ANNEX - ISSUE SPECIFIC SUMMARY

A. Introduction and warnings

This summary (the **Summary**) should be read as an introduction to the Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole by the investor. Civil liability in respect of this Summary attaches only to those persons who have tabled the Summary including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Base Prospectus, or where it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Investment in the Notes entails risks and the investor can lose all or part of the invested capital. If the investor brings a claim relating to the information contained in the Base Prospectus before a court, the investor might be required, under national law, to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Name and international securities identification number (ISIN) of the Notes:	Akcinė bendrovė Invalda INVL EUR 10,000,000 Fixed Rate Notes due 14 June 2027, ISIN: LT0000409229, (the **Notes**) under the Programme for the issuance of Notes in the amount of EUR 25,000,000 (**Programme**)
Identity and contact details of the Issuer, including its legal entity identifier (LEI):	Akcinė bendrovė Invalda INVL, a public limited liability company (in Lithuanian – *akcinė bendrovė*), incorporated and existing in accordance with the laws of the Republic of Lithuania, registered with the Register of Legal Entities of the Republic of Lithuania under registration number: 121304349, LEI: 52990001IQUJ710GHH43, having its legal address at Gynėjų g. 14, Vilnius, Lithuania, telephone: +370 5279 0601, e-mail: info@invaldainvl.com, website: www.invaldainvl.com (the **Issuer** or the **Company**)
Identity and contact details of the competent authority who has approved the Base Prospectus:	Bank of Lithuania (in Lithuanian – *Lietuvos bankas),* Gedimino pr. 6, Vilnius, Lithuania, telephone: +370 800 50 500, e-mail: info@lb.lt
The date of approval of the Base prospectus by the Management Board of the Issuer:	23 May 2024
The date of approval of the Base prospectus by the Bank of Lithuania:	28 May 2024

B. Key information on the Issuer

Who is the Issuer of the securities?

Akcinė bendrovė Invalda INVL, a public limited liability company (in Lithuanian – *akcinė bendrovė*), incorporated and existing in accordance with the laws of the Republic of Lithuania, registered with the Register of Legal Entities of the Republic of Lithuania under registration number: 121304349, LEI of the Issuer: 52990001IQUJ710GHH43.

Principal activities

The Issuer is a parent (holding) company of the group that consists of the Issuer and its direct and indirect subsidiaries (the **Group**). All business operations of the Group are mainly conducted by the Issuer's direct and indirect subsidiaries, whose primary objective is to steadily increase investors equity value, solely for capital appreciation or investment income (in the form of dividends and interest). The Group's main investments are in asset management, family office services, banking, and agriculture activities. Asset management segment provides investment-related services to investors. The entities of the asset management segment manage alternative investment funds (private equity, real assets (forests and agricultural land, renewable energy, real estate), as well as private debt), pension funds in Latvia, invest in global third-party funds, provide family office services in Lithuania and Latvia as well as portfolio management services. The Issuer also invests directly and indirectly in collective investment undertakings managed by subsidiaries and has other historical investments (key investments is banking and agriculture).

Shareholders

The Company's shares are traded on the Baltic Secondary List of Nasdaq Vilnius.

As of the date of the Base Prospectus, the number of shareholders exceeds 3,800. The following table shows the shareholders who hold or control more than 5% of the share capital and/or voting rights of the Issuer as of 31 December 2023:

Shareholder name and surname or company name	Number of shares owned	Owned share capital and votes, %	Indirectly held votes[3], %	Total votes of the shareholders group, %
UAB LJB Investments[1]	3,098,196	25.32	60.31	85.63
Mr Alvydas Banys	910,875	7.45	78.18	
Mrs Irena Ona Mišeikienė	3,048,161	24.91	60.72	
Ms Indrė Mišeikytė	236,867	1.94	83.69	
UAB Lucrum Investicija[2]	3,181,702	26.01	59.62	
Mr Darius Šulnis	0	0	85.63	

1. *A company controlled by Mr Alvydas Banys.*
2. *A company controlled by Mr Darius Šulnis.*
3. *The Issuer's shareholders Mr Alvydas Banys, UAB LJB Investments, Mrs Irena Ona Mišeikienė, Ms Indrė Mišeikytė, Mr Darius Šulnis and UAB Lucrum Investicija have signed an agreement with the purpose of agreeing on the long-term management policy of the Issuer. Therefore, in accordance with Article 16(1)(2) of the Law on Securities, their votes are counted together. Given that the said agreement does not contain any provisions on the direct use of voting rights of the parties of the agreement in other companies affiliated with the Issuer, their votes are counted together only at the level of the issuer, i.e. only in Akcinė bendrovė Invalda INVL.*

Key managing directors

The Chief Executive Officer of the Issuer is Darius Šulnis.

The Issuer's Management Board consists of three members: Alvydas Banys, Indrė Mišeikytė and Tomas Bubinas.

The Issuer has not formed a Supervisory Board.

Auditors

KPMG Baltics, UAB, legal entity code 111494971, having its registered address at Lvivo g. 101, LT-08104 Vilnius, Lithuania, has audited the consolidated financial statements of the Group for the years ended 31 December 2023 and 31 December 2022.

What is the key financial information regarding the Issuer?

The following table is a summary of the Group's consolidated financial performance and key performance. The following table is a summary of the Group's consolidated financial performance and key performance indicators for the two financial years ending 31 December 2022 and 2023. The information set out in the table below has been extracted (without any material adjustment) from, and is qualified by reference to and should be read in conjunction with the audited Group's consolidated annual reports for the years ended 31 December 2023 and December 2022, which are incorporated by reference to the Base Prospectus and form an integral part of the Base Prospectus. The Group's consolidated annual report is prepared according to International Financial Reporting Standards (IFRS).

Key financial information according to IFRS

	2023 EUR thousands	**2022 EUR thousands**
Revenue from contracts with customers	16,960	15,317
Operating profit	50,639	16,008
Net profit for the year	45,816	16,714
Non-current assets	208,087	121,358
Current assets	10,377	22,668
Equity	178,030	130,927
Non-current liabilities	3,815	3,599

Current liabilities liabilities	36,619	9,500
Net cash flows from (to) operating activities	163	1,944
Net cash flows from (to) investing activities	(1,525)	869
Net cash flows from (to) financing activities	1,154	(4,805)
Debt – Equity ratio	0.23	0.10
Liquidity ratio	0.28	2.39
Net Asset Value per share, EUR	14.83	11.07

There are no qualifications in the Group's consolidated annual report for the year ending 31 December 2023.

What are the key risks that are specific to the issuer?

Exposure to geopolitical events. On 24 February 2022, Russia launched a military assault on Ukraine. This has led to significant volatility in the global credit markets and on the global economy. Although the Group has not owned any assets and does not perform any operations in Ukraine, Russia, and Belarus, the war in Ukraine and the potential risk of a military conflict in the Baltic region reduce the investment appeal of the region, which may adversely affect the value and liquidity of owned and managed assets and the attraction of investor capital, as the most of assets are from the Baltic region. There is also a risk, that due to the rapidly changing environment other aspects related to geopolitical events may arise that are not currently identified but may affect the Group's business.

Negative economic developments in the countries in which the Group and its investments operate may affect the Group's operations. Economic slowdown or a recession, regardless of its depth, or any other negative economic developments in the countries in which the Group operates, either directly or through collective investment undertakings, may affect the Group's business in a number of ways, including among other things, the income, wealth, liquidity, business and/or financial position of the Group and the companies and assets in which the Group has invested in. Moreover, the Group may not be able to utilise the opportunities created by the economic fluctuations and the Group may not be able to adapt to a long-term economic recession or stagnation.

Risks associated with reputation of asset management industry in the Baltic States. As a Lithuania-based asset manager, the Group's reputation may be influenced by the international standing of the Baltic region, particularly concerning the perception of companies and financial professionals from the region. Notably, allegations regarding the misconduct of a former fund manager in BaltCap, leading Baltic private equity investor, regarding the embezzlement of c. EUR 40 million from the fund's companies, has put a reputational dent on the region's investment market participants, which may lead to adverse impacts on the ability to attract investor capital as well as value and liquidity of owned and managed assets due to increased scrutiny and increased risk profile of the region. In case of fraudulent activities taking place within funds or portfolio companies owned or managed by the Group, this may have a material adverse effect on portfolio companies and their valuations as well as, overall, the Group's business, financial position, results of operations and future prospects.

Concentration risk due to significant investments in the banking sector. Concentration risks arise from significant exposure in a single counterparty, sector, or country. A significant portion of the Issuer's assets comprises of investments in Akcinė bendrovė Šiaulių bankas and BC "MAIB" S.A. (MAIB) – banks in Lithuania and Moldova, respectively – with their investment value amounting to c. 60% of the Issuer's net asset value as of 31 December 2023. The investment value of Šiaulių bankas alone accounts for c. 48% of the Issuer's net asset value as of 31 December 2023. This means that adverse developments affecting Šiaulių bankas and/or the banking industry overall could disproportionately impact the value of the Issuer's financial assets and financial performance.

Risks related to limited liquidity of the Group's investments. The investments made by the Group either directly or through collective investment undertakings, may be illiquid - there is a risk that the planned transactions will not take place at appropriate conditions when the management of the Issuer or management of relevant collective investment undertakings intend. When investing in portfolio companies, there is a possibility that the sale of securities may take longer than planned or may not be as profitable as planned or even unprofitable due to a lack of demand on acceptable terms or other market circumstances.

Reliance on cash-flows from subsidiaries and other investments. The Issuer is dependent on its subsidiaries and other investments that generate cash income. To meet its obligations under the Terms and Conditions of the Notes, and fulfil its own commitments, the Issuer relies on dividends, proceeds from reductions in share capital from its subsidiaries as well as redemptions of units invested in collective investment undertakings or other inflows from subsidiaries and other investments, including divestment of its investments. The ability of the subsidiaries and other portfolio investments to make such payments may be affected by compliance with financial covenants specific to certain entities. The future performance of all investments is also influenced by various factors, including economic, financial, competitive, legislative, regulatory, and others beyond its control. Moreover, legal, or contractual restrictions may limit the ability of investees to distribute funds.

Failure to attract qualified personnel or loss of key employees may affect the profitability of the Group's operations. To remain competitive and able to implement its strategy, the Group needs to hire and retain sufficient numbers of highly skilled employees with expertise in all of the Group's business operations. If current personnel cannot be retained or the Group fails in recruiting necessary personnel and key persons, this may have a material adverse effect on the Group's business, financial position, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes, as well as the market price and value of the Notes.

The Group's investments may significantly decline or fluctuate in value. The investments made by the Group either directly or through collective investment undertakings may not appreciate in value and, in fact, may decline in value. There can be no guarantee that the decisions made by Issuer's management and/or management teams at collective investment undertakings will result in a positive investment return and the value of the investments may decline in value. Accordingly, the Issuer cannot assure that its investments will continue to generate gains or income or that any gains or income that may be generated will be sufficient to offset any losses that may be sustained.

Risk of double loss. As the Group invest in the Group-managed products together with fund participants, and this way is aligning interests with external investors (LPs), there exists a risk that in the event of a decline in the asset value of a fund managed by the Group, not only the Group's entity managing such fund may incur losses or experience fee reductions, but also the Group, which has invested directly in the fund, will experience the same negative consequences as the other participants in the fund.

Financing risk. Uncertainty in the financial market may mean that the price of the financing needed to carry out the Group's business, including the portfolio companies through collective investment undertakings, may increase and that financing may be less readily available. It is possible that the Group could – at any given point in time – encounter difficulties in raising funds and, as a result, lack the access to liquidity that it needs and there can be no assurance that the Group will be able to meet its financial covenants when required. This may have a material adverse effect on the Group's business, financial position, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes, as well as the market price and value of the Notes.

Liquidity risk. Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet the Group's business needs or high extra costs are incurred for arranging them. The Group's fund inflows as well as borrowing capacity is directly dependent on the quality and performance of owned investments with deterioration of which the Group's liquidity may be negatively impacted both through lower expected existing funds (the Issuer relies on inflows from subsidiaries and other investments, including divestment of its investments), lower borrowing capacity and less attractive pricing of the potential borrowing. Failure of successful liquidity management may have a material adverse effect on the Group's business, financial position, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes, as well as the market price and value of the Notes.

The Group's operations involve legal and regulatory risks. The main strategic activity of the Group is asset management, done through a regulated business model. Compliance with applicable regulatory requirements is directly supervised and controlled by the Bank of Lithuania. This supervision and control enhance security for the Group's investors, while increasing the Group's risk that an increase in the regulatory burden may raise costs and adversely affect profitability, financial status, or reputation. The asset management and investment firm businesses are also subject to capital adequacy requirements and, in the event of losses, may require additional contributions to the capital of the asset management and investment firms.

C. Key information on the securities

What are the main features of the securities?

Form of the Notes: The Notes are freely transferable non-convertible debt securities, which contain payment obligations of the Issuer towards the Noteholders. The Notes shall be registered with the Lithuanian branch of Nasdaq CSD SE (the **Depository**).

ISIN: LT0000409229

Transferability: The Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under Lithuanian laws, including the United States, Australia, Japan, Canada, Hong Kong, South Africa, Singapore, Russia, Belarus and certain other jurisdictions. In addition, the Noteholders are prohibited to resell, transfer or deliver the

Notes to any person in a manner that would constitute a public offer of securities.

Status: The Notes 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 Noteholders 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 Noteholders to other secured or unsecured liabilities of the Issuer.

Currency: EUR

Denomination: The nominal amount of each Note is EUR 1,000 (one thousand euros).

Issue price: The issue price of the Note is EUR 1,000 (one thousand euros).

Minimum Investment Amount: The Notes are offered for subscription for a minimum investment amount of EUR 1,000 (one thousand euros) (the **Minimum Investment Amount**).

Interest: The Notes bear interest at a fixed annual interest rate in the range of 7 to 8 percent. The final annual interest rate will be determined in accordance with the Section "*Offering of the Notes*" of the Base Prospectus. Interest shall be payable on 14 December, 14 June each year.

Maturity: The Notes shall be repaid in full at their nominal amount on 14 June 2027. The Noteholders have a right to demand redemption of the Notes prior their maturity in case of De-listing Event or Listing Failure (redemption at the at the price equal to 101.00% of the principal amount of the Notes together with the accrued interest) and Event of Default. The Issuer is entitled to redeem each Series of Notes, 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 Notes together with the accrued interest, if redeemed prior to the second anniversary or (ii) 100.00% (i.e. with no premium) if redeemed after the second anniversary.

Rights attached to the securities: The Noteholders 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 participate in the Noteholders' Meetings; (iii) to vote in the Noteholders' Meetings.

On 23 May 2024 the Issuer has concluded the Agreement on Noteholders' 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. In accordance with this agreement, UAB „AUDIFINA" shall safeguard the interests of the Noteholders in their relations with the Issuer. UAB „AUDIFINA", acting on behalf of and for the benefit of the Noteholders, shall also act as pledgee under the pledge agreement, whereunder the due and timely payment, discharge and performance of the Notes by the Issuer shall be secured by the first ranking pledge part of the Issuer's owned ordinary registered shares issued by Akcinė bendrovė Šiaulių bankas, legal entity code 112025254, having its address at Tilžės g. 149, LT-76348, Šiauliai, Lithuania, with nominal value of EUR 0.29 each.

Taxation: All payments in respect of the Notes by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (the **Taxes**), unless the withholding or deduction of the Taxes is required by 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 Noteholders in respect of such withholding or deduction.

Governing law: Lithuanian law.

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

Where will the securities be traded?

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 listing and trading on the official bond list (the **Baltic Bond List**) according to the requirements of Nasdaq Vilnius not later than within 3 (three) months after the Issue Date of the Tranche.

What are the key risks that are specific to the securities?

Possibility to forfeit interest and principal amount invested. Should the Issuer become insolvent, legal protection proceedings or out-of-court legal protection proceedings of the Issuer are initiated during the term of the Notes, an investor may forfeit interest payable on, and the principal amount of, the Notes in whole or in part. An investor is always solely responsible for the economic consequences of its investment decisions.

Risk of insufficient value of the Collateral. The Notes will be secured by a first ranking pledge over the Collateral under the Pledge Agreement. Apart from the Collateral, there are no other securities of third parties securing the claims under the Notes of the investors pursuant to the Base Prospectus and Final Terms. The Collateral consists of a pledge over the shares – the Pledged Shares in Akcinė bendrovė Šiaulių bankas (a Lithuanian based entity holding a bank licence and supervised by European Central Bank (ECB)), which are listed on the Baltic Main List at Nasdaq. As a result, the value of the Collateral directly depends on the market price of the Pledged Shares and the value of the Collateral could be not high enough to cover the Issuer's obligations to the Noteholders. In addition to that, in case of enforcement pursuant to the Pledge Agreement and laws of the Republic of Lithuania, the foreclosure of the Collateral may be prolonged (e.g., it may be hard to find buyers of the Collateral) and subject to various regulatory approvals (e.g. if the Collateral comprises 10% or more of the shares/voting rights in Akcinė bendrovė Šiaulių bankas, acquisition of this stake, i.e. 10% or more, by the potential buyer might be subject to non-objection of the ECB). Moreover, the funds received upon realization of the Collateral as a first priority will be used for the satisfaction of and payment of all costs and expenses (including, without limitation, state duties, notary fees) related to or arising from enforcement (realization) of the Collateral incurred by the Trustee. Hence, the Noteholders will receive only the remaining amounts after satisfying the Trustee's claims.

Adverse change in the financial condition or prospects of the Issuer. Any adverse change in the financial condition or prospects of the Issuer may have a material adverse effect on the liquidity of the Notes and may result in a material decline in their market price. Such adverse change may result in a reduced probability that the Noteholders will be fully repaid on time. This provision concerns for the principal and interest amounts and/or any other amounts and items payable to the Noteholders pursuant to the General Terms and Conditions of the Notes from time to time.

D. Key information on the offer of securities to the public and the admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

Subscription Period

The subscription period of the Notes is from 3 June 2024 10.00 am until 12 June 2024, 1:00 pm (Vilnius time) (the **Subscription Period**). The Issuer may decide on shortening or lengthening the Subscription Period.

Submission of Subscription Orders

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

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

The total amount of the Notes to be acquired and indicated in each Subscription Order shall be for at least the Minimum Investment Amount.

Cancelation

On the next Business Day following the Subscription Period the Issuer shall decide whether to proceed with the issuance of the Tranche of the relevant Series or cancel the relevant issuance. In case the issuance of the Tranche of the relevant Series is cancelled, the Issuer shall publish an announcement on its website www.invaldainvl.com thereof.

Allocation of the Notes

The Issuer will decide on the allocation of the Notes to the investors after the expiry of the Subscription Period.

In case the subscription amount for the Tranche of the relevant Series is equal to or exceeds the aggregate principal amount of the relevant Tranche, the Issuer shall decide which Investors shall be allotted with the Notes and to what amount, and which Investors shall not be allotted with the Notes. The Notes shall be allocated to the Investors participating in the offering in accordance with the principles set out in the General Terms and Conditions of the

Notes.

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, during the Subscription Period and in accordance with all requirements set out in the General Terms and Conditions of the Notes.

After completion of the allocation of the Notes, announcement about allotment of the Notes 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.

Settlement

The settlement for the offering of the Notes will be carried out in accordance with the DVP (*Delivery vs Payment*) principle by Akcinė bendrovė Šiaulių bankas (the **Settlement Agent**), pursuant to the applicable rules of the Depository.

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

Information about the results of the offering of the Notes

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

Expenses charged to the Investors

No expenses or taxes will be charged to the investors by the Issuer in respect to the issue of the Notes. However, the investors may be obliged to cover expenses which are related to the opening of securities accounts with the credit institutions or investment brokerage firms, as well as commissions which are charged by the credit institutions or investment brokerage firms in relation to the execution of the investor's purchase or selling orders of the Notes, the holding of the Notes or any other operations in relation to the Notes. The Issuer shall not compensate the Noteholders for any such expenses.

Why is this prospectus being produced?

Use of proceeds

The net proceeds from the issue of each Series of Notes will be used by the Issuer to cover general corporate needs, including the Group's current expenses, other liquidity needs, commitments of the Group to invest into managed funds. The main part of the net proceeds from the first Tranche of Notes (up to EUR 6.3 million) will be used to repay the credit line under agreement with Luminor Bank AS Lithuanian branch; the remaining part will be used to cover the Group's operational and other expenses.

Underwriting

The Notes will not be underwritten.

Conflicts of interest

2 (two) members of the Management Board – Mr Alvydas Banys and Ms Indrė Mišeikytė – are the shareholders of the Issuer, holding 32.77% (directly 7.45% and indirectly through the controlled company LJB investments 25.32%) and 1.94% of the shares respectively. In addition, the CEO of the Issuer Mr Darius Šulnis indirectly, through the controlled company Lucrum Investicija, holds 26.01% of the shares.

It is possible that the direct and indirect shareholders of the Issuer who are also the members of the administrative and management bodies, may have conflict of their own interests and those of the Issuer. However, the Issuer's and its Group companies' transactions with its related parties are regulated by the Civil Code, the Law on Companies and the Articles of Association of the Issuer, which provide rules concerning related party transactions and conflicts of interest between a company and its management (and persons close to such members).

Apart from the above, the Issuer is not aware of any conflicts of interest or potential conflicts of interest between the company duties of the members of the Management Board of the Issuer and their private interests and/or their other duties.