social infrastructure objects and related assets. The assets of the Subfund will not be directly diversified. Sufficient diversification of the assets constituting the Subfund will be achieved for the Master Fund in accordance with the investment policy and strategy provided for in its founding documents.

COLLECTIVE INVESTMENT UNDERTAKINGS INTENDED FOR PROFESSIONAL INVESTORS:

INVL Baltic Sea Growth Fund will invest in medium-sized companies with an attractive risk-return ratio, providing them with capital for further growth. The Fund will seek to form a diversified portfolio of Baltic Sea region companies and will focus on growth capital, buyout, and “buy and build” investments.

37.8. The subscribed and fully paid-up authorised capital of the Management Company amounts to EUR 5,452,000.00, and it is divided into 18,800,000 ordinary registered shares with the nominal value of EUR 0.29.

37.9. The Management Company has approved the Policy on Remuneration to employees adopting decisions regarding risk assumption which complies with the requirements of the legal acts applicable to the Management Company and to the management of the Company. The fixed remuneration of an employee of the Management Company shall include the employee's official monthly salary and additional benefits assigned to the employee irrespective of his/her performance and paid to all employees who meet the established criteria according to the procedure applicable at the Management Company (e.g. pension contributions to voluntary pension funds). An official monthly salary and its amount shall be established in the employment contracts concluded with employees and shall be paid under the procedure laid down by the applicable legislation. An official monthly salary shall be determined in compliance with the job requirements and the nature of work, the employee's professional qualifications and capacities. Official monthly salaries of individual employees in the same position may differ; when determining the amount of such salary, due account shall be taken of the employee's professional qualifications, available experience and personal professional activity, previous work of the employee at the company and in related (daughter, parent, sister) companies, other skills and capacities; the amount of the official monthly salary can be also influenced by the demand and supply for labour on the labour market. Besides the official monthly salary or remuneration paid in any other form, an additional share – an annual extra pay may be paid as well; the annual extra pay shall be assigned depending on the implementation of the annual business plan and/or budget of the Management Company, achievement of annual goals set by the employee's division and realisation of the employee's individual plans and tasks specified in the employee's individual evaluation plan. The official monthly salary shall be determined so that the appropriate proportions of the official monthly salary and its extra pays are ensured. The official monthly salary shall comprise a significant portion of the entire salary paid to the employee so that the Management Company could implement a flexible incentive policy. The extra pay shall be paid according to the following terms:

- the portion equal to 60 per cent of the extra pay amount is paid as a lump-sum under the procedure and within the time frames established in the order of the General Manager or in the decision of the Board of the Company.
- the remaining portion of the extra pay (i.e. the remaining 40 per cent of the extra pay) is paid to the employee pro rata within three years, i.e. the carried forward portion of the extra pay is pro rata distributed within the entire carry-forward period and it is started to be paid no earlier than 1 year after the evaluation of the employee's operating results and it will be paid yearly by paying out the proportionally calculated portion of the extra pay. In individual cases, the competent management body of the Management Company which takes a decision regarding the assignment of the extra pay shall have the right to decide on a longer carry-forward period (which usually does not exceed 5 years), having regard to the business cycle and the nature of activities of the Management Company and/or the respective collective investment undertaking or pension fund, the risk assumed by the employee, his/her performance and other criteria established in the applicable legislation.

Usually, the extra pay is paid in cash. Acting in compliance with the principle of proportionality, the Management Company shall not apply the requirement to mandatorily pay a certain portion of the extra pay in financial instruments. However, if the Management Company provides such possibility, the extra pay may, at the employee's choice, be paid in financial instruments or equivalent instruments (share options, contributions to the private pension fund). An extra pay, including its carry-forward portion, may be assigned and/or paid out to the employee provided that the Management Company is in a sustainable financial position, having regard to the operating results of the Management Company and/or its division and



only in the case that the results of the employee's annual individual evaluation are positive. Having regard to the size and organisational structure of the Management Company, no remuneration committee shall be formed. Remuneration of the General Manager, Internal Auditor and other employees of the Management Company whose subordination (responsibility) is assigned to the Board according to the management structure approved by the Board of the Management Company (both the official monthly salary and annual extra pays) shall be determined (allocated) by the Board of the Management Board. The remuneration of all other employees shall be determined by the General Manager of the Management Company. The list of these persons is provided in paragraph 37 of the Prospectus.

The Management Company must follow the Management Company's remuneration policy for employees making decisions on risk assumption.



IX. OTHER IMPORTANT INFORMATION

38. DELEGATION OF FUNCTIONS

The Management Company has concluded the distribution services agreement for the Company with UAB FMĮ INVL Financial Advisors. This agreement nominally encompasses the actions related to the distribution of Shares; however, under this services agreement only the services excluding the distribution of Shares are provided *de facto* (the provided services encompass the liaising with the Shareholders who are clients of UAB FMĮ INVL Financial Advisors and who keep their Shares in the securities accounts managed by UAB FMĮ INVL Financial Advisors). After the Management Company together with the Shareholders have adopted the decision regarding the issue and distribution of new Shares, a new respective agreement between the Management Company and UAB FMĮ INVL Financial Advisors will be concluded by respectively providing mandatory notifications to the Supervisory Authority under the applicable legal acts.

The Management Company can delegate functions to third parties entitled to provide respective services in compliance with the requirements of the applicable legal acts.

The Management Company shall have no right to delegate so many of its management functions to another company that it would have practically no management functions left.

The delegation of some of the functions to another company shall not exempt the Management Company from its liability.

39. INFORMATION ABOUT DISTRIBUTORS OF INVESTMENT UNITS OR SHARES

See the note in paragraph 38 of the Prospectus.

40. INFORMATION ON THE DEPOSITORY

40.1. AB SEB Bankas, Konstitucijos Ave. 24, LT-01103 Vilnius, (8 5) 268 2800, (8 5) 268 2333, info@seb.lt, www.seb.lt.

40.2. The Depository has undertaken to perform the following functions:

- 40.2.1. based on the documents and information presented by the Company, to keep records of the Company's assets which cannot be entered into cash and securities accounts of the Company opened with AB SEB Bankas. The Depository's duty to keep records of such assets of the Company appears only at the moment when the Depository is provided with documents confirming which assets make up the Company's assets.
- 40.2.2. to accept the Company's assets (cash and securities which can be entered into cash and securities accounts of the Company opened with AB SEB Bankas) for keeping and to keep their records separately from other assets of the Management Company and the Depository. Having regard to the fact that the securities account under the Securities Account Management Agreement and the bank account under the Bank Account Agreement are opened in the name of the Company, it means that in this way the Depository separates the Company's cash and securities from the assets of the Depository, other clients of the Depository and the Management Company.
- 40.2.3. to credit cash and securities owned by the Company (which can be kept in the securities account opened in the name of the Company) to the cash and securities accounts opened with AB SEB Bankas in the name of the Company.
- 40.2.4. the Depository or the third person to whom the custody functions are delegated hereby undertakes not to use the Company's assets transferred for safekeeping for its/his own purposes.
- 40.2.5. to keep securities that are kept in the securities account opened in the name of the Company as a custodian according to the Securities Account Management Agreement, the general rules for the provision of services approved by the Depository and other internal legal acts of the Depository regulating keeping of securities at the Depository.
- 40.2.6. to keep the Company's cash in the bank account opened in the name of the Company under the Bank Account Agreement and the general rules for the provision of services approved by the Depository and other internal legal acts of the Depository regulating recording of cash and cash transactions. The Depository would like to note that the Company's cash in the bank account opened under the Bank Account Agreement, deposits formed on behalf of the Company and other cash of the Company kept at the Depository (if any) are not covered by deposit insurance by the state enterprise Indėlių ir Investicijų Draudimas under the Law on Insurance of Deposits and Liabilities to Investors of the Republic of Lithuania.
- 40.2.7. to fulfil instructions of the Management Company if they are not in conflict with the requirements of the legal acts of the Republic of Lithuania and the Articles of Association,
- 40.2.8. to make payments and non-payment transfers of securities from the Company's cash and securities accounts no later than on the next working day after the receipt of a relevant instruction of the Company, unless the Management Company indicates another date and time for the fulfilment of the instruction,

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- 40.2.9. to ensure that the payment for the transferred assets of the Company would be assigned to the Company within the time set by the applicable legal acts of the Republic of Lithuania and the Articles of Association. In case other assets than the assets of the Company kept in the cash and securities accounts opened with AB SEB Bankas are transferred, the Depository has the duty to ensure that the proceeds for such transferred assets of the Company would be assigned to the Company appears only from the moment when the cash is transferred into the Company's cash account opened with AB SEB Bankas,
- 40.2.10. to check whether the Company's income (cash) is used according to the requirements of the legal acts of the Republic of Lithuania and the Articles of Association. When the assets (cash) of the Company are invested in equity and non-equity securities of SPV and/or Operational Companies or other financial instruments, this duty of the Depository shall be performed referring to the documents and information received from the Management Company.
- 40.2.11. immediately, but no later than within 5 (five) business days, to notify the Management Company by e-mail of any violations of the legal acts of the Republic of Lithuania or the documents of the Company; also after the Depository has received the respective information from a third party, to inform the Management Company that the separation of assets is insufficient to ensure protection against the insolvency of the third party to whom the custody functions in a particular jurisdiction have been delegated.
- 40.2.12. after informing the Management Company, to notify the Bank of Lithuania of any noticed violation of the applicable legal acts or the Articles of Association.
- 40.2.13. to ensure that the value of Shares is calculated according to the requirements of the legal acts of the Republic of Lithuania and the Articles of Association.
- 40.2.14. to ensure that the sale, issue, redemption or cancellation of Shares would be carried out according to the requirements of the legal acts of the Republic of Lithuania and the Articles of Association.
- 40.2.15. no later than on the last business day of the calculation of net assets, to check the value of the Company's net assets and the value of Shares on the basis of the information provided by 10:00 and to inform the Management Company about this by 14:00.
- 40.2.16. upon request of the Management Company or upon receipt of important information which is necessary in order for the Management Company to perform its duties, to immediately transfer such information to the Management Company, as well as to give the Management Company reports on the Company's assets, their change and accounts. In each case an acceptable term and form of the submission of information and documents shall be agreed on with the Company on an individual basis.
- 40.2.17. upon request of the Company, to provide information about the third parties used by the Depository for the performance of the respective functions and information on the criteria used for the selection of the third party and the actions to be taken to monitor the activity of the chosen third party.

During the preparation of the Prospectus, the Management Company has not received any information about any potential conflicts of interest related to the Depository; however, there is a probability that the Depository can provide services to other collective investment undertakings which have similar investment objectives, investment strategy and investment policy as the Company. Thus, there might be situations when the Depository will have a potential conflict of interest in respect of the Company during the provision of its services to the Company. In such situations, the Depository will have to take into account the provisions of the agreements concluded by the Company and/or the Management Company with the Depository for the benefit of the Company. Moreover, the Depository will have to ensure that the Management Company, the Company and the Shareholders are treated fairly and in their best interests, as this is practically feasible in a particular situation.

40.3. As of the Prospectus date, the Management Company has not received any information about the functions of the Depository delegated to other entities.

40.4. More detailed and/or updated information on the data provided in paragraphs 40.2 - 40.3 of the Prospectus shall be made available to the Shareholders subject to their respective written request to the Management Company.

41. INFORMATION ON THE AUDIT COMPANY

In 2021, the audit of the Company was performed by an independent audit company UAB PricewaterhouseCoopers, J. Jasinskio St. 16B, LT-03163 Vilnius, +370 5 239 2300, No. 001273, 20 December 2005.

42. INFORMATION ON FINANCIAL INTERMEDIARIES

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43. INFORMATION ON PROPERTY APPRAISERS

An independent valuation of the portfolio of the Company's investments into the portfolio companies is carried out during the preparation of the annual financial statements of the Company. The valuation as of 31 December 2020 was performed by UAB Deloitte Verslo Konsultacijos, +370 5 255 300, Jogailos g. 4, Vilnius 01116,

44. LIQUIDATION OR WINDING-UP

The Company can be liquidated:

- when there is a decision of the court or creditors to liquidate the bankrupt Company.
- at the end of the term of activities of the Company.
- in other cases established by law.

Upon decision to liquidate the Company, the Management Company shall automatically become the liquidator of the Company which shall perform all the liquidator's functions.

The Company shall operate for 10 years after the date of the permission of the Supervisory Authority to approve the incorporation documents of the Company and to choose the depository for the first time (i.e. 14 July 2016). The term of the Company's activities can be additionally extended for a period not exceeding 2 years. The decision regarding the extension of the term of the Company's activities can be adopted by the General Meeting no later than 6 months prior to the expiration of the term of the Company's activities or the extended term of the Company's activities (provided that the term of the Company's activities has been extended for a period shorter than 2 years). At least 3 months prior to the expiration of the term of the Company's activities, the General Meeting shall adopt a decision regarding the liquidation of the Company. In case of liquidation of the Company, accounts with the Shareholders shall be settled in accordance with the procedure laid down by the Articles of Association.

After the decision to liquidate the Company has entered into force, the liquidator shall immediately submit to the Supervisory Authority a set of financial statements of such Company prepared on the basis of the data as of the adoption of the decision to liquidate the Company, the audit opinion on this set and the audit report. Assets of the Company being liquidated shall be sold while acting under the best conditions and in the best interests of the Shareholders. The General Meeting shall have no right to adopt decisions that would oblige the liquidator to act otherwise than under the best conditions and in the best interests of the Shareholders, including but not limited to the setting of deadlines for the completion of the liquidation procedure as well as the procedure and terms for the sale of the Company's assets. Accounts with the Shareholders shall be settled in cash. A detail procedure for the sale of the assets of the Company being liquidated shall be established by the Supervisory Authority.

Upon liquidation of the Company, the assets of the Company shall be sold and the cash remaining after the performance of the debt obligations shall be divided among the Shareholders pro rata to the number of shares held by them. In the case of the Company's liquidation, accounts with the Shareholders shall be settled by transferring the amounts payable to the Shareholders into the bank accounts indicated by the Shareholders or (if the Shareholder's data are not known) to the depository account under the procedure established by the legal acts. Accounts with the Shareholders shall be settled in Euro. Settlement with the Shareholders of the Company can be suspended or effected only in part by the decision of the Management Company until the Company has received the tax administrator's confirmation regarding the settlement with the state and/or municipal budgets and state money funds.

45. OTHER RELEVANT INFORMATION WHICH, IN THE OPINION OF THE MANAGEMENT, COULD HAVE AN IMPACT ON THE DECISION OF INVESTORS

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45. PERSONS RESPONSIBLE FOR THE INFORMATION PROVIDED IN THE PROSPECTUS:

45.1. The Manager and the Chief Finance Officer of the Management Company shall be held responsible for the information provided in the Prospectus:

45.1.1. General Manager Laura Krizinauskienė, tel: (8~7) 005 5959, fax: (8~5) 279 0602.

45.1.2. Head of the Financial Division Vytenis Lazauskas, tel: (8~7) 005 5959, fax: (8~5) 279 0602.

45.2. No advisor services have been sought for the preparation of the Prospectus.



PROSPECTUS
OF THE SPECIAL CLOSED-END INVESTMENT PRIVATE CAPITAL
COMPANY INVLT TECHNOLOGY

I, Laura Križinauskienė, General Manager of UAB INVL Asset Management, hereby confirm that the information provided in the Prospectus is true and correct and that it contains no concealed facts that could have a material impact on investor decisions

[SIGNATURE]

(Signature)

I, Vytenis Lazauskas, Head of the Financial Division of UAB INVL Asset Management, hereby confirm that the information provided in the Prospectus is true and correct and that it contains no concealed facts that could have a material impact on investor decisions

[SIGNATURE]

(Signature)