

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

ACTIVITY REPORT  
2017 Q1-Q3



LORDS LB  
Asset Management

LORDS LB ASSE



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

2. Reporting period:

**January 1, 2017 – September 30, 2017**

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	8.540.667,4900
Net asset value	22.797.962	23.649.216	22.496.691	9.296.269
Investment unit value	1,1013	1,1424	1,0867	1,0885



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

	Amount of investment units	Market value
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		
<b>ADMINISTRATION COSTS:</b>				
Management fee			217.883	0,94%
<i>Fixed fee</i>	1,25%	0,94%	217.883	0,94%
<i>Success fee</i>			-	0,00%
Depository services	0,20%	0,08%	17.706	0,08%
Transaction costs			-	0,00%
Audit	1,00%	0,02%	5.785	0,02%
Accounting services			12.616	0,05%
Legal services			757	0,00%
Loan interest			-	0,00%
Valuation			25.000	0,11%
Other administrative costs			1.260	0,01%
<i>General cost and ratio*</i>			281.007	1,21%
<b>General cost and weight</b>	<b>7,00%</b>	<b>1,21%</b>	<b>281.007</b>	<b>1,21%</b>

\* 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.



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

8. 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					307.503	1,30%
Total:							307.503	1,30%
<b>DEPOSITS:</b>								
<b>BONDS:</b>								
UAB "Ordeta"	LT	EUR	LT3028241807	2019.07.01	7,25%	19.316.000	22.128.344	93,57%
Total:						19.316.000	22.128.344	93,57%
<b>EQUITIES:</b>								
UAB "Ordeta"	LT	EUR	LT302824183U			2.520	1	0,00%
Total:						2.520	1	0,00%
Receivables:							1.300.861	5,50%
<b>TOTAL :</b>							<b>23.446.426</b>	<b>100,37%</b>

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

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

10. 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>	23.092.919	101,29%	23.736.708	100,37%
Cash	73.296	0,32%	307.503	1,30%
Deposits	-	0,00%	-	0,00%
Money market instruments	-	0,00%	-	0,00%
Non-equity securities	21.712.711	95,24%	22.128.344	93,57%
Equity securities	1	0,00%	1	0,00%
Other instruments and receivables	1.306.911	5,73%	1.300.861	5,50%
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%
<b>BY CURRENCY:</b>	<b>23.092.919</b>	<b>101,29%</b>	<b>23.736.708</b>	<b>100,37%</b>
EUR	23.092.919	101,29%	23.736.708	100,37%

11. 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

12. Comparative index and its brief description:

**Comparative index is not applied to this Collective Investment Undertaking.**

13. 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	0,0411	0,0394	0,0047	-
Annual gross return on investments*, %	6,09%	6,03%	5,97%	-
Annual net return on investments*, %	4,58%	4,31%	3,67%	-
Standard deviation of change in value of investment unit, EUR	0,0005	0,0004	0,0068	-

\* From the beginning of Fund's activity.

14. 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, %	1,77%	2,71%	-	2,24%
Average gross return on investments, %	6,04%	6,15%	-	6,09%
Average net return on investments, %	4,29%	4,10%	-	4,58%
Standard deviation of change in value of investment unit, EUR	0,0004	0,0081	-	0,0072

15. 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	2017.01.01	1,1013	2016.01.01	1,0473
Maximum fixed value of investment unit	2017.09.30	1,1424	2016.09.30	1,0867

16. 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

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

17.1. The balances set out in a comparative table:

	At the end of the period	At the start of the period
<b>ASSETS:</b>	23.736.708	23.092.919
Cash and cash equivalents	307.503	73.296
Deposits	-	-
<b>Investments:</b>	22.128.345	21.712.712
Government and Central Bank securities	-	-
Bonds	22.128.344	21.712.711
Equities	1	1
Funds	-	-
Real estate	-	-
Other investments	-	-
<b>Receivables:</b>	1.300.861	1.306.911
Receivable amounts from investment sales	-	-
Other receivables	1.300.861	1.306.911
<b>LIABILITIES AND NET ASSETS:</b>	23.736.708	23.092.919
<b>Liabilities:</b>	87.493	294.958
Liabilities for investments	-	-
Amounts to Management Company and Depository	80.306	284.440
Other amounts and liabilities	7.187	10.517
<b>Net assets:</b>	23.649.216	22.797.962



17.2. 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
<b>NET ASSETS AT THE START OF THE PERIOD</b>	22.797.962	21.680.156	7.585.210
<b>INCREASE:</b>	1.133.332	1.083.619	2.805.682
Distributed fund units	-	-	2.479.212
Interest received	1.133.332	1.083.619	326.469
Operating income	-	-	-
Realized profit from investments	0	-	-
Increase of investment value	-	-	0
Increase of asset value due to FX	-	-	0
Other income	-	-	-
<b>DECREASE:</b>	282.079	267.084	1.094.623
Redeemed fund units	-	-	937.500
Dividends	-	-	-
Interest	-	-	11.712
Management expenses	217.883	207.267	123.203
Realized loss from investments	-	-	-
Decrease in value of investments	1.071	-	-
Decrease of asset value due to FX	-	-	-
Other expenditure	63.124	59.816	22.207
<b>NET ASSETS AT THE END OF THE PERIOD</b>	23.649.216	22.496.691	9.296.269
<b>ACCOUNTING OF UNIT VALUE</b>	1,1424	1,0867	1,0885
<b>ACCOUNTING AMOUNT OF UNITS</b>	20.701.528,9500	20.701.528,9500	8.540.667,4900

"Current" is period from 2017-01-01 to 2017-09-30

"1 year ago" is period from 2016-01-01 to 2016-09-30

"2 years ago" is period from 2015-01-01 to 2015-09-30



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

<b>INCOME</b>	<b>1.132.261</b>
Interest income	1.133.332
Realized profit (loss) from investments into:	-
Equities	-
Bonds	-
Money market instruments	-
Derivative financial instruments	-
Funds	-
Real estate	-
Other investment instruments	-
Unrealized profit (loss) from:	-1.071
Equities	-1.071
Bonds	-
Money market instruments	-
Derivative financial instruments	-
Funds	-
Real estate	-
Other investment instruments	-
Other income:	-
Rental income	-
Profit from foreign currency exchange	-
Other	-
<b>EXPENSES</b>	<b>281.007</b>
Operating expenses:	281.007
Management expenses	217.883
Depository expenses	17.706
Payments to brokers	-
Audit expenses	5.785
Other payments and expenditure	39.633
Other expenses:	-
Interest expense	-
Expenses related to managed real estate	-
Loss from foreign currency exchange	-
Other	-
<b>Net income</b>	<b>851.254</b>
Payments (dividends) to the owners of fund units	-
Reinvested income	851.254

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

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20. Auditor's report and financial statements:

Provided with annual activity report.





## VII. OTHER INFORMATION

21. 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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22. 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

23. 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

24. 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%

25. 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

26. 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.**

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

**Artūras Šilinis, Fund Manager**

28. 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.

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

- 29.1. 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: **Artūras Šilinis**  
Telephone no.: **+370 5 261 9470**  
E-mail: **info@lordslb.com**

- 29.2. 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**