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

ACTIVITY REPORT
2016 Q1

LORDS LB
Asset Management

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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, 2016 – March 31, 2016

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.:

   License no. VĮK-016, issued on the December 23, 2008
   License no. 1, issued on the June 23, 2015

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

   Marius Žemaitis, 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
	EUR	EUR	EUR	EUR
Amount of investment units	20.701.528,9500	20.701.528,9500	6.998.955,1600	6.998.955,1600
Net asset value	21.680.155,51	21.936.206,73	7.670.855,53	7.347.379,80
Investment unit value	1,0473	1,0596	1,0960	1,0498

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

	Amount of investment units	Market value
		EUR
Distributed	0,0000	0,00
Redeemed	0,0000	0,00
Difference	0,0000	0,00

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	EUR	
ADMINISTRATION COSTS:				
Management fee			67.960,82	0,31%
Fixed fee	*1,25%*	*0,31%*	*67.960,82*	*0,31%*
Success fee			*0,00*	*0,00%*
Depository services	*0,20%*	*0,03%*	5.509,27	0,03%
Property valuation			0,00	0,00%
Audit	*1,00%*	*0,00%*	605,01	0,00%
Accounting services			4.205,28	0,02%
Legal services			25.522,64	0,12%
Loan interest			0,00	0,00%
Other administrative costs			33,97	0,00%
General cost and weight	*7,00%*	*0,48%*	103.836,99	0,48%

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 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 – 4,03 percent:

	After 1 year	After 3 years	After 5 years	After 10 years
Expenses incurred	48,97	152,90	265,38	588,72
Accrued amount excluding expenses	10.403,00	11.258,38	12.184,09	14.845,20
Accrued amount including expenses	10.354,03	11.105,48	11.918,71	14.256,47

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, EUR	Market value, EUR	Share of NAV , %
CASH:								
Swedbank, AB	LT	EUR					141.813,98	0,7%
Total:							141.813,98	0,7%
DEPOSITS:								
BONDS:								
UAB "Ordeta"	LT	EUR	LT30282418O7	2019.07.01	7,25%	19.965.000,00	20.633.455,16	94,1%
Total:						19.965.000,00	20.633.455,16	94,1%
EQUITIES:								
UAB "Ordeta"	LT	EUR	LT302824183U			1.448,10	0,50	0,0%
Total:						1.448,10	0,50	0,0%
Receivables:	LT	EUR					1.292.618,97	5,9%
TOTAL :							22.067.888,61	100,6%

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 EUR	Share of NAV, %	Market value EUR	Share of NAV, %
BY ASSET CLASS:	21.812.531,23	100,61%	22.067.888,61	100,60%
Cash	246.344,81	1,14%	141.813,98	0,65%
Deposits	0,00	0,00%	0,00	0,00%
Money market instruments	0,00	0,00%	0,00	0,00%
Non-equity securities	20.273.566,95	93,51%	20.633.455,16	94,06%
Equity securities	0,50	0,00%	0,50	0,00%
Other instruments and receivables	1.292.618,97	5,96%	1.292.618,97	5,89%
Real estate by type:	0,00	0,00%	0,00	0,00%
High-quality assets	0,00	0,00%	0,00	0,00%
Development projects	0,00	0,00%	0,00	0,00%
Distressed assets	0,00	0,00%	0,00	0,00%
Real estate by sector:	0,00	0,00%	0,00	0,00%
Office centers	0,00	0,00%	0,00	0,00%
Shopping centers	0,00	0,00%	0,00	0,00%
Logistics centers	0,00	0,00%	0,00	0,00%

Real estate by geography:	0,00	0,00%	0,00	0,00%
Lithuania	0,00	0,00%	0,00	0,00%
Latvia	0,00	0,00%	0,00	0,00%
Estonia	0,00	0,00%	0,00	0,00%
BY CURRENCY:	21.812.531,23	100,61%	22.067.888,61	100,60%
EUR	21.812.531,23	100,61%	22.067.888,61	100,60%

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

No derivative transactions during the reporting period.

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

13. Comparative index and its brief description:

Comparative index is not applied to this Collective Investment Undertaking

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	0,0123	0,0122	0,0113	-
Annual gross return on investments, %	5,95%	6,50%	6,31%	-
Annual net return on investments, %	4,03%	4,06%	3,80%	-
Standard deviation of change in value of investment unit, EUR	0,0151	0,0003	0,0008	-

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 ago	5 years ago	10 years ago	
Average change in value of investment unit, %	1,57%	-	-	1,16%
Average gross return on investments, %	6,19%	-	-	5,95%
Average net return on investments, %	3,83%	-	-	4,03%
Standard deviation of change in value of investment unit, EUR	0,0091	-	-	0,0085

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

	Over the current period		Over the last period	
	Date	Value	Date	Value
		EUR		EUR
Minimum fixed value of investment unit	2016.01.01	1,0473	2015.01.01	1,0838
Maximum fixed value of investment unit	2016.03.31	1,0596	2015.03.31	1,0960

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

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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
ASSETS:	22.067.888,61	21.812.531,23
Cash and cash equivalents	141.813,98	246.344,81
Deposits	0,00	0,00
Investments:	20.633.455,66	20.273.567,45
Government and Central Bank securities	0,00	0,00
Bonds	20.633.455,16	20.273.566,95
Equities	0,50	0,50
Funds	0,00	0,00
Real estate	0,00	0,00
Other investments	0,00	0,00
Receivables:	1.292.618,97	1.292.618,97
Receivable amounts from investment sales	0,00	0,00
Other receivables	1.292.618,97	1.292.618,97
LIABILITIES AND NET ASSETS:	22.067.888,61	21.812.531,23
Liabilities:	131.681,88	132.375,72
Liabilities for investments	0,00	0,00
Amounts to Management Company and Depository	127.255,08	58.507,72
Other amounts and liabilities	4.426,80	73.868,00
Net assets:	21.936.206,73	21.680.155,51

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	21.680.155,51	7.585.210,02	7.268.519,65
INCREASE:	359.888,21	139.789,20	130.787,91
Distributed fund units	0,00	0,00	0,00
Interest received	359.888,21	139.789,11	130.787,91
Operating income	0,00	0,00	0,00
Realized profit from investments	0,00	0,00	0,00
Increase of investment value	0,00	0,00	0,00
Increase of asset value due to FX	0,00	0,09	0,00
Other income	0,00	0,00	0,00
DECREASE:	103.836,99	54.143,69	51.927,76
Redeemed fund units	0,00	0,00	0,00
Dividends	0,00	0,00	0,00
Interest	0,00	0,00	0,00
Management expenses	67.960,82	47.211,99	45.227,32
Realized loss from investments	0,00	0,00	0,00
Decrease in value of investments	0,00	0,00	0,00
Decrease of asset value due to FX	0,00	0,00	0,00
Other expenditure	35.876,17	6.931,70	6.700,44
NET ASSETS AT THE END OF THE PERIOD	21.936.206,73	7.670.855,53	7.347.379,80
ACCOUNTING OF UNIT VALUE	1,0596	1,0960	1,0498
ACCOUNTING AMOUNT OF UNITS	20.701.528,9500	6.998.955,1600	6.998.955,1600

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

	EUR
INCOME	359.888,21
Interest income	359.888,21
Realized profit (loss) from investments into:	0,00
Equities	0,00
Bonds	0,00
Money market instruments	0,00
Derivative financial instruments	0,00
Funds	0,00
Real estate	0,00
Other investment instruments	0,00
Unrealized profit (loss) from:	0,00
Equities	0,00
Bonds	0,00
Money market instruments	0,00
Derivative financial instruments	0,00
Funds	0,00
Real estate	0,00
Other investment instruments	0,00
Other income:	0,00
Rental income	0,00
Profit from foreign currency exchange	0,00
Other	0,00
EXPENSES	103.836,99
Operating expenses:	103.836,99
Management expenses	67.960,82
Depository expenses	5.509,27
Payments to brokers	0,00
Audit expenses	605,01
Other payments and expenditure	29.761,89
Other expenses:	0,00
Interest expense	0,00
Expenses related to managed real estate	0,00
Loss from foreign currency exchange	0,00
Other	0,00
Net income	256.051,22
Payments (dividends) to the owners of fund units	0,00
Reinvested income	0,00

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. Auditor's report and financial statements:

Provided with annual activity report.

VII. OTHER INFORMATION

22. 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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23. 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

24. 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

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

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

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

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

IX. PERSONS IN CHARGE

27. 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.

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

Marius Žemaitis, Fund Manager

29. 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.

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

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

Managing Director:	**Domas Kačinskas**
Telephone no.:	**+370 5 261 9470**
E-mail	**info@lordslb.com**
Fund Manager:	**Marius Žemaitis**
Telephone no.:	**+370 5 261 9470**
E-mail:	**info@lordslb.com**

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

Chief Accountant:	**Eladijus Kirijanovas**
The name of the company:	**M-FINANCE, UAB**
Telephone no.:	**+370 5 265 3377**