

**CLOSED-END INVESTMENT UNDERTAKING FOR INFORMED
INVESTORS CAPITALICA Z114 REAL ESTATE FUND UAB**

CONDENSED FINANCIAL STATEMENTS FOR THE YEAR 2023 PREPARED IN ACCORDANCE
WITH LITHUANIAN FINANCIAL REPORTING STANDARDS AND PRESENTED TOGETHER
WITH THE ANNUAL REPORT (UNAUDITED)

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INCOME STATEMENT
 for the year ended 31 December 2023

21 February 2024
 (financial statements preparation date)

No	ITEMS	Notes	Financial year	Previous financial year
1.	OPERATING INCOME		636,582	489,960
1.1.	Interest income		-	-
1.2.	Dividends		-	-
1.3.	Lease income		189,342	287,744
1.4.	Gain from changes in value and sale of investments		447,240	200,000
1.5.	Gain from changes in foreign currency exchange rates		-	-
1.6.	Gain on derivatives		-	-
1.7.	Guarantee contributions		-	-
1.8.	Income related to sale/redemption of the Company's shares		-	-
1.9.	Other operating income		-	2,216
2.	OPERATING EXPENSES		100,948	150,249
2.1.	Loss from changes in value and sales of investments		-	-
2.2.	Loss from changes in foreign currency exchange rates		-	-
2.3.	Loss from derivatives		-	-
2.4.	Costs of selling the Company's shares		-	-
2.5.	Other operating expenses		100,948	150,249
3.	GROSS PROFIT (LOSS)		535,634	339,711
4.	GENERAL AND ADMINISTRATIVE EXPENSES		214,764	139,926
4.1.	Remuneration to management company		111,193	35,308
4.2.	Remuneration to depositary		25,000	8,904
4.3.	Remuneration to intermediaries		-	-
4.4.	Audit expenses		14,000	14,500
4.5.	Other general and administrative expenses		64,571	81,214
4.6.	Reimbursement of expenses(-)		-	-
5.	RESULTS OF OTHER ACTIVITIES		-	-
6.	INTEREST AND OTHER SIMILAR EXPENSES		2,756	-
7.	PROFIT (LOSS) BEFORE TAX		318,114	199,785
8.	INCOME TAX		9,611	-
9.	NET PROFIT (LOSS)		308,503	199,785

Director of management company UAB CAPITALICA
 ASSET MANAGEMENT

 (title of the head of the management company)

 (signature)

Mindaugas Liaudanskas

 (full name)

Head of Accounting of UAB SBA Competence and
 Service Center

 (title of a person able to handle accounting)

 (signature)

Milda Kiaušinytė

 (full name)

Closed-end investment undertaking intended for informed investors CAPITALICA Z114 REAL ESTATE FUND UAB, 305198076, Žalgirio st. 114, Vilnius

CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(all amounts are in EUR unless otherwise stated)

BALANCE SHEET

as at 31 December 2023

21 February 2024

(financial statements preparation date)

No	ITEMS	Notes	Financial year	Previous financial year
	ASSETS			
A.	NON-CURRENT ASSETS		8,031,684	3,456,246
1.	INTANGIBLE ASSETS		31,684	-
2.	PROPERTY, PLANT AND EQUIPMENT		8,000,000	3,456,246
2.1.	Investment property		8,000,000	3,456,246
2.1.1	Land		-	-
2.1.2	Buildings		-	-
2.2.	Other property, plant and equipment		-	-
3.	FINANCIAL ASSETS		-	-
3.1.	Investments in group companies		-	-
3.2.	Investments in associates		-	-
3.3.	Other equity securities		-	-
3.4.	Non-equity securities		-	-
3.5.	Other investment units, shares, contributions of other collective investment undertakings		-	-
3.6.	Derivatives		-	-
3.7.	Term deposits		-	-
3.8.	Loans and receivables		-	-
3.8.1.	Loans to group companies		-	-
3.8.2.	Receivables from group companies		-	-
3.8.3.	Loans to associates		-	-
3.8.4.	Receivable from associates		-	-
3.8.5.	Other receivables after one year		-	-
3.9.	Other non-current financial assets		-	-
4.	OTHER NON-CURRENT ASSETS		-	-
4.1.	Deferred tax assets		-	-
4.2.	Other assets		-	-
B.	CURRENT ASSETS		2,807,126	938,694
1.	INVENTORIES		11,190	11,502
1.1.	Prepayments		11,190	11,502
1.2.	Inventory for internal use		-	-
2.	RECEIVABLES WITHIN ONE YEAR		2,540,693	35,020
2.1.	Receivables from sale of investments		-	-
2.2.	Debts owed by group companies		-	-
2.3.	Debts owed by associates		-	-
2.4.	Other receivables within a year		2,540,693	35,020
3.	SHORT-TERM INVESTMENTS		-	-
3.1.	Term deposits		-	-
3.2.	Money-market instruments		-	-
3.3.	Transferable securities		-	-
3.3.1.	Non-equity securities		-	-
3.3.2.	Equity securities of group companies		-	-
3.3.3.	Other equity securities		-	-
3.3.4.	Other investment units, shares, contributions of other collective investment undertakings		-	-
3.4.	Derivatives		-	-
4.	CASH		255,243	892,172
C.	DEFERRED EXPENSES AND ACCRUED INCOME		1,727	-
	TOTAL ASSETS		10,840,537	4,394,940

Closed-end investment undertaking intended for informed investors CAPITALICA Z114 REAL ESTATE FUND UAB, 305198076, Žalgirio st. 114, Vilnius
CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
(all amounts are in EUR unless otherwise stated)

No	ITEMS	Notes	Financial year	Previous financial year
D.	EQUITY		7,807,830	4,299,323
1.	CAPITAL		5,619,068	3,325,652
1.1.	Subscribed capital		5,619,068	3,325,652
1.2.	Subscribed unpaid capital (-)		-	-
2.	SHARE PREMIUM		1,083,438	176,850
3.	REVALUATION RESERVE (RESULTS)		-	-
4.	RESERVES		-	-
4.1.	Legal reserve		-	-
4.2.	Other reserves		-	-
5.	RETAINED EARNINGS (LOSS)		1,105,324	796,821
5.1.	Profit (loss) of the reporting year		308,503	199,785
5.2.	Profit (loss) of the previous year		796,821	597,036
E.	PROVISIONS		-	-
1.	Provision for pensions and similar liabilities		-	-
2.	Provisions for taxation		-	-
3.	Other provisions		-	-
F.	PAYABLES AND OTHER LIABILITIES		3,015,257	73,844
1.	PAYABLES AFTER ONE YEAR AND OTHER LIABILITIES		2,387,077	-
1.1.	Debt liabilities		2,387,077	-
1.2.	Financial amounts owed to credit institutions		-	-
1.3.	Prepayments received		-	-
1.4.	Payables for financial and investment assets		-	-
1.5.	Payables under the bills of exchange and checks		-	-
1.6.	Payable to group companies		-	-
1.7.	Payables to associates		-	-
1.8.	Liabilities under derivative contracts		-	-
2.	PAYABLES WITHIN ONE YEAR AND OTHER LIABILITIES		628,180	73,844
2.1.	Debt liabilities		1,327	-
2.2.	Financial amounts owed to credit institutions		-	-
2.3.	Prepayments received		-	30,905
2.4.	Payables for financial and investment assets		600,387	-
2.5.	Payables under the bills of exchange and checks		-	-
2.6.	Payable to group companies		-	-
2.7.	Payables to associates		-	-
2.8.	Payables to management company and depository		15,364	9,679
2.9.	Other payables within one year		11,102	33,260
2.10.	Liabilities under derivative contracts		-	-
2.11.	Liabilities of tax on profit		-	-
2.12.	Employment-related liabilities		-	-
2.13.	Other current liabilities		-	-
G.	ACCRUALS AND DEFERRED INCOME		17,450	21,773
	TOTAL EQUITY AND LIABILITIES		10,840,537	4,394,940

Director of management company UAB CAPITALICA
ASSET MANAGEMENT
(title of the head of the management company)

(signature)

Mindaugas Liaudanskas
(full name)

Head of Accounting of UAB SBA Competence and
Service Center
(title of a person able to handle accounting)

(signature)

Milda Kiaušinytė
(full name)

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023

21 February 2024

(financial statements preparation date)

Indicators	Equity	Share premium	Legal reserve	Revaluation reserve (results)		Other reserves	Retained earnings (loss)	Total
				Property, plant and equipment	Financial assets			
1. Balance at the end of the financial year before previous	2,702,500	-	-	-	-	-	597,036	3,299,536
2. Results of changes in accounting policies	-	-	-	-	-	-	-	-
3. Results of correcting material errors	-	-	-	-	-	-	-	-
4. Recalculated balance at the end of financial year before last year	-	-	-	-	-	-	-	-
5. Increase (decrease) in the value of property, plant and equipment	-	-	-	-	-	-	-	-
6. Profit (loss) not recognized in statement of profit and loss	-	-	-	-	-	-	-	-
7. Net profit (loss) for the year	-	-	-	-	-	-	199,785	199,785
8. Declared dividends and other payments related to profit distribution	-	-	-	-	-	-	-	-
9. Formed reserves	-	-	-	-	-	-	-	-
10. Realised reserves	-	-	-	-	-	-	-	-
11. Capital increase by selling shares, receiving contributions	623,152	176,850	-	-	-	-	-	800,002
12. Capital decrease by redemption of shares, reimbursement of contributions	-	-	-	-	-	-	-	-
13. Contributions to cover losses	-	-	-	-	-	-	-	-
14. Balance at the end of previous financial year	3,325,652	176,850	-	-	-	-	796,821	4,299,323

(continued on the next page)

**Closed-end investment undertaking intended for informed investors CAPITALICA Z114 REAL ESTATE
FUND UAB, 305198076, Žalgirio st. 114, Vilnius**
CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
(all amounts are in EUR unless otherwise stated)

Indicators	Equity	Share premium	Legal reserve	Revaluation reserve (results)		Other reserves	Retained earnings (loss)	Total
				Property, plant and equipment	Financial assets			
15. Increase (decrease) in the value of property, plant and equipment and financial assets	-	-	-	-	-	-	-	-
16. Profit (loss) not recognized in statement of profit and loss	-	-	-	-	-	-	-	-
17. Net profit (loss) for the year	-	-	-	-	-	-	308,503	308,503
18. Dividends and other payments related to profit distribution	-	-	-	-	-	-	-	-
19. Formed reserves	-	-	-	-	-	-	-	-
20. Realised reserves	-	-	-	-	-	-	-	-
21. Capital increase by selling shares, receiving contributions	2,293,416	906,588	-	-	-	-	-	3,200,004
22. Capital decrease by redemption of shares, reimbursement of contributions	-	-	-	-	-	-	-	-
23. Contributions to cover losses	-	-	-	-	-	-	-	-
24. Balance at the end of the current financial year	5,619,068	1,083,438	-	-	-	-	1,105,324	7,807,830

Director of management company UAB CAPITALICA
ASSET MANAGEMENT

(title of the head of the management company)

(signature)

Mindaugas Liaudanskas

(full name)

Head of Accounting of UAB SBA Competence and
Service Center

(title of a person able to handle accounting)

(signature)

Milda Kiaušinytė

(full name)

CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(all amounts are in EUR unless otherwise stated)

STATEMENT OF CASH FLOWS

for the year ended 31 December 2023

21 February 2024
(financial statements preparation date)

(EUR)				
No	Items	Notes	Financial year	Previous financial year
1.	Operating activities			
1.1.	Cash inflows of the reporting period		214,456	342,318
1.1.1.	Proceeds from disposal of financial assets and investment property		-	-
1.1.2.	Interest received		-	-
1.1.3.	Dividends received		-	-
1.1.4.	Rental payments received		214,456	342,318
1.1.5.	Other income		-	-
1.2.	Cash outflows of the reporting period		(4,051,388)	(385,992)
1.2.1.	Payments for acquisition of financial assets and investment property and liabilities settled		(3,527,811)	(78,006)
1.2.2.	Payments related to general and administrative needs		(391,573)	(144,668)
1.2.3.	Other payments		(132,004)	(163,318)
	<u>Net cash flows from operating activities</u>		(3,836,932)	(43,674)
2.	Financing activities			
2.1.	Sale of company shares, received contributions		3,200,003	800,003
2.2.	Redemption of shares, repayment of contributions		-	-
2.3.	Payments from profit		-	-
2.4.	Loans received		-	-
2.5.	Loans repaid		-	-
2.6.	Interest paid		-	-
2.7.	Cash flows related to other financing sources		-	-
2.8.	Other increases in cash flows from financing activities		-	-
2.9.	Other decreases in cash flows from financing activities		-	-
	<u>Net cash flows from in financing activities</u>		3,200,003	800,003
3.	Effects of changes in foreign exchange rates on net cash balances		-	-
4.	Net increase (decrease) in cash flows		(636,929)	756,329
5.	Cash at the beginning of the period		892,172	135,843
6.	Cash at the end of the period		255,243	892,172

Director of management company UAB

CAPITALICA ASSET MANAGEMENT

(title of the head of the management company)

(signature)

Mindaugas Liaudanskas

(full name)

Head of Accounting of UAB SBA Competence
and Service Center

(title of a person able to handle accounting)

(signature)

Milda Kiaušinytė

(full name)

Notes to the condensed financial statements

1 General information

The closed-end investment undertaking for informed investors CAPITALICA Z114 REAL ESTATE FUND UAB (hereinafter – the Company, the Investment Company) is a limited liability company registered in the Republic of Lithuania on 5 June 2019. Its registered office address is Žalgirio st. 114, Vilnius.

On 21 July 2022, the Bank of Lithuania issued a license No V 2022/(1.160.E-9004)441-150 to the Company to operate as an investment company under the Republic of Lithuania Law on Collective Investment Undertakings for Informed Investors. Before the issue of the license, the Company operated as a private limited liability company and its shareholders had all the rights and obligations determined by the Law on Companies of the Republic of Lithuania.

The main activity of the Company – collective investment of informed investor assets in the real estate market in order to spread risks and earn profit for the Company's shareholders.

The goal of the Company is to ensure a long-term growth of return to the shareholders by investing in the property complex owned by the Company, located on the land plot leased by the Company at the address Žalgirio str. 114, in Vilnius. Investments are carried out by demolishing the existing buildings of the complex and building a new one of up to 8,500 square meters. m. general area office building, of which about 8,000 sq. m. office space would be leased, and by leasing it and selling it until the liquidation and deregistration of the Company.

The Company is able to operate not longer than 5 years from the day on which the Bank of Lithuania issued the license to operate as an investment company. The period of the Company's activity may be extended for an additional 2 years under the conditions and procedure set forth in the Company's Articles of Association. The Company will be liquidated and deregistered before the end of its activity period.

The Company is managed by CAPITALICA ASSET MANAGEMENT UAB (hereinafter “the Management Company”), registered on 4 May 2016, company code 304234719, registered office address Upės st. 21-1, Vilnius. On 17 August 2016, license No 03-118 was issued to the Management Company by the Bank of Lithuania, enabling it to manage collective investment undertakings intended for informed investors operating under the Republic of Lithuania Law on Collective Investment Undertakings for Informed Investors.

As at 31 December 2023 and 2022, the shareholders of the Company were as follows:

Shareholder	Ownership interest as at 31 December 2023, %	Ownership interest as at 31 December 2022, %
LTU Invest, UAB	46.24	81.26
Minority shareholders	53.76	18.74
Total:	100.00	100.00

As at 31 December 2023 and 2022, the shared capital amounted to EUR 5,619,068 and EUR 3,325,652, split into 5,619,068 units and 3,325,625 units of ordinary registered shares, the nominal value of each was EUR 1. All the shares were fully paid.

The securities accounts of the investment company are managed by AB Šiaulių bankas, company code 112025254, registered office address Tilžės st. 149, Šiauliai. AB Šiaulių bankas also provides depository services for the investment company.

2 Accounting principles

The Company has prepared these financial statements in accordance with the same accounting principles as in the previous reporting year. A detailed description of accounting principles is provided in 31 December 2022 notes to the financial statements.

ANNUAL REPORT FOR 2023 OF CLOSED-END INVESTMENT UNDERTAKING INTENDED FOR INFORMED INVESTORS CAPITALICA Z114 REAL ESTATE FUND UAB

GENERAL INFORMATION ABOUT THE COMPANY

Closed-end investment undertaking intended for informed investors CAPITALICA Z114 REAL ESTATE FUND UAB (hereinafter – the Company, the Investment Company) was incorporated on 5 June 2019 in the Republic of Lithuania. Registered office address is Žalgirio st. 114, Vilnius.

On 21 July 2022, the Bank of Lithuania issued a license No V 2022/(1.160.E-9004)441-150 to the Company to operate as an investment company under the Republic of Lithuania Law on Collective Investment Undertakings for Informed Investors. Before the issue of the license, the Company operated as a private limited liability company and its shareholders had all the rights and obligations determined by the Law on Companies of the Republic of Lithuania.

As at 31 December 2023, the shared capital amounted to EUR 5,619,068, split into 5,619,068 units of ordinary registered shares of which 46.24% were controlled by LTU Invest UAB. The remaining shares are controlled by minority shareholders, each holding less than 15% of all shares.

The main activity of the Company – collective investment of informed investor assets in the real estate market in order to spread risks and earn profit for the Company's shareholders.

The Company is managed by CAPITALICA ASSET MANAGEMENT UAB (hereinafter – Management Company), which on 17 August 2016 gained a permit to act as a management company of collective investment subjects for informed investors, issued by the Bank of Lithuania.

I. Objective review of the Company's status, activity and development, description of principal risks and uncertainty encountered by the Company.

In 2023, the Company earned a net profit of EUR 308,503 thousand (2022: EUR 199,785 thousand).

As at 31 December 2023, the Company's assets amounted to EUR 10,840,537 (as at 31 December 2022 – EUR 4,394,940).

On 21 July 2022, after receiving the license from the Bank of Lithuania to operate as an investment company, the management of the Company was transferred to the Management Company, for this reason the Company had no employees as at 31 December 2023 and 2022.

The environmental protection requirements are not relevant.

II. In 2023, the Company neither acquired, nor transferred its own shares.

III. As at 31 December 2023, the Company had no branches or representative offices.

IV. Significant events that took place after the end of the financial year.

V. Business plans and forecasts of the Company.

The goal of the Company is to ensure a long-term growth of return to the shareholders by investing in the property complex owned by the Company, located on the land plot leased by the Company at the address Žalgirio str. 114, in Vilnius. Investments are carried out by demolishing the existing buildings of the complex and building a new one of up to 8,500 square meters. m. general area office building, and by leasing it and selling it until the liquidation and deregistration of the Company. At the end of 2024 the construction of the new office building is planned.

VI. The Company does not conduct any research and development activities.

VII. As at 31 December 2023, the Company had no derivatives.

VIII. Information on the other executive positions held by the Company's Manager and members of the Board.

The director of the management company, Mindaugas Liaudanskas, is the chairman of the board at the company SIA "Verde Development", company code 40203395348, registered office, address 25C Rigas iela, Valmiera. He also holds the position of a board member in companies OU "TanaHub", company code 16402226, address Harju maakond, Tallinn, Põhja-Tallinna linnaosa, Põhja pst 25, OU "S911", company code 16219640, address Harju maakond, Tallinn, Põhja-Tallinna linnaosa, Põhja pst 25, SIA "Marupe Hub", company code 40203396790, address Audeju iela 15-4, Riga and SIA "Dreilini HUB", company code 40203461770, address Audeju iela 15-4, Riga.

The chairman of the board Andrius Barštys is also the chairman of the board of the company SIA "Hanza 14", company code 40203157541, address Miera iela 93-27, Riga, and KŪB "Koinvesticinis fondas", company code 304537659, address Konstitucijos pr. 7, Chairman of the Vilnius Investment Committee. He also holds the position of director in UAB "Fox Holdings", company code 303016870, address Šaulio st. 97, Bajoru village, Vilnius district. sav., UAB "PC Luizė", company code 302761548, address Suarių pr. 15-1, Klaipėda, UAB "Žaliakalnio parkas", company code 304287223, address K. Donelaičio st. 62-1, Kaunas, UAB "Verslo centras 135", company code 301733282, address Žalgirio st. 135, Vilnius, UAB "Hanza 14 LT", company code 305966736, address Jogailos st. 9, Vilnius, UAB Savanorių 18, company code 304118472, address Upės st. 21-1, Vilnius. He is also a member of the board at the company SIA "Verde Development", company code 40203395348, address 25C Rigas iela, Valmiera.

Board member Jolanta Grašienė is also a member of the board of UAB SBA Urban, company code 302675889, address Upės st. 21-1, Vilnius, UAB "SBA Modular" company code 305283904, address Upės st. 23, Vilnius, UAB SBA Grupė, company code 132206739, address Upės st. 21-1, Vilnius, UAB SBA Home, company code 242131620, address Joniškės st. 21, Klaipėda, member of the board and UAB "SBA Competence and Service Center" company code 304960328, address Upės st. 23, Chairman of the Vilnius Board. Jolanta Grašienė's main place of work is UAB SBA Grupė, company code 132206739, address Upės st. 21-1, Vilnius, where she holds the position of vice president.

Board member Adam Saulius Vaina is also UAB SBA Grupė, company code 132206739, address Upės st. 21-1, Vilnius, UAB "GAUMINA", company code 224497630, address Gedimino pr. 27, Vilnius, UAB "Mobilios aplikacijos", company code 303105746, address Gedimino pr. 27, Vilnius, UAB "Mediapark grupė", company code 304050320, address Gedimino pr. 27, Vilnius, UAB "ME investicija", company code 302489393, address Račių st. 1, Vilnius, OU "Civitta International", company code 12241708, address Riia tn 24a, Tartu board member. Adam Saulius Vaina is a member of UAB "CIVITTA", company code 302477747, address Gedimino pr. 27, Vilnius partner, also holds the position of a manager in the companies VŠĮ "Civitta Foundation", company code 303363287, address Gedimino pr. 27, Vilnius, UAB "Kavija", company code 303091773, address Gedimino pr. 27, Vilnius, UAB "Mediapark grupė", company code 304050320, address Gedimino pr. 27, Vilnius, UAB "Entra holdings", company code 302790286, address Gedimino pr. 27, Vilnius.

Director

Mindaugas Liaudanskas

21 February 2024