

**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.

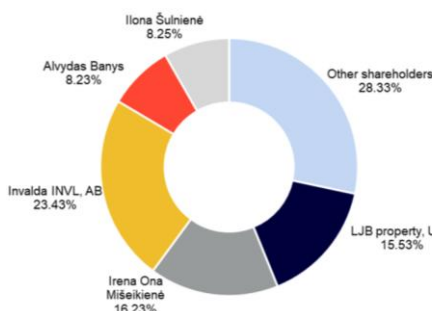
**Asset under management:** At the end of 2020 about 28,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some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

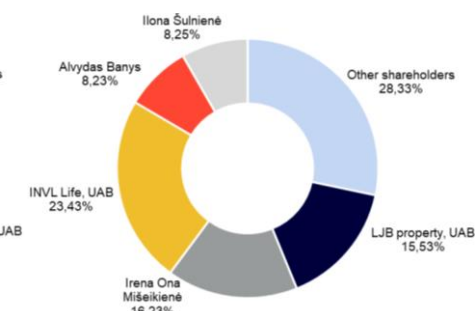
### Main information about securities of the Company

ISIN code	LT0000127151
Amount of shares, units	8,061,414
Nominal value per share, EUR	1.45
Share price, EUR (as of 31.12.2021)	2.33
Last approved dividends, EUR per share	0.12
Consolidated equity, mln. EUR	20.29
Net asset value per share, EUR	2.52

### Shareholders votes (%) as of 31 December 2021



### Shareholders votes (%) as of 14 January 2022



### 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



Recent years have been particularly successful in achieving long-term results for the Company.

The net operating income of INVL Baltic Real Estate from its own objects in 2021 amounted to EUR 1.6 million, or 27% less than in 2020 (EUR 2.2 million), however 25% more than in 2020 (EUR 1.3 million) from own unsold objects. The operating income of INVL Baltic Real Estate in 2021 amounted to EUR 2.7 million or 30% less than in 2020 (EUR 3.9 million), of which consolidated rental income from its own objects decreased by 40% to EUR 1.7 million. The decline in both consolidated rental income and consolidated income is due to the IBC and Vilniaus vartai sale transactions carried out in 2020.

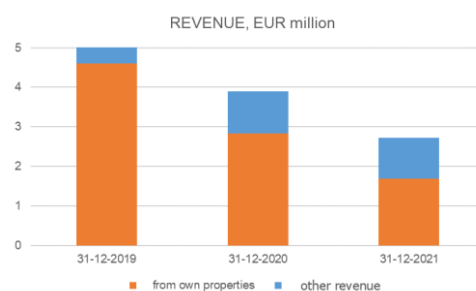
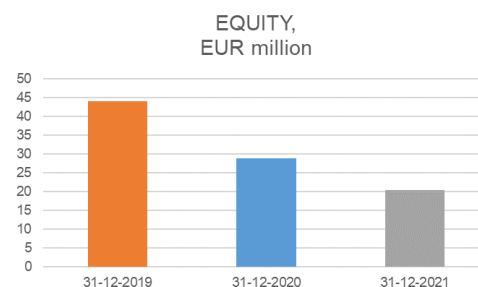
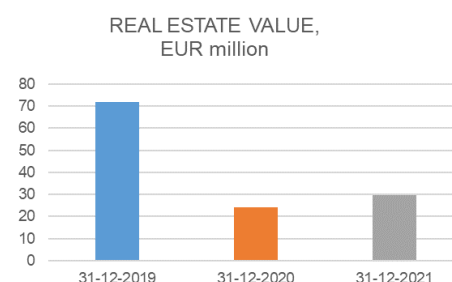
Last year was the second year of operation of the company-managed collaboration space Talent Garden Vilnius, which, despite the challenges posed by the pandemic, was extremely successful and allowed significantly improving the company's results. We are pleased that Talent Garden Vilnius has managed to maintain a high level of occupancy and continuously improves its financial performance throughout the two-year period of the pandemic. Thanks to the successful operation of Talent Garden Vilnius and other lease agreements signed in previous periods, in 2021 the net rental income of the object located at Palangos g. 4/Vilniaus g. 33 increased by 44% and amounted to EUR 1.1 million year on year.

The group's net profit in 2021 amounted to EUR 3.4 million, the value of the assets under management increased by EUR 5.5 million in 2021 and amounted to EUR 29.6 million at the end of the year. The equity value at the end of the year was EUR 20.3 million. The equity value per share was EUR 2.52 and increased by 19% over the year (after assessing dividends paid in 2021).

Last year, the company acquired for €2.4 million assets located at Vilniaus g. 37 – administrative premises with an area of 1,552 sq. m and 0.1185 ha of land – at the auction organised by the State Enterprise Turto bankas. In subsequent additional transactions, the company acquired from private individuals part of a 101 sq. m undeveloped roofed area and two garages on the same plot. Additional transactions will ensure smoother implementation of the company's planned restructuring and repair plans. After completion of the design and overhaul of the building, at the end of 2023, the Company will offer about 1,600 sq. m of rented space of the highest-class offices on the second and third floors of building and commercial premises on the first floor.

Last year, we paid great attention to the preparation of project proposals for the reconstruction of property owned by the company at Palanga g. 4/Vilniaus g. 33, which were presented to the public in January 2022. We are glad that together with the architects who prepared the project proposals, we found the best solutions for the renewal of Ryšių rūmai. Our plan is that after the reconstruction, the complex's surface area should increase by about 3,600 sq. m.

Portfolio, thousand EUR	31.12.2019*	31.12.2020*	31.12.2021
Operational Property investments	34,086	20,504	22,990
Property Investment redevelopment	-	-	2,630
Other investment properties	37,798	3,629	3,996
<b>TOTAL PROPERTY VALUE</b>	<b>71,884</b>	<b>24,133</b>	<b>29,616</b>
Rent Income from own properties during 12 months period	4,633	2,832	1,694
NOI (Net Operating Income) from own properties during 12 months period	2,033	2,205	1,615
NLA (Net Leasable Area), sq.m.	47,176	22,600	24,200
Balance sheet, million EUR	31.12.2019*	31.12.2020*	31.12.2021
Investment properties	71.88	24.13	29.62
Cash	1.04	16.03	1.90
Other assets	2.46	1.78	1.51
<b>TOTAL ASSETS</b>	<b>75.38</b>	<b>41.94</b>	<b>33.03</b>
Borrowings from credit institutions	24.76	9.49	9.14
Borrowings from Invalda INVL group	1.51	-	-
Other liabilities	5.09	3.58	3.60
<b>TOTAL LIABILITIES</b>	<b>31.36</b>	<b>13.07</b>	<b>12.74</b>
<b>EQUITY</b>	<b>44.02</b>	<b>28.87</b>	<b>20.29</b>
Equity per share	EUR 3.35	EUR 2.21	EUR 2.52
Profit (loss) statement, million EUR	01.01.2019-31.12.2019*	01.01.2020-31.12.2020*	01.01.2021-31.12.2021
Revenue	5.90	3.90	2.73
<i>from own properties</i>	4.60	2.83	1.69
<i>from subleased properties</i>	-	-	-
<i>other revenue</i>	1.26	1.07	1.04
Investment property revaluation	11.50	4.96	2.85
Net profit	10.42	5.42	3.40
Earnings per share	EUR 0.79	EUR 0.4	EUR 0.37
Borrowings	31.12.2019*	31.12.2020*	31.12.2021
Borrowings, thousand EUR	26,266	9,486	9,142
Borrowings to value of investment properties**	36.54	39.31	30.87
Gearing ratio**	0.36	-0.29	0.26
Interest coverage ratio**	2.72	2.87	3.73
Bank's Debt Service Coverage Ratio**	0.99	0.08	1.61



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



**„Žygis Business  
centre**  
Žygio str. 97  
Vilnius



**Building  
Vilniaus str. 37-4,**  
Vilnius



**„Dommo  
business park“**  
Riga  
Latvia

	2006	2006	2021	2015
<b>Acquired</b>				
<b>Net leasable area</b>	6,900 sq. m.	2,900 sq. m.	Total area 1,700 sq. m.	12,800 sq. m.
<b>Property value</b>	EUR 14.5 million	EUR 3.7 million	EUR 2.6 million	EUR 8.8 million
<b>Occupancy</b>	98%	100%	0%	100%

\*The increase of the results in 2019 was mainly influenced by the revaluation of the assets of IBC Business Center at its actual sale price dated 06-03-2020. Financial results of 2020 has influenced by sale transaction of Business Centre Vilniaus Vartai completed on 30-09-2020.

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