

Activity: operating since 1997, real estate investment company INVL Baltic Real Estate seeks to ensure the growth of leasing income and to profit on investments in commercial real estate.

Shares: listed on the Baltic Secondary List of Nasdaq Vilnius stock exchange since 2014.

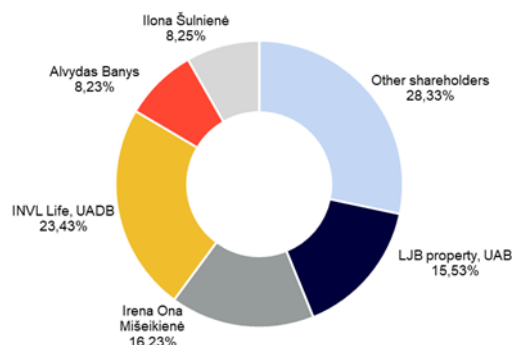
Asset under management: At the end of 2020 about 28,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further development potential.

Management of the company: INVL Baltic Real Estate enabling to engage in the closed-ended type investment company's activities under the Republic of Lithuania Collective investment undertakings act. The special closed-ended type real estate investment company will work 30 years from receiving the special closed-ended real estate investment company license, the term of company's activity may be further extended for a period of no longer than 20 years. Upon receipt of the license, the company's management was transferred to the Management company INVL Asset Management.

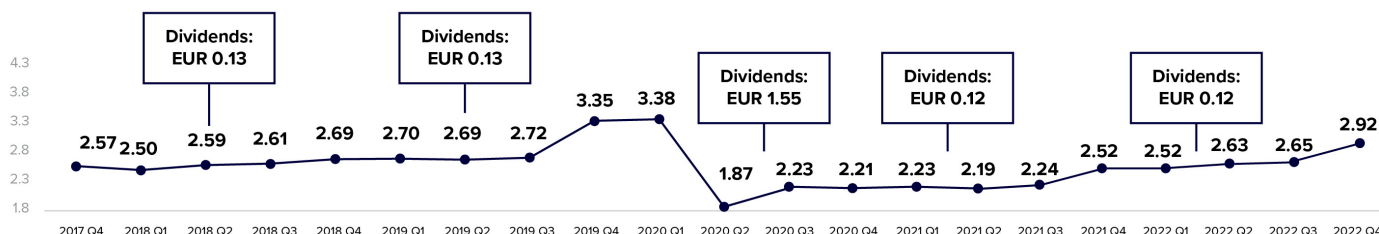
Main information about securities of the Company

ISIN code	LT0000127151
Amount of shares, units	8,061,414
Nominal value per share, EUR	1.45
Share price, EUR (as of 31.12.2022)	2.14
Last approved dividends, EUR per share	0.12
Consolidated equity, mln. EUR	23.54
Net asset value per share, EUR	2.92

Shareholders votes (%)



INVL Baltic Real Estate growth of net asset value, EUR/share and dividend allocation



Comment made by INVL Asset Management real estate fund manager Vytautas Bakšinskas



Last year has been extremely successful for the Company in achieving long-term operational results.

INVL Baltic Real Estate's consolidated net operating income from its own properties in 2022 amounted to 2.03 million euros or 26 per cent more than in 2021 (1.6 million euros). INVL Baltic Real Estate's consolidated income in 2022 comprised 3.4 million euros or 25 per cent more than in 2021 (2.7 million euros), the consolidated rental income from own property increased by 13 per cent to 1.9 million euros.

Last year was the third year of operation of the co-working space Talent Garden Vilnius managed by the company, which was extremely successful and again allowed to significantly improve the Company's results. We are glad that Talent Garden Vilnius managed to maintain the maximum level of occupancy of the space for the third year in a row and constantly improve financial results. Thanks to the successful operation of Talent Garden Vilnius and other lease agreements signed in previous periods, in 2022, the net rental income of premises on Palangos g. 4 / Vilniaus g. 33, compared to 2021, increased by 17 per cent and amounted to 1.3 million euros.

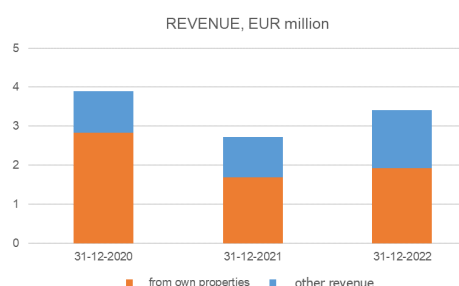
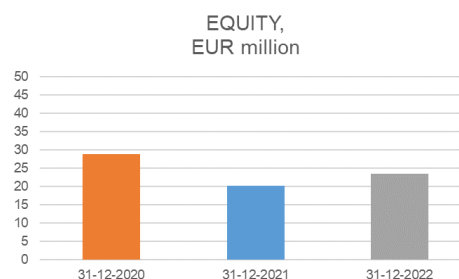
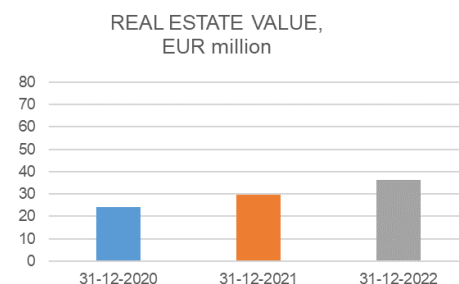
The group's net profit in 2022 reached 4.2 million euros, the value of assets under management increased by 6.8 million euros in 2022, and at the end of the year amounted to 36.4 million euros. The value of equity at the end of the year reached 23.54 million euros. The equity value per share was 2.92 euros and increased by 21 per cent (after assessing the dividends paid in 2022) during the year.

Last year, we made significant progress in the design of the reconstruction of the buildings located at the capital's intersection of Palangos and Vilniaus streets. At the beginning of last year, we presented to the public the reconstruction design proposals of the project, which were later approved by the Vilnius City Municipality issuing the design conditions for the reconstruction of the buildings. Currently, together with Viltakta design company, we are preparing a technical project for the reconstruction of buildings. We expect that following reconstruction, the surface area of the complex should increase by approximately 3,600 sq. m.

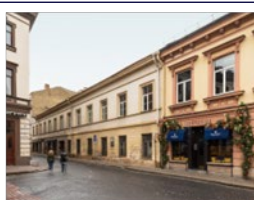
Last year, it was possible to achieve essential goals in the development of the premises on Vilniaus g. 37 – the building survey was completed and the valuable properties of the building were specified, which allowed the preparation of the management works project and the planning of the building management works, the permit for the performance of which was received in February 2023. We plan to start management work on the building in April 2023. After the completion of the design, reconstruction and management works of the building, the Company will offer to the market about 2,200 sq. m. of leased area on the second and third floors of the highest class office building and catering facilities on the ground floor.

In 2022, the premises managed by INVL Baltic Real Estate were characterised by a high occupancy rate and improving operating results. We are glad that our customers continue to remain loyal and trust INVL Baltic Real Estate as a reliable and long-term partner. In the coming years, we will continue to meet the expectations of our customers and increase the value for investors. More information: www.invlbalticrealestate.com

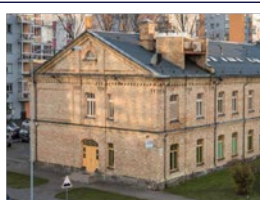
Portfolio, thousand EUR	31.12.2020*	31.12.2021	31.12.2022
Operational Property investments	20,504	22,990	26,595
Property Investment redevelopment	-	2,630	4,898
Other investment properties	3,629	3,996	4,934
TOTAL PROPERTY VALUE	24,133	29,616	36,427
Rent Income from own properties during 12 months period	2,832	1,694	1,919
NOI (Net Operating Income) from own properties during 12 months period	2,205	1,615	2,030
NLA (Net Leasable Area), sq.m.	22,600	24,200	22,850
Balance sheet, million EUR	31.12.2020*	31.12.2021	31.12.2022
Investment properties	24.13	29.62	36.43
Cash	16.03	1.90	1.28
Other assets	1.78	1.51	1.31
TOTAL ASSETS	41.94	33.03	39.02
Borrowings from credit institutions	9.49	9.14	12.82
Borrowings from Invalda INVL group	-	-	-
Other liabilities	3.58	3.60	2.66
TOTAL LIABILITIES	13.07	12.74	15.48
EQUITY	28.87	20.29	23.54
Equity per share	EUR 2.21	EUR 2.52	EUR 2.92
Profit (loss) statement, million EUR	01.01.2020-31.12.2020*	01.01.2021-31.12.2021	01.01.2022-31.12.2022
Revenue	3.90	2.73	3.41
<i>from own properties</i>	2.83	1.69	1.92
<i>from subleased properties</i>	-	-	-
<i>other revenue</i>	1.07	1.04	1.49
Investment property revaluation	4.96	2.85	3.98
Net profit	5.42	3.40	4.22
Earnings per share	EUR 0.41	EUR 0.37	EUR 0.52
Borrowings	31.12.2020*	31.12.2021	31.12.2022
Borrowings, thousand EUR	9,486	9,142	12,817
Borrowings to value of investment properties**	39.31	30.87	35.19
Gearing ratio**	(0.29)	0.26	0.33
Interest coverage ratio**	2.87	3.73	3.63
Bank's Debt Service Coverage Ratio**	0.08	1.61	1.74



Office building
Palangos str. 4/
Vilniaus str. 33
Vilnius



Building
Vilniaus str. 37,
Vilnius



„Žygis Business centre
Žygio str. 97
Vilnius



„Dommo business park“
Riga
Latvia

Acquired	2006	2021 – 2022	2006	2015
Net leasable area	6,900 sq. m.	Total area 2,000 sq. m.	2,900 sq. m.	12,800 sq. m.
Property value	EUR 17.4 million	EUR 5.1 million	EUR 3.9 million	EUR 10 million
Occupancy	98%	100%***	100%	100%

* The decrease of the results was mainly influenced by sales transactions of IBC and Vilniaus Gate business centers implemented in 2020.

** <https://bre.invl.com/en/for-investors/financial-information-and-reports/>

*** The 257 sq. m. building area, which is suitable for rent is leased. The other building area is being reconstructed.