

**SPECIAL CLOSED-END PRIVATE EQUITY  
INVESTMENT FUND  
LORDS LB PRIVATE EQUITY FUND I**

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**ACTIVITY REPORT  
2018 Q1-Q4**



**LORDS LB**  
Asset Management



## I. GENERAL INFORMATION

1. The name of the Collective Investment Undertaking, legal form, the date of Commission's approval of the establishment documents of the Collective Investment Undertaking:

**Special closed-end private equity investment fund LORDS LB PRIVATE  
EQUITY FUND I, Decision no. 241-67 dated August 29, 2012.**

2. Reporting period:

**January 1, 2018 – December 31, 2018**

3. Data of the Management Company:

- 3.1. The title and the code of the company:

Name: **LORDS LB ASSET MANAGEMENT, UAB**  
Registry code: **301849625**

- 3.2. Visiting address:

**Jogailos str. 4, LT-01116 Vilnius, Lithuania**

- 3.3. Telephone no., e-mail, website:

Telephone no.: **+ 370 5 261 9470**  
E-mail: **info@lordslb.lt**  
Website: **www.lordslb.com**

- 3.4. License No.:

**Management Company working under Undertakings in Collective Investment Law License  
No. VĮK-016, issued on the 23rd of December 2008  
Management Company working under Management Companies of Undertakings in  
Collective Investment for Professional Investors Law License No. 1, issued on the 23rd of June  
2015**

- 3.5. Name, surname and position of the Manager of the Collective Investment Undertaking:

**Artūras Šilinis, Fund Manager**

4. The title of Depository, registry code, address, telephone and fax numbers:

Name: **Swedbank, AB**  
Registry code: **112029651**  
Address: **Konstitucijos av. 20A, LT-03502 Vilnius, Lithuania**  
Telephone no/Fax no.: **1884**

## II. NUMBER AND VALUE OF NET ASSETS AND INVESTMENT UNITS

5. Number and value of net assets and investment units:

	At the start of the period	At the end of the period	One year ago	Two years ago
Amount of investment units	20.701.528,9500	20.701.528,9500	20.701.528,9500	20.701.528,9500
Net asset value	24.283.773	22.959.550	23.649.216	22.496.691
Investment unit value	1,1730	1,1091	1,1424	1,0867



6. Number and value of the distributed and retired investment units during reporting period:

	Amount of investment units	Value, Eur
Distributed	-	-
Redeemed	-	-
Difference	-	-

III. COSTS OF THE COLLECTIVE INVESTMENT UNDERTAKING

7. Types, amounts, percentages, the overall cost ratio of deductions from the assets of the Collective Investment Undertaking.

Expenses	Amount of expenses		Calculated this period	% of average NAV of this period
	Maximum	This period		
ADMINISTRATION COSTS:				
Management fee			300.504	1,25%
Fixed fee	1,25%	1,25%	300.504	1,25%
Success fee			-	0,00%
Depository services	0,20%	0,10%	24.417	0,10%
Transaction costs			-	0,00%
Audit	1,00%	0,01%	3.025	0,01%
Accounting services			16.821	0,07%
Legal services			-	0,00%
Loan interest			-	0,00%
Other administrative costs			28.115	0,12%
General cost and ratio *			372.882	1,55%*
General cost and weight	7,00%	1,55%	372.882	1,55%

\* General Cost Ratio (BIK) - the percentage of the average net assets of the Fund that is allocated to cover its management expenses. These costs directly reduce the investor's return on investment. It should be noted that transaction costs and loan interest expenses are not taken into account when calculating BIK.

8. The example, illustrating impact of deductions to the investor's final return on investments. The example presents the calculation of how much could be deducted (in EUR) from the contributions of the participant of the Collective Investment Undertaking at the current level of deductions and what the amount it could recover after 1, 3, 5, 10 years if invested EUR 10.000, and the annual rates of return – 5,00 percent:

	After 1 year	After 3 years	After 5 years	After 10 years
Expenses incurred	159	501	878	1.998
Accrued amount excluding expenses	10.500	11.576	12.763	16.289
Accrued amount including expenses	10.341	11.075	11.885	14.291

#### IV. INFORMATION ABOUT THE PORTFOLIO OF THE COLLECTIVE INVESTMENT UNDERTAKING

9. The portfolio of the Collective Investment Undertaking at the end of the reporting period:

The name of credit institution / issuer	State	CNCY	ISIN code	Term / Maturity	Yield, %	Purchase value	Market value	Share of NAV, %
<b>CASH:</b>								
Swedbank, AB	LT	EUR					139.804	0,61%
Total:							139.804	0,61%
<b>DEPOSITS:</b>								
<b>BONDS:</b>								
UAB "Ordeta"	LT	EUR	LT3028241807	2019.06.01	1,50%	19.316.000	18.196.993	79,26%
Total:						19.316.000	18.196.993	79,26%
<b>EQUITIES:</b>								
UAB "Ordeta"	LT	EUR	LT302824183U			5.080.800	4.707.543	20,50%
Total:						5.080.800	4.707.543	20,50%
Receivables:							338	0,00%
<b>TOTAL :</b>							23.044.679	100,37%

10. Description of investment instruments in which funds of the Collective Investment Undertaking were invested:

**The Fund has invested into the securities of "Ordeta" UAB.**

11. Distribution of investments according to investment strategy criteria:

Investment Distribution	At the start of the period		At the end of the period	
	Market value	Share of NAV, %	Market value	Share of NAV, %
<b>BY ASSET CLASS:</b>	24.374.600	100,40%	23.044.679	100,37%
Cash	222.990	0,90%	139.804	0,61%
Deposits	-	0,00%	-	0,00%
Money market instruments	-	0,00%	-	0,00%
Non-equity securities	21.943.307	90,40%	18.196.993	79,26%
Equity securities	907.442	3,70%	4.707.543	20,50%
Other instruments and receivables	1.300.861	5,40%	338	0,00%
Real estate by type:	-	0,00%	-	0,00%
High-quality assets	-	0,00%	-	0,00%
Development projects	-	0,00%	-	0,00%
Distressed assets	-	0,00%	-	0,00%
Real estate by sector:	-	0,00%	-	0,00%
Office centers	-	0,00%	-	0,00%
Shopping centers	-	0,00%	-	0,00%
Logistics centers	-	0,00%	-	0,00%



Real estate by geography:	-	0,00%	-	0,00%
Lithuania	-	0,00%	-	0,00%
Latvia	-	0,00%	-	0,00%
Estonia	-	0,00%	-	0,00%
BY CURRENCY:	24.374.600	100,40%	23.044.679	100,37%
EUR	24.374.600	100,40%	23.044.679	100,37%

12. Transactions for derivative financial instruments and total value of obligations arising from derivative financial instrument transactions by the end of the reporting cycle.

#### V. RETURN ON INVESTMENTS AND RISK RATES OF THE COLLECTIVE INVESTMENT UNDERTAKING

13. Comparative index and its brief description:

14. Change in value of the investment unit at the same period, rates of annual net investment return of portfolio investment instruments for the last ten years of the Collective Investment Undertaking's activity:

	Period			
	Current	1 year ago	2 years ago	10 years ago
Change in value of investment unit, EUR	0,0639	-0,0717	-0,0540	-
Annual gross return on investments, %	3,96%	6,52%	6,08%	-
Annual net return on investments, %	2,49%	5,07%	4,43%	-
Standard deviation of change in value of investment unit, EUR	0,0138	0,0046	0,0004	-

15. Change in value of the average investment unit at the same period, deviation of average net return on investments during the last three, five, ten years:

	Over the last			Since the start
	3 years	5 years	10 years	
Average change in value of investment unit, %	1,93%	1,32%	-	1,49%
Average gross return on investments, %	5,51%	5,79%	-	3,96%
Average net return on investments, %	3,99%	3,97%	-	2,49%
Standard deviation of change in value of investment unit, EUR	0,0114	0,0112	-	0,0091

16. The minimum and maximum fixed value of investment unit:

	Over the current period		Over the last period	
	Date	Value	Date	Value
Minimum fixed value of investment unit	2018.12.31	1,1091	2017.01.01	1,1013
Maximum fixed value of investment unit	2018.01.01	1,1730	2017.12.31	1,1730

17. Other rates revealing the risk of portfolio of the investment units, their explanations and method of calculation:



## VI. FINANCIAL STATEMENTS OF THE COLLECTIVE INVESTMENT UNDERTAKING

18. Financial statements of the Collective Investment Undertaking, were prepared according to the laws and the legal requirements of the Republic of Lithuania:

18.1. The balances set out in a comparative table:

	At the end of the period	At the start of the period
<b>ASSETS:</b>	23,044.679	24,374.600
Cash and cash equivalents	139.804	222.990
Deposits	-	-
Investments:	22,904.536	22,850.749
Government and Central Bank securities	-	-
Bonds	18,196.993	21,943.307
Equities	4,707.543	907.442
Funds	-	-
Real estate	-	-
Other investments	-	-
Receivables:	338	1,300.861
Receivable amounts from investment sales	-	-
Other receivables	338	1,300.861
<b>LIABILITIES AND NET ASSETS:</b>	23,044.679	24,374.600
Liabilities:	85.129	90.827
Liabilities for investments	-	-
Amounts to Management Company and Depository	80.702	81.712
Other amounts and liabilities	4.427	9.116
Net assets:	22,959.550	24,283.773



18.2. Financial statements of the net asset changes of the last 3 years, set out in a comparative table:

	Current	1 year ago	2 years ago
NET ASSETS AT THE START OF THE PERIOD	24,283.773	22,797.962	21,680.156
INCREASE:	326.838	1,854.666	1,469.144
Distributed fund units	-	-	-
Interest received	326,838	948,296	1,469,144
Operating income	-	-	-
Realized profit from investments	-	-	-
Increase of investment value	-	906,370	-
Increase of asset value due to FX	-	-	-
Other income	-	-	-
DECREASE:	1,651.061	368.855	351.338
Redeemed fund units	-	-	-
Dividends	-	-	-
Interest	-	-	-
Management expenses	300,504	293,475	278,657
Realized loss from investments	-	-	-
Decrease in value of investments	1,278,179	-	-
Decrease of asset value due to FX	-	-	-
Other expenditure	73,378	75,379	72,681
NET ASSETS AT THE END OF THE PERIOD	22,959.550	24,283.773	22,797.962
ACCOUNTING OF UNIT VALUE	1,1091	1,1730	1,1013
ACCOUNTING AMOUNT OF UNITS	20,701,528,9500	20,701,528,9500	20,701,528,9500

"Current" is period from 2018-01-01 to 2018-12-31

"1 year ago" is period from 2017-01-01 to 2017-12-31

"2 years ago" is period from 2016-01-01 to 2016-12-31



19. Information about the operating income and costs from investment activity of Collective Investment Undertaking during the reporting period:

INCOME	-951.341
Interest income	326.838
Realized profit (loss) from investments into:	-
Equities	-
Bonds	-
Money market instruments	-
Derivative financial instruments	-
Funds	-
Real estate	-
Other investment instruments	-
Unrealized profit (loss) from:	-1.278.179
Equities	-1.278.179
Bonds	-
Money market instruments	-
Derivative financial instruments	-
Funds	-
Real estate	-
Other investment instruments	-
Other income:	-
Rental income	-
Profit from foreign currency exchange	-
Other	-
EXPENSES	372.882
Operating expenses:	372.882
Management expenses	300.504
Depository expenses	24.417
Payments to brokers	-
Audit expenses	3.025
Other payments and expenditure	44.936
Other expenses:	-
Interest expense	-
Expenses related to managed real estate	-
Loss from foreign currency exchange	-
Other	-
Net income	-1.324.223
Payments (dividends) to the owners of fund units	-
Reinvested income	-1.324.223



20. Information about profit and (or) loss suffered during the financial year from the sale of each real estate object:

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21. Information about the real estate agencies, whose services are used by the Management Company while managing the assets of Collective Investment Undertaking:

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22. Value of real estate of investment portfolio of the Collective Investment Undertaking that is assessed by the latest real estate agents.

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23. Auditor's report and financial statements:



## VII. OTHER INFORMATION

24. Other important information about the financial status of the Collective Investment Undertaking, factors and circumstances that have been affecting the Collective Investment Undertaking's assets or liabilities.

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25. Additional explanations, comments, pictorial, graphic material and other important information about the Collective Investment Undertaking's activity that had an influence on the Undertaking's changes of activity and results.

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## VIII. INFORMATION ABOUT DIVIDENDS

26. Information on the charged and (or) paid dividends, the period that the dividends have been paid, the dates of payment of the dividends on a per unit of investment size and other important information:

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## IX. INFORMATION ABOUT THE BORROWED OR LOAN FUNDS OF THE COLLECTIVE INVESTMENT UNDERTAKING

27. The Collective Investment Undertaking's borrowings at the end of the reporting period:

No	Amount	Currency	Loan date	Repayment term	Interest	Creditor	% of NAV
	-						0,00%
Total:	-						0,00%

28. The Collective Investment Undertaking's loans at the end of the reporting period:

No	Amount	Currency	Lending date	Repayment term	Interest	Debitor	% of NAV
	-						0,00%
Total:	-						0,00%



#### IX. PERSONS IN CHARGE

29. The Consultants, whose services were taken in preparing the Report, their names (the names of legal entities) and addresses, the titles and numbers of business licenses:

**Consultant services were not used when preparing this report.**

30. The names, surnames, positions of the persons in charge of preparing the Report:

**Artūras Šilinis, Fund Manager**

31. The information presented in this Report is true and there are no suppressed facts which could exert a dominant influence on the values of the rates.

32. The persons in charge for the information presented in the Report:

- 32.1. The Managing company's persons, employees and the Managing Director responsible for the Report:

Managing Director:  
Telephone no.:  
E-mail

**Vilma Tvaronavičienė**  
**+370 5 261 9470**  
**info@lordslb.com**

Fund Manager:  
Telephone no.:  
E-mail:

**Artūras Šilinis**  
**+370 5 261 9470**  
**info@lordslb.com**

- 32.2. The Chief Accountant who has presented the information of financial status of the Collective Investment Undertaking:

Chief Accountant:  
The name of the company:  
Telephone no.:

**Eladijus Kirijanovas**  
**M-FINANCE, UAB**  
**+370 5 265 3377**