



FERN Group, UAB

(a private limited liability company registered in the Republic of Lithuania with legal entity code 306110392)

**INFORMATION DOCUMENT FOR THE ISSUANCE OF BONDS IN THE AMMOUNT OF UP TO
EUR 8,000,000**

Under this information document for the issuance of noted in the amount of up to EUR 8,000,000 (the **Information Document**) FERN Group, UAB, a private limited liability company (in Lithuanian – *uždaroji akcinė bendrovė*) incorporated in and operating under the laws of the Republic of Lithuania, legal entity code 306110392, with registered office at Juozo Balčikonio g. 3, Vilnius, Lithuania (the **Company** or the **Issuer**) may issue and offer from time to time in one or several tranches (the **Tranches**) non-convertible bonds denominated in EUR, having maturity up to 2 (two) years and with fixed interest rate (the **Bonds**). The maximum aggregate nominal amount of all Bonds from time to time outstanding under this Information Document will not at any time exceed EUR 8,000,000.

Any Bonds issued under this Information Document on or after the date of this Information Document are issued in accordance with the provisions described herein.

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

This Information Document has been prepared in accordance with the provisions of Article 7 of the Law on Securities, Article 78(2) of the Republic of Lithuania Law on Companies (the **Law on Companies**), and the Description of the Procedure for the Preparation and Publication of the Information Document Required for the Public Offering of Medium-Sized Issues of Securities and Medium-Sized Crowdfunding Transactions, as approved by Resolution No 03-45 of the Board of the Bank of Lithuania.

This Information Document does not constitute a prospectus of securities as defined in Regulation (EC) No 2017/1129 (the **Prospectus Regulation**) and the Law on Securities of the Republic of Lithuania (the **Law on Securities**), and it has not been, and will not be, approved by the Bank of Lithuania or any other regulatory authority of any other jurisdiction. This issue of the Bonds under this Information Documents is exempt from the requirement to prepare a prospectus based on Article 3(2) of the Prospectus Regulation and Article 5(2) of the Law on Securities.

This Information Document is valid for a period of 12 months from the date of its signing (as indicated below). The obligation to supplement the Information Document in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Information Document is no longer valid.

Application will be made to AB Nasdaq Vilnius, legal entity code 110057488, having its address at Konstitucijos pr. 29, LT-08105, Vilnius, Lithuania (**Nasdaq Vilnius**) for admitting each Tranche to trading on the alternative market First North of Nasdaq Vilnius not later than within 3 (three) months after the Issue Date of the respective Tranche.

The Information Document does not constitute an offer to sell or the solicitation of an offer to purchase the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this Information Document may also be restricted by law in some jurisdictions. Persons in possession of the Information Document must therefore be aware of and comply with such

restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of such jurisdiction.

Investment in the Bonds to be issued under this Information Document involves certain risks. Prospective investors should carefully acquaint themselves with such risks before making a decision to invest in the Bonds. The principal risk factors that may affect the Issuer's ability to fulfil its obligations under the Bonds are discussed in Section 5 (*Risk factors*) below.

Table of Contents

1. DEFINITIONS.....	4
2. SUMMARY	7
3. IMPORTANT INFORMATION	9
4. BASIC INFORMATION ON ISSUER.....	12
5. RISKS RELATED TO ISSUER AND SECURITIES BEING ISSUED	13
6. PURPOSE OF ISSUE OF SECURITIES. USE OF FUNDS	17
7. GENERAL TERMS AND CONDITIONS OF SECURITIES OFFERED	18
8. OFFERING OF SECURITIES	30
9. DESCRIPTION OF ISSUER'S ACTIVITIES	37
10. FINANCIAL INFORMATION AND AUDIT OF ANNUAL FINANCIAL STATEMENTS	40
11. ISSUER'S ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES. ADVISERS	42
12. PREPARATION AND PUBLICATION OF SUPPLEMENTS TO INFORMATION DOCUMENT.....	44
ANNEX 1 - FORM OF FINAL TERMS	45

1. DEFINITIONS

Capitalized terms used in this Information Document have the meanings ascribed to them in this Section. This Section also consolidates definitions found throughout the document to provide a comprehensive reference for all defined terms:

Affected Party	means the Issuer, the Manager, Nasdaq CSD, or any other person involved in the offering who is entitled to postpone the fulfilment of its obligations under this agreement due to the continuous existence of specified circumstances that make performance impossible.
Agreement on Bondholders' Protection	means the agreement on Bondholders' protection concluded by the Issuer and Trustee.
Auction	means the process facilitated by Nasdaq Vilnius for the subscription of each Tranche.
Auction Rules	means the set of detailed procedures prepared by the Manager and published on the Nasdaq website (www.nasdaqbaltic.com) before the opening of the Auction for the relevant Tranche.
Bondholders	means the holders of the Bonds.
Bondholders' Meeting	means the meeting of the Bondholders.
Bonds	means up to 8,000 units of Bonds with a nominal value of EUR 1,000 each (total nominal value up to EUR 8,000,000).
Business Day	means a day on which the Depository system is open and operational.
Company	has the same meaning as the Issuer.
Depository	means a central security depository in the Republic of Lithuania.
Event of Default	means any occurrence specified in the terms and conditions of the Bonds that triggers the right, but not the obligation, for Bondholders to demand immediate redemption of their Bonds.
Final Terms	means the terms of each Tranche of the Bonds in the form provided in Annex 1.
General Terms and Conditions	means the general terms and conditions that shall apply to each Tranche.
Group	means the Issuer and its subsidiaries.
IFRS	means the International Financial Reporting Standards.
Indebtedness	means any indebtedness (whether principal, premium, interest or other amounts) in respect of any borrowed money. Indebtedness also includes any guarantees or sureties where the Issuer or any of its subsidiaries is responsible for the repayment of borrowed money or financial obligations incurred by third parties.
Information Document	means the information document relating to the public offering of the Bonds.

Interest	means the fixed interest rate specified in the Final Terms.
Interest Payment Date	means the date for the payment of the Interest as specified in the Final Terms.
Investor	means the retail investor and/or institutional investor.
Issue Date	means the issue date of each Tranche as specified in the Final Terms.
Issue Price	means the issue price of each Tranche as specified in the Final Terms.
Issuer	means FERN Group, UAB, a private limited liability company (in Lithuanian – <i>uždaroji akcinė bendrovė</i>) incorporated in and operating under the laws of the Republic of Lithuania, legal entity code 306110392, with registered office at Juozo Balčikonio g. 3, Vilnius, Lithuania.
Law on Companies	means the Law on Companies of the Republic of Lithuania.
Law on Protection of Interests of Bondholders	means the Law on Protection of Interests of Bondholders of Public Limited Liability Companies and Private Limited Liability Companies of the Republic of Lithuania.
Law on Securities	means the Law on Securities of the Republic of Lithuania.
Lazdynai Pool Contract	means a contract for the construction of multifunctional Lazdynai Health Center at Erfurto g. 13 signed by a consortium of economic operators, including UAB Montuotojas on 5 June 2017.
Material Adverse Effect	means a material adverse effect on: (a) the business, financial condition or operations of the Issuer that results or is reasonably likely to result in a reduction of the Issuer's total assets or annual revenue by an amount equal to or greater than 25% (compared to the Issuer's most recent audited annual financial statements); or (b) the Issuer's ability to perform and comply with its obligations under this Information Document.
Maturity Date	means the date specified in the Final Terms when the Bonds shall be repaid in full at their nominal amount.
Minimum Investment Amount	means the minimum investment amount for the subscription of the Bonds as indicated in the Final Terms.
Nasdaq CSD	means Nasdaq CSD SE Lithuanian branch, legal entity code 304602060, having its address at Konstitucijos pr. 29-1, LT-08105 Vilnius, Lithuania.
Nasdaq Vilnius	means AB Nasdaq Vilnius, legal entity code 110057488, having its address at Konstitucijos per. 29, LT-08105, Vilnius, Lithuania.
Parent	means the closed-end private equity investment fund intended for professional investors INVL Baltic Sea Growth Fund (with registration code provided by the Bank of Lithuania P003).
Permitted Debt	means the types of Indebtedness that the Issuer and its subsidiaries are allowed to incur, as specifically enumerated and described in this Information Document.

Prospectus Regulation	means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as supplemented or amended from time to time.
Record date	means the 3 rd (third) Business Day preceding the due date for the payment.
Response	means the written reply from the Issuer to the Trustee's request for confirmation or denial of a potential Event of Default.
Settlement Agent	means the Depository participant specified in the Final Terms, in whose subscription account the Bonds will initially be book-entered.
Subscription Orders	means an order submitted by an Investor to subscribe for and purchase the Bonds during the Subscription Period.
Subscription Period	means the subscription period for each Tranche as specified in the Final Terms.
Subsidiary's Bonds	means the bonds of the Issuer's subsidiary UAB Montuotojas issued to Komandinė ūkinė bendrija Pagalbos verslui fondas in accordance with the Bond Subscription Agreement dated 30 June 2022.
Surety	means the conditional surety to be issued by the Parent, pursuant to a surety agreement to be signed by the Parent and the Trustee prior to the Issue Date, which secures the due and punctual payment of up to a maximum amount of EUR 8,000,000 payable by the Issuer in respect of the Bonds, subject to the terms and conditions set forth in the surety agreement.
Taxes	means any present or future taxes, duties, assessments or governmental charges of whatever nature.
Tranches	means a portion of the Bonds issued under this Information Document, where all Bonds within a single Tranche are subject to identical terms, except for potentially different Issue Dates and Issue Prices.
Trustee	means UAB AUDIFINA, a private limited liability company, legal entity code 125921757, with its registered address at A. Juozapavičiaus g. 6, LT-09310 Vilnius, Lithuania.

2. SUMMARY

2.1. Information Document

FERN Group, UAB (the **Company** or the **Issuer**) has prepared this information document (the **Information Document**) relating to the public offering of the Company's bonds (the **Bonds**) up to the maximum amount of EUR 8,000,000.

The Information Document prepared by the Company does not constitute a prospectus of securities as defined in Regulation No 2017/1129 of the European Parliament and of the Council (the **Prospectus Regulation**) and in the Republic of Lithuania Law on Securities, and it has not been and will not be approved by the Bank of Lithuania or any other regulatory authority.

Any decision to invest in the Bonds should be made by the Investor not only in accordance with this summary but also in accordance with the entire Information Document (including the Final Terms and the annexes to the Information Document).

The Information Document is dated 28 August 2024 and remains valid for 12 months from the date of its publication.

2.2. Background information on the Issuer

(a) Key data on the Issuer

The Issuer is FERN Group, UAB, a private limited liability company incorporated and operating under the laws of the Republic of Lithuania, legal entity number 306110392, registered office address: Juozo Balčikonio g. 3, Vilnius, Lithuania, telephone: +370 5 2332590, e-mail: bonds@fern.lt, website address: www.fern.lt.

(b) Principal activities of the Issuer

The Issuer is a holding company overseeing several subsidiaries: UAB Montuotojas, UAB Fern EPC and UAB Fern Production. The core activities of the Issuer and its subsidiaries (the **Group**) include:

- (i) development, production and installation of solutions for industrial construction, special installation works, technological equipment, pipelines, reservoirs, pressure vessels, steel structures, non-standard metal products and other metal products
- (ii) general contracting services in industrial construction, manufacturing, civil engineering, energy and related sectors.

(c) Issuer's shareholder

The sole shareholder of the Issuer, which owns 100% of the Company's share capital, carrying 100% of the votes at the General Meeting of Shareholders, is the closed-end private equity investment fund intended for professional investors INVL Baltic Sea Growth Fund, with registration code provided by the Bank of Lithuania P003 (the **Parent**), managed by management company UAB INVL Asset Management, incorporated and existing under the laws of the Republic of Lithuania, legal entity code 126263073, registered address at Gynėjų g. 14, Vilnius, Lithuania.

(d) Management of the Issuer

Vilija Zapalskienė is the Managing Director of the Company. The Company also has the Supervisory Council, which currently consists of Darius Šulnis and Vidas Venckus. The Management Board is not formed in the Company.

2.3. Basic information on the Bonds

Bonds	Up to 8,000 units of Bonds with a nominal value of EUR 1,000 each.
Surety	The Bonds will be secured by the Surety of the Parent. Please refer to Section 7.10 (<i>Surety</i>) for more details regarding the Surety.
Issue price	The Bonds may be issued at their nominal amount or at a discount or a premium to their nominal amount. The issue price shall be specified in the Final Terms.
Minimum investment amount	The Bonds will be offered for subscription for a minimum investment amount that will be specified in the Final Terms.
Interest	The Bonds will bear interest at a fixed annual interest rate as specified in the Final Terms.
Maturity	The Bonds shall be repaid in full at their nominal amount on the date which will be specified in the Final Terms. Each Tranche of Bonds may have a maturity up to 2 (two) years.
Early Redemption by the Issuer	The Issuer may redeem the Bonds, in whole but not in part after the first anniversary of the Issue Date at the price equal to (i) 101.00% of the principal amount of the Bonds together with the accrued interest, if redeemed between 12 and 18 months after the Issue Date or (ii) 100.00% (i.e. with no premium) if redeemed between 18 and 24 months after the Issue Date.
Early Redemption by the Bondholders	The Bondholders have no right to demand the redemption of the Bonds prior to Maturity Date, except the cases outlined in the Information Document.
Other terms of the Bonds	Please refer to other Sections of the Information Document.

2.4. Risk warning

Investing in the Bonds carries inherent risks. By purchasing the Bonds, the Investor assumes the risks outlined in the Information Document pertaining to both the Issuer and the Bonds. If any of these risks materialize, the Investor may not receive the expected return, or may incur partial or complete loss of their investment.

Investors are advised to carefully review the information contained in this Information Document, including the risk factors, before making a decision to purchase the Bonds. Nothing in this Information Document shall be construed as investment advice or a recommendation by the Issuer or any other person. The Issuer does not provide recommendations or advice on the purchase of the Bonds.

Investors should conduct their own inquiries into the possible legal risks and tax consequences associated with the issue of and investment in the Bonds. Each prospective Investor is encouraged to consult with their own financial, legal, business, or tax advisers to fully understand the benefits and risks associated with purchasing the Bonds.

3. IMPORTANT INFORMATION

3.1. Information Document

The Company has prepared this Information Document in connection with the offering of the Bonds to enable a potential Investor to evaluate the opportunity to invest in the Bonds. The information presented herein has been obtained from the Issuer and other sources referred to in the Information Document.

This Information Document should be read in conjunction with any subsequent updates and any other documents (if any) attached to or referenced herein.

3.2. Responsible persons

The information contained in this Information Document is the responsibility of the Issuer, i.e. FERN Group, UAB, legal entity number 306110392, registered office address Juozo Balčikonio g. 3, Vilnius, Lithuania. The Issuer assumes responsibility for the accuracy of information contained in this Information Document. To the best of the Issuer's knowledge and belief, as well as the reasonable belief of its manager, the information contained in this Information Document is accurate and does not omit any material details.

Vilija Zapalskienė
Managing Director of the Issuer

This document is signed electronically with secure electronic signatures containing time stamps.

3.3. Disclaimer

The Manager, along with the Company's or the Manager's legal adviser, bears no responsibility for the information contained in this Information Document or any of its parts, and does not assume any liability for the accuracy, completeness or interpretation of this information. Nothing contained in this Information Document or provided by the Company in connection with the Bond offering shall be construed as a warranty or representation, express or implied, made or given by the Manager or the legal adviser of any party. Neither the Company nor the Manager or the legal adviser assumes any responsibility for any information relating to the Bond offering, the Company or its business if such information is disseminated or otherwise made public by third parties in the context of the Bond offering or other facts. By participating in the Bond offering, Investors acknowledge that they are relying on their own assessment and analysis of this Information Document, as well as all publicly available information about the Company. Investors should also consider the risk factors that may affect the outcome of such an investment decision (as set out in Section 5 (*Risk Factors*)). Investors should not assume that the information contained in this Information Document remains accurate beyond the date of issuance of this Information Document. The delivery of this Information Document at any time after its date does not imply, under any circumstances, that there have been no changes in the Company's status since the date of this Information Document, nor does it assert the accuracy of the information contained herein beyond its issuance date. In the event of a dispute regarding this Information Document or the Bond offering, the claimant may be forced to resort to the courts of the Republic of Lithuania, and the claimant may, therefore, be liable to pay the relevant state fees in relation to this Information Document or the other documents of the Bond offering.

3.4. Presentation of financial information, information incorporated by reference

(a) Presentation of financial and other information

This Information Document incorporates by reference the unaudited interim consolidated financial statements of the Company for the period ended 30 June 2024, the audited financial statements of the Company for the period ended 31 December 2023 and for the period ended 31 December 2022. The financial statements of the Company have been prepared in accordance with the IFRS.

This Information Document is based on the details available as at 28 August 2024. Unless expressly stated otherwise, all information contained herein shall be construed as being correct as at the above date. Where reference is made to information other than information as at 28 August 2024, the relevant date shall be stated.

(b) Rounding of figures

In this Information Document, numerical and quantitative values (e.g. monetary values, percentage values, etc.) are given with such precision as the Company considers sufficient to provide adequate and sufficient information on the relevant matter. Quantitative values have sometimes been rounded off to the nearest reasonable decimal or whole number value to avoid excessive detail. As a result of rounding, some values given may not add up to the total. Exact figures are presented in the Company's financial statements where they contain relevant information.

(c) Third party information and market information

Information contained in certain parts of this Information Document may be sourced from third parties. In such cases, the Information Document will specify the origin of such information.

Such information, to the best of the Company's knowledge and to the extent verifiable from data published by third parties, has been accurately conveyed and no facts have been omitted which would render the conveyed information inaccurate or misleading.

Certain information relating to the markets in which the Company operates is based on the best judgment of the Company's management. Reliable market information on the industry in which the Company operates may not be available or may be incomplete. Despite taking all reasonable measures to assess, to the best possible extent, the pertinent market situation and industry information, it should be noted that such information may not be regarded as definitive or indisputable. Investors are advised to carry out their own research on the relevant market or to seek professional advice. Market share information reflects the views of the Company's management unless specifically stated otherwise.

(d) Statements of a predictive nature

This Information Document contains statements of a predictive nature. Such predictive statements are based on current expectations and forecasts of future events, which in turn are based on the best judgment of the Company's management. Certain statements are based on the beliefs of the Company's management, as well as assumptions made by the Company's management and currently available information. Any predictive statements included in this Information Document are subject to risks, uncertainties and assumptions relating to the Company's future performance, the macroeconomic environment, and other similar factors.

Such predictive statements may be identified by words such as '*strategy, expect, predict, plan, anticipate, believe, will be, continue, evaluate, assess, intend, project, goals, objectives, targets, would be, likely, foresee*', and other words and phrases with similar meanings. Predictive statements can also be identified by the fact that they are not strictly related to historical or current facts. Like any forecast or prediction, they are inherently subject to uncertainty and changes in circumstances, and the Company is therefore under no obligation, and expressly disclaims any obligation, to update or modify the predictive statements contained in this Information Document as a result of such changes, new information, subsequent events or otherwise.

The reasonableness and accuracy of any predictive statements are influenced by the competitive nature of the Company's operating environment. This business is affected by changes in domestic and foreign legislation, taxation, competition, economic, strategic, political and social conditions, and other factors. Changes in such factors may lead to substantial disparities between the Company's actual outcomes and the expectations of its management. Other factors and risks may adversely affect the Company's operations, business or financial results (for more information on the risks that may be identified and are considered significant as at the date of this Information Document, see Section 5 (*Risk factors*)).

(e) *Information incorporated by reference*

The following financial statements are incorporated by reference in this Information Document:

- the unaudited interim consolidated financial statements of the Company for the period ended 30 June 2024;
- the audited consolidated and Company's financial statements for the period ended 31 December 2023;
- the audited consolidated and Company's financial statements for the period ended 31 December 2022.

4. BASIC INFORMATION ON ISSUER

Name of the Issuer	FERN Group, UAB
Legal entity number	306110392
LEI code	984500F6608A7A94CC96
Legal form	Private limited liability company (in Lithuanian – <i>uždaroji akcinė bendrovė</i>)
Country of registration	Lithuania
Date of registration with the Register of Legal Persons / date of incorporation	5 July 2022
Period of operation	Indefinite
Main legislation governing the Issuer's activities	The Civil Code of the Republic of Lithuania, the Law on Companies, other legal acts of the Republic of Lithuania
Registered address	Juozo Balčikonio g. 3, Vilnius, Lithuania
Contact phone number	+370 5 2332590
E-mail	bonds@fern.lt
Website	www.fern.lt

The Issuer's website hosts various documents, including but not limited to the following:

- (a) Information Document;
- (b) Articles of Association of the Issuer;
- (c) Financial statements of the Issuer;
- (d) Investor presentation;
- (e) Investment teaser.

5. RISKS RELATED TO ISSUER AND SECURITIES BEING ISSUED

The following discloses certain risk factors that may affect the Issuer's ability to meet its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer cannot express any opinion as to the likelihood of the occurrence of any of these contingencies. In addition, the following describes the factors that are relevant for assessing the risks associated with the Bonds. The risks outlined below may adversely affect the Issuer and, in severe instances, may result in the Issuer's insolvency and a violation of the covenants established under the Bonds.

Investors should carefully review and consider the following risk factors and other information contained in this Document before making a decision to purchase/subscribe for the Bonds. If one or more of the risks described below were to occur, it could have a material adverse effect on the Issuer's business and prospects. In addition, if any of these risks were to occur, the market value of the Bonds and the likelihood that the Issuer will be able to meet its monetary obligations under the Bonds could decline, in which case the Bondholders could lose all or part of their investment. Additional risks and uncertainties that are not currently known to the Issuer, or that the Issuer currently considers to be immaterial, could also impair the Issuer's business and have a material adverse effect on its cash flows, financial performance, and financial position. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Issuer's cash flows, financial performance, and financial condition.

5.1. Risks related to Issuer

RISK	DESCRIPTION
Geopolitical risk	Lithuania's geographical location in Eastern Europe may expose the Issuer to geopolitical tensions or conflicts that could disrupt demand for the Group's services. These factors could adversely affect Issuer's ability to meet its obligations.
Public tender risk	The Group's growth and revenue projections may rely significantly on winning and converting public tenders. However, there is no guarantee that the Group will successfully secure these contracts, as public tenders are often highly competitive. Failure to win or convert key public tenders could lead to lower-than-expected revenue, adversely affecting the Issuer's financial stability.
Labor market risk	The Group may face challenges in recruiting and retaining skilled labour due to a shrinking workforce in Lithuania. Labor shortages or increased labour costs could affect Issuer's operational efficiency and profitability.
Commodity price volatility	The Group's operations depend heavily on raw materials such as metals, and other commodities, whose prices can be highly volatile. Significant fluctuations in commodity prices could lead to increased production costs and reduced profit margins, impacting the Issuer's financial performance.
Backlog adjustment risk	The Issuer's backlog, while representing future revenue potential, is subject to unexpected adjustments if a client were to default and therefore, not continue with planned projects. Such changes could reduce expected revenues and negatively impact Issuer's financial performance.
Safety and security risk	The employees of the Group often work in high-risk areas. Failure to ensure a safe work environment could lead to serious injuries, legal liabilities, and financial losses. Security threats in certain locations could also disrupt operations and impact project outcomes.
Payment delay risk	The Group is exposed to the risk of clients delaying payments, which could lead to cash flow issues. Late payments from clients may also increase the Issuer's

reliance on external financing, thereby raising financial costs and affecting profitability.

Refinancing risk

The Issuer may be required to refinance certain or all of its outstanding debt, including the Bonds. Funds required to cover the payments related to the Bonds and any other outstanding debt shall be accumulated from inflows from subsidiaries and other inflows, as well as potential other debt capital fundraisings. The Issuer's ability to successfully refinance its debt depends on the conditions of debt capital markets and its own financial condition. The Issuer's inability to refinance its debt obligations on favourable terms, or at all, could have a negative impact on the Group's operations, financial condition, earnings. In the event that the Surety does not cover the full amount of the Bonds, this may affect the Bondholders' recovery under the Bonds.

Risk of litigation

The Issuer may be involved in legal disputes in the future as a result of its activities. An adverse resolution of the dispute against the Issuer could potentially impact its business operations, financial status, and reputation in a negative manner. This may affect the Issuer's ability to properly discharge its obligations to the Bondholders, and the attractiveness and liquidity of the Bonds.

Tax risk

The introduction of new taxes relating to the Issuer's activities or changes in applicable taxes may adversely affect the Issuer's performance.

5.2. Risk related to Bonds

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

Unsuitability of the Bonds for some Investors

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

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

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

Surety-related risk factors

The Bonds will be secured by the Surety of the Parent. This Surety is conditional and covers a maximum amount of EUR 8 million. There are no other collateral or guarantees provided by the Issuer or third parties. The Surety securing the issue does not ensure that, in the event of a default by the Issuer, the Surety can be enforced in such a manner or that its value is high enough to fully satisfy all claims of the Bondholders. In case the Bonds are issued in full and the Issuer encounters financial difficulties or defaults, there is a risk that the Surety may not be sufficient to repay all outstanding amounts (if such amounts are more than EUR 8 million), potentially exposing Bondholders to losses. Additionally, Investors should note that in such a case the Trustee will need to be compensated for its functions, and this compensation will be drawn from the abovementioned maximum amount, potentially reducing the funds available for distribution to the Bondholders.

Changes in the Issuer's financial position

Any adverse change in the Issuer's financial condition or prospects may have a significant adverse effect on the liquidity of the Bonds and may result in a material decrease in the market price of the Bonds.

Potentially unfavourable decisions of Bondholders' Meetings

The laws applicable to the issue of the Bonds provide for the possibility of resolving certain matters at Bondholders' Meetings. Attendance of all Bondholders at the Meeting or unanimous approval from all Bondholders is not necessary for the decision to be adopted at the Bondholders' Meeting. Accordingly, the decisions made at the Bondholders' Meeting will be binding and effective for all Bondholders, including those who abstained or opposed the decision.

No voting rights

Only shareholders of the Issuer have the right to vote at the Issuer's General Meetings. The Bonds do not confer such voting rights. Therefore, the Bondholders may not influence any decisions of the Issuer's shareholders relating, for example, to the Issuer's capital structure, commitments, or other transactions.

Risk of early redemption of the Bonds

Under the terms of the issue, the Bonds may be redeemed prior to the specified maturity date at the discretion of the Issuer. If the Issuer exercises the early redemption right, the return on investment in the Bonds may be lower than originally expected.

Changes in the legal and tax environment

The legal and tax environment relevant to the Bond issue may change. Bondholders may face additional expenses, procedural requirements, and diminished returns on their investment in the Bonds.

Interest rate risk

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

Transaction costs/charges

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

6. PURPOSE OF ISSUE OF SECURITIES. USE OF FUNDS

Securities being issued and the total amount of funds the Issuer seeks to raise	Up to 8 000 units of the Bonds with a nominal value of EUR 1,000 each. Accordingly, the aggregate (maximum) amount of funds the Issuer seeks to raise is up to EUR 8,000,000.
The main purpose of the securities issuance	The Bonds are being issued for the purpose of raising capital for the Group's debt refinancing, financial arrangements with the Parent, and general corporate needs.
Description of the intended target investor group(s) who are granted the right to subscribe to the issued securities, the country (or countries) where the public offering of securities is planned	<p>The Bonds are intended to be offered to both retail and institutional investors.</p> <p>The public offering of the Bonds is planned to take place in Lithuania, Latvia and Estonia.</p>
Estimated net amount of funds to be received (after deducting the offering expenses), categorised by the intended purposes of fund utilisation	<p>The total gross proceeds from the issue of the Bonds are expected to be EUR 8,000,000. After deducting estimated offering expenses, the projected net funds are anticipated to be EUR 7,840,000.</p> <p>The Issuer intends to utilize the net proceeds as follows:</p> <ul style="list-style-type: none">(a) approximately EUR 5,000,000 will be allocated towards refinancing of obligations of UAB Montuotojas, a subsidiary of the Issuer, to its creditor Komanditinė ūkinė bendrija Pagalbos verslui fondas. Refinancing will be effected through redemption of all outstanding bonds issued by UAB Montuotojas and subscribed by Komanditinė ūkinė bendrija Pagalbos verslui fondas in accordance with Bond Subscription Agreement dated 30 June 2022 (the Subsidiary's Bonds). For this purpose, the Issuer shall lend the relevant funds to its subsidiary UAB Montuotojas in accordance with the intra-group loan agreement. Depending on the agreement with the subscriber of the Subsidiary's Bonds, the relevant amount might be transferred by the Issuer directly to Komanditinė ūkinė bendrija Pagalbos verslui fondas on behalf of UAB Montuotojas for the purpose of the redemption of the Subsidiary's Bonds;(b) approximately EUR 550,000 will be allocated towards repayment of the loan of the Issuer to the Parent;(c) the remaining part in approximately EUR 2,290,000 will be allocated for general corporate purposes of the Group.

The figures provided are projections and may be subject to change.

7. GENERAL TERMS AND CONDITIONS OF SECURITIES OFFERED

7.1. Principal amount and issuance of Bonds

Under this Information Document the Issuer may issue bonds up to an aggregate principal amount of EUR 8,000,000 (eight million euros) (the **Bonds**).

The Bonds may be issued in one or more tranches (the **Tranches**). The Bonds of each Tranche shall all be subject to identical terms, except that the Issue Dates (as defined below) and the Issue Prices (as defined below) thereof may be different in respect of different Tranches.

In order to identify each Tranche, the Final Terms (as defined below) shall stipulate a serial number of the respective Tranche.

The terms and conditions of each Tranche shall consist of these general terms and conditions of the Bonds (the **General Terms and Conditions**) and the final terms (the **Final Terms**). The General Terms and Conditions shall apply to each Tranche.

Each Final Terms shall be approved by the resolution of the sole shareholder of the Issuer.

The aggregate principal amount of a Tranche shall be specified in the Final Terms. Prior to allocation of the Bonds to the holders of the Bonds (the **Bondholders**) and subject to supplements or amendments to the Final Terms, the Issuer may increase or decrease the aggregate principal amount of a Tranche as set out in the Final Terms.

The nominal amount of each Bond shall be specified in the Final Terms.

The Bonds shall be offered for subscription for a minimum investment amount that shall be specified in the Final Terms (the **Minimum Investment Amount**).

7.2. Form of Bonds and ISIN

The Bonds are freely transferable non-convertible debt securities, which contain payment obligations of the Issuer towards the Bondholders.

The Bonds are dematerialized debt securities in dematerialized form which are disposable without any restrictions and can be pledged. However, the Bonds cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including the United States, Australia, Japan, Canada, Hong Kong, South Africa, Singapore, Russia, Belarus and certain other jurisdictions. In addition, the Bondholders are prohibited to resell, transfer or deliver the Bonds to any person in a manner that would constitute a public offer of securities.

The Bonds shall be registered with the Lithuanian branch of Nasdaq CSD SE (the merged central securities depository of the Republic of Lithuania, Latvia and Estonia) – Nasdaq CSD SE Lietuvos filialas, legal entity code 304602060, having its address at Konstitucijos pr. 29-1, LT-08105 Vilnius, Lithuania (**Nasdaq CSD**), which operates a central security depository in the Republic of Lithuania (the **Depository**). Entity to be in charge of keeping the records will be the Manager. The Bonds shall be valid from the date of their registration with Nasdaq CSD until the date of their redemption. No physical certificates will be issued to the Bondholders.

ISIN of the Bonds shall be specified in the Final Terms.

7.3. Status

The Bonds constitute direct and unsubordinated obligations of the Issuer ranking *pari passu* without any preference among each other and with all other unsecured and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

In case of insolvency of the Issuer, the Bondholders shall be entitled to recover their investment on the same terms as other creditors in the respective claims' group according to the applicable laws. Save for mandatory provisions of the applicable laws, there are no contracts or other transaction documents that would subordinate the claims of the Bondholders to other secured or unsecured liabilities of the Issuer.

7.4. Currency of Bonds

The Bonds shall be issued in EUR.

7.5. Issue price and yield

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

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

7.6. Issue date

The issue date of each Tranche (the **Issue Date**) shall be specified in the Final Terms.

7.7. Payments to Bondholders

Payments of amounts (whether principal, interest or otherwise, including on the final redemption) due on the Bonds will be made to the Bondholders thereof, as appearing in Nasdaq CSD on the 3rd (third) Business Day preceding the due date for such payment (the **Record Date**). Payment of amounts due on the final or early redemption of the Bonds will be made simultaneously with deletion of the Bonds.

The Bondholders shall not be required to provide any requests to redeem the Bonds, as the principal amount and interest accrued shall be paid through the Depository in accordance with the applicable rules of the Depository.

If the due date for any payment in relation to the Bonds is not a Business Day, the Bondholder thereof will not be entitled to payment thereof until the next following Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these General Terms and Conditions.

Business Day means a day on which the Depository system open and operational.

7.8. Interest

The Bonds shall bear interest at fixed interest rate (the **Interest**) which shall be determined by the Issuer and specified in the Final Terms.

The Interest shall be paid on the dates specified in the Final Terms (the **Interest Payment Date**) until the Maturity Date (as defined below).

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

consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Maturity Date.

Interest shall be calculated on 30E/360 basis. Interest is being calculated by rounding up to two decimal places per each Bond and the interest payment shall be determined according to the following formula:

$CPN = F * C * n/360$ where;

CPN – amount of an interest in EUR;

F – principal amount of Bond outstanding;

C – annual interest rate payable on the Bond;

n – number of days since the Issue Date or the last Interest Payment Date (as applicable) calculated on 30-day month basis.

Interest on the Bonds shall be paid in accordance with Section 7.7 (*Payments to Bondholders*).

7.9. Redemption

(a) Scheduled redemption at maturity

The Bonds shall be repaid in full at their nominal amount on the date which shall be specified in the Final Terms (the **Maturity Date**), unless the Issuer has prepaid the Bonds in accordance with point (b) below (*Early optional redemption by Issuer*) or Section 7.15 (*Events of Default*).

(b) Early optional redemption by Issuer

The Issuer may redeem the Bonds, in whole but not in part after the first anniversary of the Issue Date at the price equal to (i) 101.00% of the principal amount of the Bonds together with the accrued interest, if redeemed between 12 and 18 months after the Issue Date or (ii) 100.00% (i.e. with no premium) if redeemed between 18 and 24 months after the Issue Date.

Redemption under this point ((b) shall be made by the Issuer by giving 30 (thirty) days' notice to the Bondholders and Trustee in accordance with Section 7.18 (*Notices*).

The Issuer shall have the right to redeem the Bonds before the Maturity Date without any premium in case the Bondholder breaches or there is a reasonable concern that the Bondholder might breach anti-money laundering or sanction regulations. The Issuer or the Manager at any time are entitled to request any of the Bondholders directly or through the Trustee to provide necessary documents for the Issuer or the Manager to perform sanction screening or other verification checks so as to implement sanction and/or anti-money laundering requirements. The Bondholders undertake to submit the requested documents or information within the time period set by the Issuer or the Manager.

7.10. Surety

Timely payment, discharge and performance of the Bonds issued by the Issuer shall be guaranteed to the Bondholders by the Issuer's Parent up to a maximum amount of EUR 8 million, in accordance with the conditional surety agreement to be concluded with the Trustee prior to the Issue Date (the **Surety**).

The Surety shall be conditional and come into effect only after (i) the Issuer repays EUR 550,000 to its Parent and (ii) UAB Montuotojas, a subsidiary of the Issuer, redeems the Subsidiary Bonds (both these repayments will be made from the proceeds received from the Bonds issuance as it is further explained in Section 6 (*Purpose of issue of securities. Use of funds*)).

The Surety shall be granted only for the benefit of the Bondholders. However, only the Trustee shall exercise the rights under the Surety and only the Trustee shall have the right to enforce the Surety. The Bondholders shall not have any independent power to enforce the Surety or to exercise any rights or powers arising under the Surety.

The Trustee shall take all actions that the Trustee may reasonably take with the purpose to enforce the Surety according to the procedure provided for in the Surety and applicable laws in case:

- (a) the obligations of the Issuer towards the Bondholders are not performed in accordance with their respective terms; and
- (b) the meeting of the Bondholders of the Issuer convened following the requirements and procedure set forth in applicable laws and this Information Document (the **Bondholders' Meeting**) has adopted a decision to enforce the Surety.

7.11. Taxation

All payments in respect of the Bonds by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (the **Taxes**), unless the withholding or deduction of the Taxes is required by laws of the Republic of Lithuania. In such case, the Issuer shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities in accordance with the applicable laws for the amount so required to be withheld or deducted. The Issuer shall not be obligated to make any additional compensation to the Bondholders in respect of such withholding or deduction.

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

7.12. Admission to trading

The Issuer shall submit an application regarding inclusion of each Tranche in the alternative market First North of AB Nasdaq Vilnius, legal entity code 110057488, having its address at Konstitucijos pr. 29, LT-08105 Vilnius, Lithuania (**Nasdaq Vilnius**). An application shall be prepared according to the requirements of Nasdaq Vilnius and shall be submitted to Nasdaq Vilnius within 3 (three) months after the Issue Date of the respective Tranche.

The Issuer shall use its best efforts to ensure that the Bonds remain admitted to the alternative market First North of Nasdaq Vilnius. The Issuer shall, following an admission to trading, take all reasonable actions on its part required as a result of such admission to trading of the Bonds.

The Issuer shall cover all costs which are related to the admission of the Bonds to the alternative market First North of Nasdaq Vilnius.

7.13. Undertakings

The undertakings in this Section remain in force from the Issue Date and for as long as any Bonds are outstanding.

(a) Indebtedness restrictions

The Issuer shall not, and shall not permit any of its Subsidiaries to, create, incur, assume otherwise become liable with respect to any Indebtedness, save for the Permitted Debt.

Indebtedness means any indebtedness (whether principal, premium, interest or other amounts) in respect of any borrowed money. Indebtedness also includes any guarantees or sureties where the Issuer or any of its subsidiaries is responsible for the repayment of borrowed money or financial obligations incurred by third

parties. Additionally, Indebtedness includes any liabilities arising from factoring arrangements, whether with recourse or non-recourse, entered into by the Issuer or any of its subsidiaries.

Permitted Debt means incurrence of any of the following items of Indebtedness:

- (i) incurred under or in connection as a result of issuance of Bonds by the Issuer under this Information Document;
- (ii) Indebtedness incurred in the ordinary course of business of the Issuer;
- (iii) intercompany Indebtedness incurred by the Issuer and/or direct or indirect subsidiaries, including any loans from the Parent;
- (iv) guarantees or sureties provided by the Issuer or any Subsidiary for the benefit of any member of the Group;
- (v) incurred in order to fully refinance the Bonds;
- (vi) other Indebtedness incurred by the Issuer or any of its Subsidiaries in an aggregate principal amount not to exceed EUR 500,000 at any time outstanding during the term of the Bonds.

(b) Dividends restrictions

The Issuer covenants that it shall not declare or pay any dividends, or make any other distributions, whether in cash, stock, or property, to its shareholders, except as permitted under this covenant.

The Issuer may declare and pay dividends, or make any other distributions only if all of the following conditions are met:

- (i) the Issuer is in compliance with the financial covenants set out under Section 7.14 (*Financial covenants*) and dividends declaration or payment will not affect Issuer's ability to meet covenants, meaning that after dividends payment covenants will still be fulfilled;
- (ii) no Event of Default has occurred and is continuing, or would result from the payment of such dividends or distributions.

(c) Disposal of assets

The Issuer shall not sell or otherwise dispose of all or substantial part of its assets or operations, unless such transaction would not have a Material Adverse Effect.

(d) De-mergers

The Issuer shall not carry out any de-merger or other corporate reorganization involving a split of the Issuer into two or more separate companies or entities, unless such de-merger would not have a Material Adverse Effect.

(e) Mergers

The Issuer shall not carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of the Issuer with any other companies or entities, unless such merger would not have a Material Adverse Effect.

(f) Subordination of loans

In accordance with the loan agreements concluded with the Parent, the Issuer owes to the Parent in total EUR 7.2 million. For as long as any Bonds are outstanding, the Issuer undertakes to subordinate part of the loans from the Parent to the Bonds as follows: (i) EUR 4.4 million of the principal amount will be subordinated and (ii) EUR 1 million of accrued interest will be subordinated. The total subordinated amount shall be EUR 5.4 million.

(g) Information disclosure

The Issuer shall prepare and make available through its website (www.fern.it) and Nasdaq:

- (i) its unaudited consolidated semi-annual financial statements within 60 days after the end of the first half of each financial year;
- (ii) audited consolidated annual financial statements within 120 days after the end of each financial year.

All financial statements shall be prepared in accordance with IFRS.

7.14. Financial covenants

The Issuer undertakes to comply with the following financial covenants from the Issue Date and for as long as any Bonds are outstanding.

- (i) **Interest coverage ratio:** The Issuer shall maintain an Interest Coverage Ratio (ICR) of at least 2.00. The ICR is calculated as the ratio of Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) to the Issuer's actually paid interest expenses for the last 12 months. For the avoidance of doubt, when calculating the ICR, only interest that has been actually paid is included. Interest that is accrued but not paid out is not included in this covenant calculation. This ratio shall be calculated twice per year based on the semi-annual unaudited consolidated financial statements and the audited annual consolidated financial statements.
- (ii) **Equity ratio:** The Issuer shall maintain an equity ratio (including subordinated debt and subordinated accrued interest) of at least 25%. The equity ratio is calculated as the ratio of total equity to total assets, expressed as a percentage, for the latest reporting date. This ratio shall be calculated twice per year based on the semi-annual unaudited consolidated financial statements and the audited annual consolidated financial statements.

7.15. Events of Default

The Bondholders' Meeting shall have the right but not the obligation to demand immediate redemption of the Bonds held by the Bondholders upon occurrence of any of the following events (an **Event of Default**):

- (i) **Non-payment:** Any amount of Interest on or principal of the Bonds has not been paid within 10 (ten) Business Days from the relevant due date;
- (ii) **Breach of financial covenants:** The Issuer does not comply with any financial covenant set out in Section 7.14 (*Financial covenants*) above, unless the non-compliance is remedied as follows (i) if the breach occurs based on semi-annual results, it must be remedied by the next annual audited results; (ii) if the breach occurs based on annual results, it must be remedied by the next semi-annual results. The remediation of the breach of financial covenants must be reflected in the financial statements of the respective period;
- (iii) **Breach of other obligations:** The Issuer does not comply with the General Terms and Conditions in any other way than as set out under point (i) (*Non-payment*) above or point (ii) (b) (*Breach of financial*

covenants) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within 10 (ten) Business Days after the Issuer becoming aware of the non-compliance;

- (iv) **Insolvency:** The Issuer is declared bankrupt by a final decision of a court or admits inability to pay its debts; (ii) the Issuer enters into any arrangement with majority of its creditors by value in relation to restructuring of its debts or any meeting is convened to consider a proposal for such arrangement; or (iii) an application to initiate insolvency, restructuring or administration of the Issuer, or any other proceedings for the settlement of the debt of the Issuer or is submitted to the court by the Issuer;
- (v) **Cross default:** Any outstanding Indebtedness of the Issuer or any of the Subsidiary in a minimum aggregated total amount of EUR 1,000,000 or its equivalent in any other currency, is accelerated prematurely because of a material default, or if any such Indebtedness is not paid or repaid on the due date thereof or within any applicable grace period after the due date. For the avoidance of doubt, this cross default provision shall not be triggered by technical or minor breaches, or by non-payment related covenant breaches;
- (vi) **Cessation of business:** The Issuer or any of its Subsidiary cease to carry on its current business in its entirety or a substantial part thereof, other than: (i) pursuant to any sale, disposal, demerger, amalgamation, reorganization or restructuring or any cessation of business in each case on a solvent basis and within the Group, or (ii) for the purposes of, or pursuant to any terms approved by the Bondholders' Meeting;
- (vii) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 (thirty) calendar days of commencement or, if earlier, the date on which it is advertised) in relation to:
 - winding-up, dissolution, administration, insolvency or legal protection proceedings (in and out of court) (in Lithuanian: *nemokumas, likvidavimas, bankrotas, restruktūrizavimas*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer or any of the Subsidiary;
 - the appointment of a liquidator, receiver, administrator, administrative receiver or other similar officer in respect of the Issuer or any of the Subsidiary or any of its assets; or iii. any analogous procedure or step is taken in any jurisdiction in respect of the Issuer or any of the Subsidiary.

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

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

If the Trustee becomes aware of a potential Event of Default from sources other than the Issuer, it shall have the right to seek confirmation or denial from the Issuer by sending a relevant request. The Issuer must respond to such a request in writing (the **Response**). If the Issuer within 5 (five) Business Days from the receipt of the Trustee's request:

- (i) does not provide the Response, the Event of Default shall be considered to have occurred on the day following the expiration of the abovementioned 5 (five) Business Day period;
- (ii) provides the Response explaining the reasons why the Event of Default has not occurred (supported with relevant evidence), the Event of Default shall be considered not to have occurred, unless the Bondholders' Meeting declares otherwise as specified below.

If the Issuer does not provide the Response or the Bondholders' Meeting declares the occurrence of the Event of Default, and due to this the Bondholders' Meeting, in accordance with the procedure established by the law, adopts a decision by a qualified majority of no less than 3/4 of the Bondholders participating in the Bondholders' Meeting and having a voting right to demand early redemption of the Bonds, the Issuer within 10 (ten) calendar days upon receiving the respective decision of the Bondholders' Meeting from the Trustee shall redeem all outstanding Bonds from all the Bondholders holding them on the Record Date by paying the outstanding principal amount of the Bonds and the Interest accrued on the Bonds, but without any premium or penalty. Interest on the Bonds accrues until the prepayment date (excluding the prepayment date).

If the Bondholders' Meeting does not adopt a decision as prescribed above within 3 (three) months after the occurrence of the Event of Default, the Bondholders shall lose the right to demand early redemption of the Bonds in accordance with this Section.

7.16. Force majeure

The Issuer, the Manager, Nasdaq CSD or any other person involved in the offering (the **Affected Party**) shall be entitled to postpone the fulfilment of its obligations hereunder, in case the performance is not possible due to continuous existence of any of the following circumstances:

- (i) action of any authorities, war or threat of war, rebellion or civil unrest;
- (ii) disturbances in postal, telephone or electronic communications which are due to circumstances beyond the reasonable control of the Affected Party and that materially affect operations of the Affected Party;
- (iii) any interruption of or delay in any functions or measures of the Affected Party as a result of fire or other similar disaster;
- (iv) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Affected Party; or
- (v) any other similar force majeure or hindrance which makes it unreasonably difficult to carry on the activities of the Affected Party.

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

7.17. Purchases by Issuer and related parties

The Issuer and the related parties may at any time purchase the Bonds in any manner and at any price in the secondary market (the related parties of the Issuer may purchase the Bonds in the primary market as well). Such Bonds may be held, resold or surrendered by the purchaser through the Issuer for cancellation. Bonds held by or for the account of the Issuer or any related party for their own account shall not carry the right to vote at the Bondholders' Meeting and shall not be taken into account in determining how many Bonds are outstanding.

7.18. Notices

For so long as the Bonds are not admitted to trading on Nasdaq Vilnius, all notices and reports to the Bondholders shall be published on the website of the Issuer (www.fern.lt). Any notice or report published in such manner shall be deemed to have been received on the same Business Day when it is published.

As of the day when the Bonds are admitted to trading on Nasdaq Vilnius, all notices and reports to the Bondholders shall be published on Nasdaq Vilnius information system, as well as on the website of the Issuer

(www.fern.lt). Any notice or report published in such manner shall be deemed to have been received on the same Business Day when it is published.]

7.19. Trustee

Following the requirements of the Law on Protection of Interests of Bondholders of Public Limited Liability Companies and Private Limited Liability Companies of the Republic of Lithuania (the **Law on Protection of Interests of Bondholders**), on 28 August 2024 the Issuer has concluded the Agreement on Bondholders' Protection (the **Agreement on Bondholders' Protection**) with UAB AUDIFINA, a private limited liability company, legal entity code 125921757, with its registered address at A. Juozapavičiaus g. 6, LT-09310 Vilnius, Lithuania (the **Trustee**). In accordance with this agreement, the Trustee shall safeguard the interests of the Bondholders in their relations with the Issuer. The Trustee, acting on behalf of and for the benefit of the Bondholders, shall also enforce the Surety. For the avoidance of doubt, the Trustee is a representative of all Bondholders.

Contact details of the Trustee are the following:

E-mail: info@audifina.lt

Representative: Vidmantas Satkus

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

Each Bondholder is entitled to receive a copy of the Agreement on Bondholders' Protection concluded between the Issuer and the Trustee, applying via an e-mail of the Trustee (info@audifina.lt).

The Agreement on Bondholders' Protection expires:

- (i) when the Issuer fulfils all its obligations to the Bondholders;
- (ii) upon redemption of the Bonds by the Issuer on the Maturity Date or earlier, as provided and to the extent permitted hereunder;
- (iii) the Trustee ceases to meet the requirements established for a Trustee in the Law on Protection of Interests of Bondholders, including but not limited to when the Trustee acquires a status of "bankrupt" or "in liquidation";
- (iv) if other conditions established in the Law on Protection of Interests of Bondholders, the Civil Code of the Republic of Lithuania, the Law on Insolvency of Legal Entities of the Republic of Lithuania and the Agreement on Bondholders' Protection exist.

Main rights of the Trustee:

- (i) to receive a list of Bondholders from the Issuer;
- (ii) to receive a copy of the decision to issue the Bonds;
- (iii) to get acquainted with the documents and information which are necessary to fulfil its functions and to receive the copies of such documents;
- (iv) after having obtained the consent of the Bondholders' Meeting, to conclude contracts with third parties when it is necessary to ensure the protection of the interests of the Bondholders;
- (v) to bring an action to the court or other competent authorities for the purpose of safeguarding the rights of the Bondholders.

Main obligations of the Trustee:

- (i) to take actions in order that the Issuer fulfilled its obligations towards the Bondholders;
- (ii) to convene the Bondholders' Meetings;
- (iii) to publish information regarding the Bondholders' Meetings being convened under procedure of the Law on Protection of Interests of Bondholders;
- (iv) to provide the Bondholders' Meetings with all relevant documents and information;
- (v) to provide the Bondholders' Meeting, in which the question is being addressed regarding approval of the enforcement measures in respect of Issuer's outstanding commitments to Bondholders, the recommendatory opinion, whereby the reasoned opinion to approve or reject the enforcement measures suggested by the Issuer is provided;
- (vi) to execute the decisions of the Bondholders' Meetings;
- (vii) no later than within 5 (five) Business Days as from the day of receipt of a request of the Bondholder to provide information, to gratuitously present all the information about the Issuer, the Programme or other information related to the protection of his/her/its/their interests;
- (viii) no later than within 3 (three) Business Days from the receipt date of the Bondholder's request to provide a copy of the Agreement on Bondholders' Protection and the Surety free of charge;
- (ix) to provide the Bondholders with all other information related to the protection of their interests;
- (x) no later than on the next Business Day to inform the Issuer that the Trustee has lost the right to provide audit services (in this particular case) or acquired legal status "in bankruptcy" or "in liquidation".

7.20. Decisions of Bondholders

(a) General provisions

The Bondholders shall have the following main rights:

- (i) to receive the principal amount and the interest accrued (and the premium, if applicable) on the Maturity Date, or if applicable, before the Maturity Date;
- (ii) to sell or transfer otherwise all or part of the Bonds only strictly following the General Terms and Conditions and applicable laws;
- (iii) to bequeath all or part of owned Bonds to the ownership of other persons (applicable only towards natural persons);
- (iv) to pledge all or part of the Bonds owned;
- (v) to participate in the Bondholders' Meetings;
- (vi) to vote in the Bondholders' Meetings;
- (vii) to initiate the convocation of the Bondholders' Meetings following the procedure and in cases provided for in the Law on Protection of Interests of Bondholders;
- (viii) to adopt a decision to convene the Bondholders' Meeting following the procedure and in cases provided for in the Law on Protection of Interests of Bondholders;

- (ix) to obtain (request) the information about the Issuer, the Programme of Bonds or other information related to the protection of his/her/its interests from the Trustee;
- (x) to receive a copy of the Agreement on Bondholders' Protection and Collateral Agreement;
- (xi) other rights, established in the applicable laws, the Trustee Agreement or in the constitutional documents of the Issuer.

No Bondholder shall be entitled to exercise any right of set-off against moneys owed by the Issuer in respect of the Bonds. The rights of Bondholders shall be executed during the term of validity of Bonds as indicated in these Terms and Conditions and applicable Lithuanian laws. More detailed rights of the Bondholders, rights and obligations of the Trustee being a representative of Bondholders is provided in the Agreement on Bondholders' Protection.

(b) Bondholders' Meetings

The right to convene the Bondholders' Meeting shall be vested in the Trustee, the Bondholders who hold no less than 1/10 of the Bonds of the Programme, providing voting right in the Bondholders' Meeting and the Issuer. As a general rule, the Bondholders' Meetings are convened by a decision of the Trustee. The Bondholders and Trustee shall have the right to attend the Bondholders' Meetings. The Trustee must attend the Bondholders' Meeting in cases when the Bondholders who hold no less than 1/10 of the Bonds of the Programme providing voting right in the Bondholders' Meeting approve such a need. The CEO of the Issuer or its authorised person may also attend the Bondholders' Meeting, unless the Bondholders who hold no less than 1/10 of the Bonds of the Programme providing voting right in the Bondholders' Meeting contradict thereto.

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

A notice of convocation of the Bondholders' Meeting no later than 15 (fifteen) Business Days before the date of the Bondholders' Meeting shall be published on the website of the Issuer. If any of the Bondholders expressed his/her/its request to get notifications on the convocation of the Bondholders' Meetings via e-mail and provided the e-mail address, the notice of convocation of the Bondholders' Meeting no later than 15 (fifteen) Business Days before the date of the Bondholders' Meeting shall also be send via the indicated e-mail through Trustee. The notice of convocation of the Bondholders' Meeting shall specify the details of the Issuer, the ISIN of the Bonds, time, place and agenda of the meeting.

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

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

A Bondholders' Meeting may take decisions and shall be held valid if attended by the Bondholders who hold more than 1/2 of the issued Bonds, providing voting right in the Bondholders' Meeting. After the presence of a quorum has been established, the quorum shall be deemed to be present throughout the Bondholders' Meeting. If the quorum is not present, the Bondholders' Meeting shall be considered invalid and a repeated Bondholders' Meeting shall be convened.

A repeated Bondholders' Meeting shall be convened after the lapse of at least 5 (five) Business Days and not later than after the lapse of 10 (ten) Business Days following the day of the Bondholders' Meeting which was not held. The Bondholders must be notified of the repeated Bondholders' Meeting not later than 5 (five) Business Days before the repeated Bondholders' Meeting following the order, indicated above. 1 (one) Bond carries 1 (one) vote. A decision of the Bondholders' Meeting shall be considered taken if more votes of the Bondholders, participating in the Bondholders' Meeting and having a voting right have been cast for it than against it, unless the Law on Protection of Interests of Bondholders requires a larger majority.

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

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

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

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

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

Disputes regarding the decisions adopted in the Bondholders' Meetings shall be settled in the courts of the Republic of Lithuania.

7.21. Governing law and dispute resolution

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

Any disputes relating to or arising in relation to the Bonds shall be settled solely by the courts of the Republic of Lithuania.

8. OFFERING OF SECURITIES

8.1. General structure of offering

The offering consists of a public offering of the Bonds to retail investors and institutional investors (each an **Investor**) in the Republic of Lithuania, the Republic of Latvia and in the Republic of Estonia.

For the purposes of the public offering, only such prospective Investors will be eligible to participate in the offering who at or by the time of placing their orders have opened securities accounts with entities of their choice, which are licensed to provide such services within the territory of the Republic of Lithuania, the Republic of Latvia or the Republic of Estonia and which are members of Nasdaq Vilnius or have relevant arrangements with a member of Nasdaq Vilnius. The list of the members of Nasdaq Vilnius is available here: <https://nasdaqbaltic.com/statistics/en/members>).

The public offering shall be structured in the following order:

- (i) the subscription of each of the Tranche shall be carried out through an auction facilitated by Nasdaq Vilnius (the **Auction**) and the relevant Auction rules prepared by the Manager and published on the website of Nasdaq at www.nasdaqbaltic.com before opening of the Auction of the relevant Tranche (the **Auction Rules**) will be applied. The Auction Rules shall specify in detail procedure on how the members of Nasdaq Vilnius will enter the orders into Nasdaq trading system;
- (ii) the Issue Price shall be paid by the Investors according to the order described in this Information Document and the Final Terms;
- (iii) based on the decision of the Issuer, the Bonds shall be allocated to the Investors;
- (iv) the Bonds will be registered with the Depository and distributed to the Investors.

8.2. Subscription for Bonds

The subscription period (the **Subscription Period**) for each Tranche shall be specified in the Final Terms. The Issuer may decide on shortening or lengthening the Subscription Period.

The Investors wishing to subscribe for and purchase the Bonds shall submit their orders to acquire the Bonds (the **Subscription Orders**) at any time during the Subscription Period.

At the time of placing a Subscription Order, each Investor shall make a binding instruction for depositing the Bonds in a securities account maintained in its name and opened with a credit institution or an investment brokerage firm of their choice which are licensed to provide such services within the territory of the Republic of Lithuania, the Republic of Latvia or the Republic of Estonia and are members of Nasdaq Vilnius or have relevant arrangements with a member of Nasdaq Vilnius.

Upon submission of the Subscription Order the Investor shall (besides other authorisations, acknowledgements and undertakings provided in the Information Document):

- (i) authorise the Depository, Nasdaq Vilnius, the Manager, the Manager and the Issuer to process, forward and exchange information on the identity of the Investor and the contents of respective Investor's Subscription Order before, during and after the Subscription Period;
- (ii) confirm that it/she/he has got familiarized with this Information Document, Final Terms and Auction Rules.

An Investor shall be allowed to submit a Subscription Order either personally or via a representative whom the Investor has authorised (in the form required by the applicable law) to submit the Subscription Order. An Investor shall ensure that all information contained in the Subscription Order is correct, complete and legible.

The Issuer reserves the right to reject any Subscription Order that is incomplete, incorrect, unclear or ineligible or that has not been completed and submitted and/or has not been supported by the necessary additional documents, requested by the Issuer or the Manager during the Subscription Period and in accordance with all requirements set out in this Information Document.

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

8.3. Interest rate

The Issuer may offer the Bonds for a fixed annual interest rate as already specified in the Final Terms or within a range as specified in the Final Terms.

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

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

By submitting the Subscription Order, the Investor acknowledges that, in case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms, the final interest rate of the Bonds shall be determined upon the discretion of the Issuer within the range indicated in the Final Terms, taking into consideration, among other factors, the volume and price level of the Subscription Orders received from the Investors. The Investors will be informed about the final annual fixed interest rate upon allocation the Bonds to the Investors by publishing the relevant supplements or amendments to the Final Terms.

8.4. Place of subscription

Initially the Bonds will be book-entered in the subscription account of the Depository participant (the **Settlement Agent**) which shall be specified in the Final Terms.

The subscription to the Bonds shall be made on the Subscription Orders which may be requested from the Manager and/or in accordance with the Auction Rules or the Depository's participants located in the Republic of Lithuania, of the Republic of Latvia or of the Republic of Estonia.

The Subscription Orders may be submitted through any credit institution or an investment brokerage firm that is licensed to provide such services within the territory of the Republic of Lithuania, the Republic of Latvia or the Republic of Estonia and which are members of Nasdaq Vilnius or have relevant arrangements with a member of Nasdaq Vilnius.

The total amount of the Bonds to be acquired and indicated in each Subscription Order shall be for at least the Minimum Investment Amount. The procedure of submission of the Subscription Orders shall be specified in the Final Terms if any additional information shall be provided.

All Subscription Orders shall be binding and irrevocable commitments to acquire the allotted Bonds, with the exceptions stated below. The Subscription Orders shall not be considered valid and shall not be processed in case the purchase amount indicated in the Subscription Orders is less than the Minimum Investment Amount or the Subscription Orders were received after the Subscription Period. The Issuer has no obligation to inform the Investors about the fact that their Subscription Orders are invalid.

8.5. Withdrawal of Subscription Orders

An Investor may withdraw a Subscription Order for the Bonds of the respective Tranche by submitting a written statement to the credit institution or investment brokerage firm through which the Subscription Order was made at any time until the end of the Subscription Period of the respective Tranche:

- (i) if any supplement or amendment to the Information Document is made public concerning an event or circumstances occurring before the allocation of the Bonds, of which the Issuer became aware prior to allocation of the Bonds, within 2 (two) Business Days as from the date of the publication of the supplement or amendment to the Information Document; or
- (ii) if the issuance of the Tranche is suspended or postponed in accordance with Section 8.9 (*Cancellation, suspension or postponement of offering*), within 2 (two) Business Days as from the date of the announcement of suspension or postponement of the issuance of the Tranche.

The right of an Investor to withdraw a Subscription Order shall only apply to the relevant Tranche and not to any other Tranches of the Bonds under this Information Document.

An Investor shall be liable for payment of all fees and costs charged by a credit institution or an investment brokerage firm used by the Investor for the Subscription of the Bonds in connection with the withdrawal or amendment of the Subscription Order.

Following withdrawal of a Subscription Order, the repayments shall be made (or blocked funds shall be released) in accordance with the Subscription Order within 10 (ten) Business Days following submission of a statement regarding withdrawal of the Subscription Order.

8.6. No assignment or transfer

The rights arising out of this Information Document in relation to the subscription for the Bonds (including, without limitation, rights arising from any Subscription Orders or any acceptance thereof) are not assignable, tradable or transferable in any way and any assigned or transferred rights will not be recognised by the Issuer and will not be binding on the Issuer.

8.7. Payment for Bonds

By submitting a Subscription Order, each Investor shall authorise and instruct the credit institution or investment brokerage firm operating the Investor's current account connected to the Investor's securities account to immediately block the whole subscription amount on the Investor's current account until the payment for the allotted Bonds is completed or until the funds are released.

The subscription amount to be blocked shall be equal to the Issue Price multiplied by the number of the Bonds the respective Investor wishes to subscribe for. In case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms and the Investor has placed Subscription Orders at different preferred annual interest rates, the total transaction amount to be blocked will correspond to the largest investment amount (EUR) payable per Investor's offered preferred annual interest rate level. For illustrative purposes only, assuming the Investor has placed the following Subscription Orders:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 50,000
y%	EUR 80,000
z%	EUR 100,000

the amount of EUR 100,000 shall be the transaction amount and it will be blocked on the Investor's cash account until the settlement is completed or funds are released.

An Investor may submit a Subscription Order only when there are sufficient funds on the Investor's current account. If the blocked funds are insufficient, the Subscription Order will be deemed null and void to the extent funds are insufficient.

The Investors who have not been allotted any Bonds, including in case of withdrawal of Subscription Orders in accordance with Section 8.5 (*Withdrawal of Subscription Orders*), or whose subscriptions have been reduced will receive reimbursements of the payment made upon placing the Subscription Order (or the blocked funds will be released) in accordance with instructions provided by each such Investor, as required under the procedures applicable within the credit institution or an investment brokerage firm through which the Subscription Order was placed. The reimbursement will take place (or the blocked funds will be released) within 10 (ten) Business Days as from the end of the Subscription Period or withdrawal of a Subscription Order in accordance with this Information Document. The payments shall be returned (or the blocked funds will be released) without any reimbursement for costs incurred by the Investors in the course of subscribing for the Bonds and shall be net of all transfer expenses and without interest.

8.8. Allocation of Bonds

On the next Business Day following the Subscription Period the Issuer shall decide whether to proceed with the issuance of the Tranche or cancel the relevant issuance.

In case the Issuer decides to proceed with the issuance of the Tranche the following actions shall be taken within the next 3 (three) Business Days following the Subscription Period:

(i) *Allocation of Bonds to Investors*

- (A) The Issuer will establish the exact amount of the Bonds to be allotted with respect to each Subscription Order.
- (B) In case the subscription amount for the Tranche is equal to or exceeds the aggregate principal amount of the relevant Tranche, the Issuer shall decide which Investors shall be allotted with the Bonds and to what amount, and which Investors shall not be allotted with the Bonds. The Bonds shall be allocated to the Investors participating in the offering in accordance with the following main principles: (a) the division of Bonds between the retail and institutional investors has not been predetermined. The Issuer shall determine the exact allocation in its sole discretion; (b) under the same circumstances, all Investors shall be treated equally, whereas dependent on the number of Investors and interest towards the Offering, the Issuer may set minimum and maximum number of the Bonds allocated to one Investor; (c) the allocation shall be aimed to create a solid and reliable Investor base for the Issuer; (d) possible multiple Subscription Orders submitted by the Investor shall be merged for the purpose of allocation; (e) Subscription Orders via a nominee accounts (incl. if made on the account of pension investment accounts) shall be treated as Subscription Orders from separate independent Investors only if this was disclosed to the Issuer. Although each Investor subscribing via a nominee account is considered as an independent Investor during the allocation process, the nominee account holder is responsible for the allocation of the Bonds to the Investor; and (f) each Investor entitled to receive the Bonds shall be allocated a whole number of the Bonds and, if necessary, the number of Bonds to be allocated shall be rounded down to the closest whole number. Any remaining Bonds which cannot be allocated using the above-described process shall be allocated to the Investors on a random basis. Accordingly, the Investors who subscribe the Bonds of the relevant Tranche may not receive all of the Bonds they have subscribed for and it is possible they may not receive any.
- (C) In case the subscription amount for the Tranche is below the aggregate principal amount of the relevant Tranche, the Issuer may decide to cancel the issuance of the Tranche or, subject to supplements or amendments to the Final Terms, to adjust the aggregate principal amount of the relevant Tranche corresponding to the subscription amount of the Tranche.

- (D) In case any additional provisions apply to allocation of a separate Tranche of the Bonds, these will be specified in the Final Terms for the relevant Tranche. Material changes to the allocation principles (if any) shall be reflected in a supplement to this Information Document.
- (E) The Issuer shall not be obliged to allocate any Bonds to any Investors participating in the offering of the Bonds. Furthermore, there will be no target minimum individual allocation of the Bonds to the Investors.
- (F) In case the Issuer offers the Bonds for a fixed annual interest rate within a range as specified in the Final Terms, only the Subscription Orders which are at or below the set final annual interest rate will be subject to allocation. If the Investor has placed Subscription Orders at different preferred annual interest rates, the largest Subscription Order amount will be used for allocation purpose. All Investors who have been allocated the Bonds of the relevant Tranche shall pay the same price and receive the same fixed annual interest rate for the Bonds.

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

Example 1:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 50,000
y%	EUR 80,000
z%	EUR 100,000

If the Issuer decides to set the final annual interest rate at y per-cent and there is no oversubscription and Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e. each Investor receives full allocation of the Bonds), then in the case above the Investor receives EUR 80,000 of the Bonds.

Example 2:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	-
y%	EUR 80,000
z%	EUR 100,000

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

Example 3:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 50,000
y%	-
z%	-

In case the Issuer decides to set the final annual interest rate at z per-cent and there is no oversubscription and Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e. each Investor receives full allocation of the Bonds), then in the case above the Investor receives EUR 50,000 of the Bonds.

Example 4:

Preferred annual interest rate (%) of the Bonds in a range of x% - z%	Investment amount (EUR) (per each offered interest rate)
x%	EUR 100,000
y%	EUR 50,000
z%	EUR 150,000

In case the Issuer decides to set the final annual interest rate at y per-cent and there is no oversubscription and Issuer does not decrease the aggregate principal amount of the relevant Tranche (i.e. each Investor receives full allocation of the Bonds), then in the case above the Investor receives EUR 100,000 of the Bonds.

(ii) Announcement

After completion of the allocation of the Bonds, announcement about allotment of the Bonds shall be made to the Investors pursuant to internal documents and procedures of a respective credit institution or investment brokerage firm where an Investor has submitted his/her/its Subscription Order.

(iii) Information about results of offering

Information about the results of the offering of each Tranche (amount of the Bonds issued and an aggregate principal amount of the respective Tranche) shall be published on the Issuer's website www.fern.lt as well as at www.nasdaqbaltic.com.

8.9. Cancellation, suspension or postponement of offering

The Issuer reserves the right to cancel the issuance of any Tranche at any time prior to the settlement of the offering of the Bonds, without obligation to disclose the reason for such cancellation. Furthermore, the Issuer may, at its discretion, modify the opening and closing dates of the Subscription Period, or postpone the issuance of the Tranche, in which case new issuance dates will be communicated by the Issuer at a later time.

If the issuance of the Tranche is suspended or postponed, the Issuer may decide that the Subscription Orders made and payments made (or the blocking of funds) will be deemed to remain valid until the settlement of the offering of the Bonds.

In case the issuance of the Tranche is cancelled, suspended or postponed, the Issuer shall notify the Settlement Agent and the Depository accordingly, and publish an announcement on its website www.fern.lt thereof.

8.10. Settlement

The settlement for the offering of the Bonds will be carried out in accordance with the DVP (*Delivery vs Payment*) principle by the Settlement Agent pursuant to the applicable rules of the Depository. After the Settlement Agent submits a corresponding DVP instruction via the Depository system, an Investor, acting through its credit institution or investment brokerage firm with which the Investor has opened a securities account, shall confirm that instruction immediately (by sending a relevant instruction), but not later than by 4 pm (Vilnius time) on the same day.

The Bonds allocated to the Investors shall be transferred to their securities accounts in accordance with the DVP (*Delivery vs Payment*) principle pursuant to the Auction Rules simultaneously with the transfer of payment for such Bonds.

The title to the Bonds shall pass to the relevant Investors upon transfer of the Bonds to their securities accounts.

If an Investor has submitted several Subscription Orders through several securities accounts, the Bonds allocated to such Investor shall be transferred to all such securities accounts proportionally to the number of the Bonds indicated in the Subscription Orders submitted for each account, rounded up or down as necessary.

The settlement of the offering of the Bonds shall take place on the Issue Date. All paid up or exchanged Bonds shall be treated as issued.

9. DESCRIPTION OF ISSUER'S ACTIVITIES

9.1. Issuer's past and present activities

(a) Issuer's position in the Group

The Issuer is a holding company of the following subsidiaries:

Name	Legal entity code	Interest held as at 31 December 2023 (%)	Registered address
UAB Montuotojas	121520069	88.05%	Juozo Balčikonio g. 3, LT-08247 Vilnius
UAB Fern EPC	306209472	88.04%	Juozo Balčikonio g. 3, LT-08247 Vilnius
UAB Fern Production	306208064	88.05%	Juozo Balčikonio g. 3, LT-08247 Vilnius

Key information about the Issuer's activities

The origins of the Group date back to 1959. Since then, the company, known on the market as UAB Montuotojas, has developed a team of experienced specialists who have completed more than 100 major projects in industrial, energy, logistics, petroleum, woodworking, chemical, paper, food and agricultural facilities. In 2019, UAB Montuotojas was acquired by INVL Baltic Sea Growth Fund, the largest private equity investment fund in the Baltics.

In 2023, UAB Montuotojas was divided into three separate legal entities, each entrusted with specific activities previously carried out by the original company. All these entities are described below:

Name	UAB FERN EPC	UAB FERN PRODUCTION	UAB Montuotojas (re-organized)
Main field of activities	General contracting / Project management	Manufacturing	Installation, Engineering
Specific services	FERN EPC's activities include engineering, procurement and construction, and design in the industrial sector.	FERN Production's activities include the design and manufacture of technological equipment and steel structures. The company produces equipment such as industrial plant assemblies, welded beams, pressure vessels, storage tanks of various purposes and sizes, chimneys, piping components, structural steelwork, stainless steel products, industrial transport systems, filters.	The activities of Montuotojas UAB include industrial technology and building installation works, repair and maintenance mechanical and electrical works. The company provides the following services: installation, insulation, engineering networks, servicing, routine and planned repairs, modernisation, cleaning of industrial plants.

Other facts	<ul style="list-style-type: none"> • 49 people in projects and company administration (9 project managers); • Handling projects over 50 mln. EUR. 	Manufacturing plant in Alytus: <ul style="list-style-type: none"> • 3 888 m2 manufacturing area, 1-hectare outdoor area • 50 people in workshops; • 37 welders • Indoors lifting capacity 3 times up to 5 tonnes per parts • Outdoors lifting capacity up to 12 tonnes per part; • LEAN 	<ul style="list-style-type: none"> • 200 workers; • Welders, fitters, insulators, foremen; • Own tooling; • Lifting machinery park ~20 pcs.
--------------------	---	---	---

With the new focus on EPC projects, the Group is improving its profitability. The current focus is on growing the pipeline, focusing on EPC projects. EPC projects make up ~1% of total FERN Group backlog.

(b) Financing strategy of the Company

Currently the activities of the Issuer and its subsidiaries are financed by the Parent. Also, the Company's subsidiary UAB Montuotojas obtained financing through issuance of the bonds to Komandinė ūkinė bendrija Pagalbos verslui fondas.

9.2. Issuer's share capital, equity securities and other securities

(a) Issuer's share capital and its composition

The Issuer's share capital is EUR 3,793,000 and is divided into 3,793,000 ordinary registered book-entry shares with a nominal value of EUR 1 each.

All shares issued by the Issuer are paid up.

The Issuer has issued shares of one class only – ordinary registered shares. They grant the rights specified in the Law on Companies.

(b) Issued non-equity and/or other securities

The Issuer has not issued any other securities (other than the Bonds being issued under this Information Document).

9.3. Profit distribution and remuneration policies

The Issuer does not currently have any special profit distribution or benefit allocation policies in place.

As a general rule, profit distribution to investors, if any, will be made in accordance with applicable laws and regulations, and as decided by the General Meeting of Shareholders based on the Issuer's financial performance and future investment needs.

Compensation for the Issuer's managers and employees consists of standard market-based salaries and benefits. Any additional performance-based bonuses or incentives are determined based on individual and company performance, in line with industry practices.

9.4. Main shareholders

All the shares of the Issuer and all the votes granted by such shares (100%) are owned by the Parent – the closed-end private equity investment fund intended for professional investors with registration code INVL Baltic Sea Growth Fund, provided by the Bank of Lithuania P003, managed by the management company UAB INVL Asset Management, incorporated and existing under the laws of the Republic of Lithuania, legal entity code 126263073, registered address at Gynėjų g. 14, Vilnius, Lithuania.

The Parent started its operations on 25 June 2018 after the approval of its establishment documents by the Bank of Lithuania. The Parent is managed by UAB INVL Asset Management, which holds the management company's licence issued by the Bank of Lithuania.

9.5. Information about legal proceedings

(a) General notes

Apart from the cases indicated below, the Issuer is not, and has not been, a party to any governmental, legal, or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability. No petition for insolvency has been filed against the Issuer, nor has the Issuer initiated any insolvency proceedings. Neither the Issuer nor any member of its management, administrative, or supervisory bodies has been involved in any legal proceedings related to fraud, financial crimes, or economic violations. To the best of the Issuer's knowledge, no such proceedings as described above are pending or threatened against the Issuer or any member of its management, administrative, or supervisory bodies.

(b) Description of specific cases

Dispute involving UAB Aviatic MRO

In 2024, the Vilnius Regional Court is hearing case No. e2-1299-565/2024, in which the Company has filed a claim against UAB Aviatic MRO. The lawsuit seeks to declare a unilateral set-off as illegal and invalid, to recover debt and interest, to declare the unilateral termination of the contract as unlawful, and to claim damages. This case arises from Construction Contract No. S/22-025, signed on 26 January 2022, between the Company and UAB Aviatic MRO, under which the Company agreed to perform specific construction (installation) works at the site located at Aviacijos g. 5, Šiauliai. The case is currently before the Court of First Instance, with the total claims amounting to EUR 1,625,222.

Dispute relating to Lazdynai pool

On 5 June 2017, a consortium of economic operators, including UAB Montuotojas, signed a contract for the construction of multifunctional Lazdynai Health Center at Erfurto g. 13 (the **Lazdynai Pool Contract**). The initial contract value was EUR 21.7 million, including VAT.

In 2019, it was discovered that the main partner of the consortium had become insolvent. As a result, the Vilnius City Municipality Administration, which was the client for the Lazdynai Health Center project, requested that the remaining members of the consortium complete the execution of the Lazdynai Pool Contract. In response to this development, the Group and the Company, in collaboration with the other consortium partners, conducted an assessment of the potential costs associated with the termination of the contract. Taking into account the anticipated share of future losses, they made a provision of EUR 750,000 at the end of 2019.

In early 2020, Vilnius City Municipality unilaterally terminated the construction contract for the Lazdynai swimming pool. The consortium, disagreeing with this decision, filed a lawsuit against the Vilnius City Municipality. However, the courts of first instance rejected their claim. The Group has set aside EUR 987,070 to cover potential losses from the termination of Lazdynai Pool Contract.

The situation further escalated in early 2020 when the Vilnius City Municipality unilaterally terminated the contract for the construction of the Lazdynai Health Center. Disagreeing with this decision, the consortium partners initiated legal action against the Vilnius City Municipality. However, the courts of first instance rejected their lawsuit. The Group has made provisions of EUR 987,070 for potential losses related to the Lazdynai Pool Contract.

9.6. Material agreements

During the current and previous financial years up to the date of this Information Document, neither the Issuer nor any company within its Group has entered into any significant contracts, obtained any patents, or concluded any other material agreements outside the ordinary course of business. This includes any agreements that are or may be material, or that contain provisions under which the Issuer or any Group company would have an obligation or right that could materially affect the Issuer's ability to meet its obligations to bondholders under the terms of the Bonds.

The Issuer confirms that all contracts entered into during this period have been in the ordinary course of business.

10. FINANCIAL INFORMATION AND AUDIT OF ANNUAL FINANCIAL STATEMENTS

10.1. Accounting standards

The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). The Company prepares annual financial statements for each financial year, which runs from January 1 to December 31. When necessary (e.g. due to business needs), interim financial statements may also be prepared.

10.2. Financial information

The consolidated and Company's audited financial statements for the financial years ended 31 December 2023 and 31 December 2022, including auditor's reports, are incorporated by reference and can be accessed at www.fern.lt.

The unaudited interim reports for the 6-month period ended 30 June 2024 are also incorporated by reference and can be accessed at www.fern.lt.

10.3. Financial performance and working capital

The presented financial results show that the Group is continuing its financial recovery from the loss-making years of 2021 and 2022. In 2023 the Group earned consolidated EBITDA of 1.451m EUR and in 2024 H1 the Group's consolidated EBITDA reached 1.372m EUR. These figures show a strong improvement of financial results from negative EBITDA in 2021-2022.

In both 2023 and 2024 H1 the Group maintained a healthy adjusted equity ratio well in excess of 30%. The adjusted equity ratio takes into account subordinated shareholder loans, which are added to the balance sheet equity figures.

Article	UAB Montuotojas*		UAB FERN Group*	
	2021	2022	2023	2024-H1
Net turnover	24,635,777	36,010,249	29,942,128	16,291,145
Growth, %Yoy	0.8%	46.2%	-16.9%	-
Gross profit	713,952	838,933	3,586,470	2,465,305

<i>Margin, %</i>	2.9%	2.3%	12.0%	15.1%
EBITDA	(2,568,800)	(2,261,676)	1,451,594	1,372,322
<i>Margin, %</i>	-10.4%	-6.3%	4.8%	8.4%
	UAB Montuotojas*	UAB FERN Group**	UAB FERN Group**	
Assets	20,545,029	21,432,311	20,764,551	23,803,628
Current assets	13,001,024	14,262,810	11,220,305	14,736,243
Non-current assets	7,544,005	8,537,647	9,544,246	9,067,385
Liabilities	16,752,762	21,279,286	18,390,089	21,587,065
Current liabilities	8,469,106	11,270,967	12,264,417	15,461,393
Non-current liabilities	8,283,656	8,872,279	6,125,672	6,125,672
Equity + Long term shareholder loans	4,868,705	1,926,928	7,870,039	8,150,131
adj. Equity ratio, %***	23.7%	9%	37.9%	34.2%

* UAB FERN Group was established on 2022.07.01. The first full financial year for UAB FERN Group was 2023. For 2019-2022 UAB Montuotojas financials are presented, which was the only company in the group until reorganization.

**Consolidated UAB FERN Group balance EOY.

***Assets/(Equity+ Long term shareholder loans)

Further, the Issuer hereby confirms that, in its opinion, it has sufficient working capital to carry out its planned activities for at least 12 (twelve) months following the completion of the Bond offer. This assessment takes into account the Issuer's current financial position, projected cash flows, and the anticipated net proceeds from the Bond issuance.

In making this statement, the Issuer acknowledges that if unforeseen circumstances arise or if the assumptions underlying this assessment prove to be incorrect, the actual working capital position may differ from current projections. In such an event, the Issuer would take appropriate measures to secure additional funding or adjust its operational plans as necessary.

This confirmation is made in good faith based on the information available to the Issuer as of the date of this Information Document.

11. ISSUER'S ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES. ADVISERS

11.1. Management and supervisory bodies

The Issuer has the following corporate governance structure:

- (i) General Meeting of Shareholder;
- (ii) Supervisory Board; and
- (iii) Managing Director.

The Management Board is not formed in the Company.

Currently, the Supervisory Board of the Issuer consists of 2 (two) members. The following are the current members of the Supervisory Board:

- **Mr Darius Šulnis**, a Chairman of the Supervisory Board. Darius has over 30 years of experience in establishing and managing businesses that are leaders in their respective sectors, as well as in carrying out mergers, sales and acquisitions, including attracting investments and working together with strategic and financial investors. Member of the Investment Committee of the INVL Baltic Sea Growth Fund, Chairman of the Board of INVL Asset Management, Member of the Supervisory Council of Šiaulių bankas AB and Board Member of Litagra UAB. Darius was the CEO of the financial brokerage company Finasta for 8 years and of the real estate company Inreal valdymas for 4 years. He has been managing Invalda since 2006. He has also been on the boards and supervisory councils of numerous Polish, Latvian and Lithuanian companies. Darius Šulnis holds a Master's degree in Accounting and Audit from Vilnius University. In 2013, he earned a Global Executive MBA from Duke University (USA).
- **Mr Vidas Venckus**, a member of the Supervisory Board. Former Partner at PricewaterhouseCoopers Lithuania, Head of Advisory Services. Since 1994 through 2016 he worked with PwC Lithuania and took the path from Assistant to Manager and on to Partner. He headed the team of 40+ professionals in the Baltics specializing in Management Consulting and Transaction Advisory. Management Consulting business included IT, business processes optimization and risk management. Transaction Advisory included due diligence, M&A advisory, business analysis and other transaction support services. He accumulated unmatched experience in M&A, private equity, finance consulting and due diligence advising local and international investors on 200+ transactions. Joined Invalda INVL group in 2017. Holds Master's degree in Accounting and Audit from Vilnius University, Lithuania.

The Managing Director of the Issuer is **Mrs Vilija Zapalskienė**. Vilija Zapalskienė is an executive with over 20 years of top management experience across diverse industries. Her career highlights include:

- COO of FERN Group (2024);
- CEO and Board member at Civinity (2022-2023);
- CEO at Inservis (2018-2023)
- General Manager at myWorld International (2015-2018);
- Executive director and Chairman of the Board at Čili pica (2012-2013);
- Chief Officer of Asset management at Maxima grupė (2002-2011).

Auditor

Grant Thornton Baltic UAB has audited the consolidated financial statements of the Group for the years ended 31 December 2023 and 31 December 2022. All these financial statements are incorporated into this Information Document by reference. Grant Thornton Baltic UAB issued unqualified auditor's reports regarding all these financial statements.

Grant Thornton Baltic UAB is a member of the Lithuanian Chamber of Auditors and holds audit firm's certificate No 001513.

11.2. Persons involved in offering of Bonds

(a) Manager

The Manager is appointed by the Issuer as responsible person in the Republic of Lithuania, the Republic of Latvia and the Republic of Estonia for the purposes of offering of the Bonds and admission thereof to alternative market First North. The Issuer is paying fees (commissions) established in the Placement Agreement concluded with the Manager on 28 August 2024 for the services provided by the Manager.

(b) Trustee

The Trustee is appointed by the Issuer as Bondholders' trustee as required under the Law on Protection of Interests of Bondholders. The Issuer is paying fees established in the Agreement on Bondholders' Protection concluded with the Trustee on 28 August 2024 for the services provided by the Trustee.

(c) Legal adviser

The Law Firm Norkus ir partneriai COBALT is appointed by the Issuer as legal adviser for the purposes of the Information Document related matters arising under the Lithuanian law. The Issuer is paying fees established in the legal services agreement dated 28 August 2024 for the services provided by the legal advisers.

11.3. Description of interests (conflicts of interests)

The Issuer confirms that in its opinion there are no interests, including conflicts of interest, that are material to the Bonds issuance.

11.4. Related party transactions

The Issuer has entered into multiple loan agreements with the Parent, which include the following:

- (i) Loan Agreement for EUR 1,000,000 (repayable upon demand);
- (ii) Loan Agreement for EUR 2,900,821.09 (maturity date 31 December 2024);
- (iii) Loan Agreement for EUR 1,000,000 (repayable upon demand);
- (iv) Loan Agreement for EUR 800,000 (maturity date 31 October 2024).

All agreements carry a 12% yearly interest rate.

In the course of business operations, both the Parent and the Issuer engage in intragroup lending with the Issuer's subsidiaries (the total amount lent by the Parent to the subsidiaries is approx. EUR 1,500,000 and the total amount lent by the Issuer to the subsidiaries is approx. EUR 2,429,775,23).

The Issuer has entered into management agreements with its subsidiaries, under which the subsidiaries pay management fees to the Issuer. The management fees compensate the Issuer for various services provided to its subsidiaries, which may include strategic planning, financial management, human resources support, and other administrative services.

12. PREPARATION AND PUBLICATION OF SUPPLEMENTS TO INFORMATION DOCUMENT

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

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

ANNEX 1 - FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Bonds issued under the Information Document

Final Terms dated [...]

FERN Group, UAB

Issue of [Aggregate Nominal Amount of Tranche] Bonds due [...]

under the Information Document for the issuance of Bonds in the amount of EUR 8,000,000

Terms used herein shall have the same meanings as defined in the Information Document dated [...] 2024, together with its supplements, if any (the **Information Document**).

This document constitutes the Final Terms of the Bonds described herein and must be read in conjunction with the Information Document. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Information Document.

The Information Document (together with its supplements, if any) has been published on the Issuer's website www.fern.it.

The Final Terms have been approved by the resolution of the sole shareholder of the Company on [...].

1. Issuer: FERN Group, UAB
2. Tranche Number: [...]
3. ISIN: [...]
4. Aggregate principal amount: [EUR [...]]
5. Nominal amount of the Bond: EUR [...]
6. Issue Date: [...]
7. Annual Interest Rate: [...] / [The annual interest rate will be set within the range of [...] to [...] per-cent. The final annual interest rate will be determined in accordance with the Section 8 "Offering of securities" of the Information Document.]
8. Interest Payment Dates: [...]
9. Maturity Date: [...]
10. Minimum Investment Amount: [...]
11. Issue Price: [...]
12. Yield: [...]. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
13. Surety [...]

14. Additional undertakings: [[...]/[Not applicable.]]
15. Additional financial covenants: [[...]/[Not applicable.]]
16. Subscription Period: [...]
17. Procedure for submission of the Subscription Orders: [...]
18. Procedure for allocation of the Bonds and settlement: [...]
19. Estimated net amount of the proceeds from the issue of the Bonds: [...]
20. Manager: Akcinė bendrovė Šiaulių bankas, legal entity code 112025254, having its address at Tilžės g. 149, LT-76348, Šiauliai, Lithuania.
21. Settlement Agent Akcinė bendrovė Šiaulių bankas, legal entity code 112025254, having its address at Tilžės g. 149, LT-76348, Šiauliai, Lithuania
22. Rating: The Bonds to be issued have not been rated.

Vilnius, [date] [month] [year]