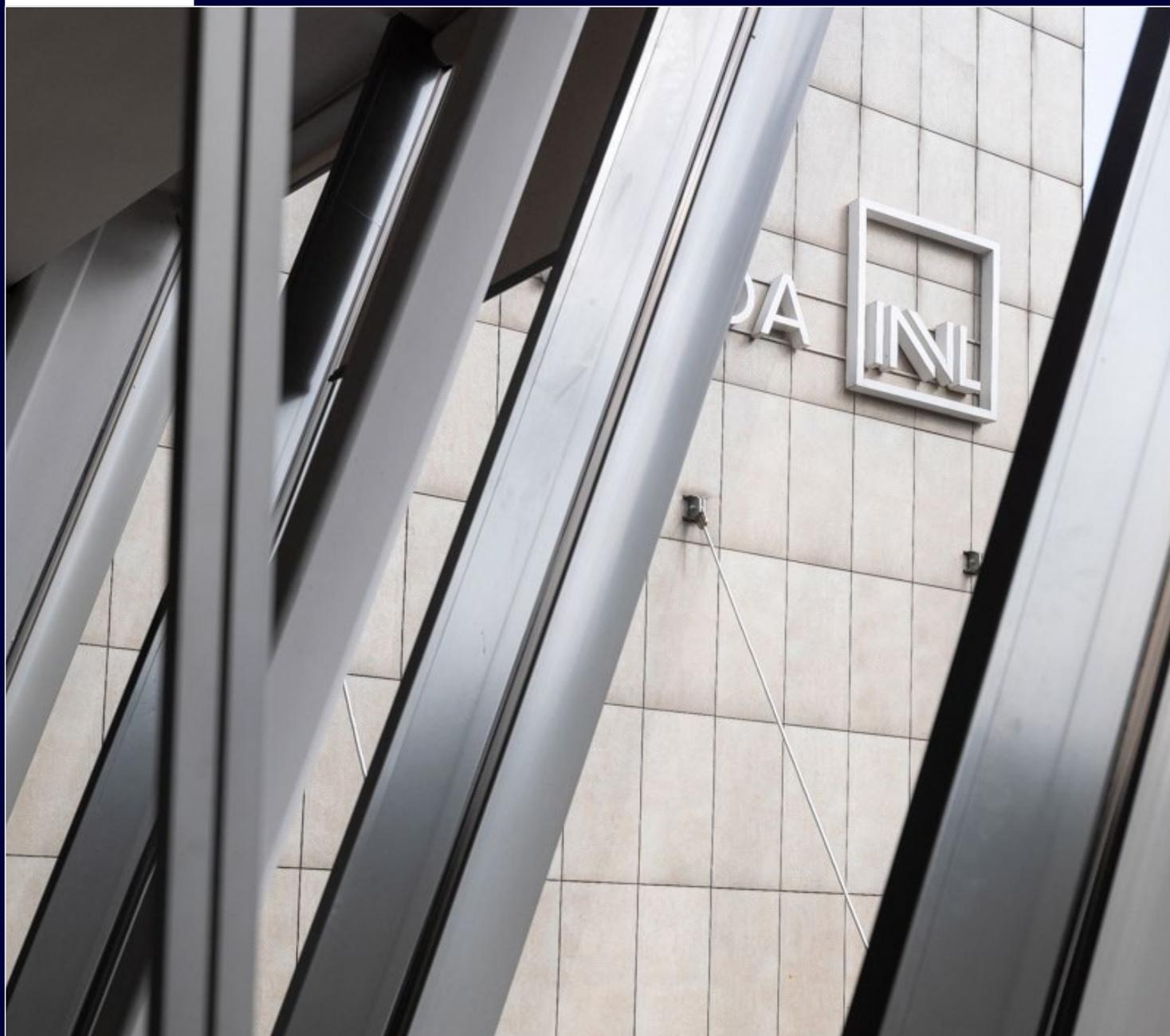


The logo consists of the letters 'INVL' in a bold, white, sans-serif font, enclosed within a white square border.

BALTIC REAL ESTATE



Special Closed-End Type Real Estate Investment Company's „INVL Baltic Real Estate“

Consolidated Interim Report for the six months of 2023 and Consolidated Interim Condensed Not-audited Financial Statements for the six months ended 30 June 2023 prepared in accordance with International Financial Reporting Standards as adopted by the European Union

Vytautas Bakšinskas,
Real estate fund manager of the Management Company of INVL Baltic Real Estate, signs the Consolidated and Company's Interim Condensed Unaudited Financial Statements for the 6 months of 2023, also Consolidated Interim Report for the 6 months of 2023 and Confirmation of responsible persons with a qualified electronic signature.

Agnė Vainauskienė,
Chief financier of the Management Company of INVL Baltic Real Estate, signs the Consolidated and Company's Interim Condensed Unaudited Financial Statements for the 6 months of 2023, and Confirmation of responsible persons with a qualified electronic signature.

CONFIRMATION OF RESPONSIBLE PERSONS

21 August 2023

Following on Information Disclosure Rules of the Bank of Lithuania and the Law on Securities (article 13) of the Republic of Lithuania, management of INVL Baltic Real Estate hereby confirms that, to the best of our knowledge, the attached Consolidated and Company's Interim Condensed Unaudited Financial Statements for the 6 months of 2023 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give true and fair view of the assets, liabilities, financial position and profit or loss of INVL Baltic Real Estate and Consolidated Group.

Presented Consolidated Interim Report for the 6 months of 2023 includes a fair review of the development and performance of the business and position of the Company and the consolidated group in relation to the description of the main risks and contingencies faced thereby.

ENCLOSURE:

1. Consolidated and Company's Interim Condensed Unaudited Financial Statements for the 6 months of 2023.
2. Consolidated Interim Report for the 6 months of 2023.

Real estate fund manager of the Management Company
INVL Asset Management

Vytautas Bakšinskas

Chief financier of the Management Company
INVL Asset Management

Agnė Vainauskienė

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Special Closed-Ended Type Real Estate Investment Company INVL BALTIC REAL ESTATE
company code 152105644, Gynėjų str. 14, Vilnius, Lithuania

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

GENERAL INFORMATION

Management

Supervisory Board

Mrs. Eglė Surplienė (until 11th May 2023)
Mr. Raimondas Rajeckas (until 11th May 2023)
Mr. Mantas Gofmanas (until 11th May 2023)

Management Company

UAB INVL Asset Management

Investment Committee

Mr. Vytautas Bakšinskas
Mr. Andrius Daukšas

Address of registered office and company code

Gynėjų Str. 14,
Vilnius,
Lithuania

Company code 152105644

Banks

AB Šiaulių Bankas
AB SEB Bankas
AS "SEB banka"
AB Swedbank

The financial statements were authorised for issue by the Management Company on 21 August 2023.

The document is signed with a
qualified electronic signature

Mr. Vytautas Bakšinskas
Real estate fund manager at
UAB INVL Asset Management

The document is signed with a
qualified electronic signature

Ms. Agnė Vainauskienė
Chief financier at
UAB INVL Asset Management

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of comprehensive income

	Notes	Group		Company	
		1 st Half Year 2023	1 st Half Year 2022	1 st Half Year 2023	1 st Half Year 2022
Revenue	4, 5	1,716	1,640	936	841
Interest income		5	7	5	7
Other income		5	-	-	-
Net changes in fair value of investments in subsidiaries measured at fair value through profit or loss	3	-	-	143	555
Net profit from fair value adjustments on investment property		(219)	1,668	(133)	1,358
Premises rent costs	4, 5	(9)	(34)	(7)	(33)
Utilities	4	(176)	(247)	(1)	(1)
Repair and maintenance of premises	4	(253)	(187)	(65)	(29)
Management and Performance Fee	5, 16	36	(375)	36	(375)
Property management and brokerage costs	4	(23)	(13)	(75)	(75)
Taxes on property	4	(62)	(62)	(52)	(50)
Employee benefits expenses		(116)	(86)	-	-
Depreciation and amortisation		(58)	(54)	(14)	(13)
Other expenses		(205)	(210)	(131)	(147)
Operating profit		641	2,047	642	2,038
Finance costs	6	(368)	(157)	(368)	(156)
Profit before income tax		273	1,890	274	1,882
Income tax credit (expenses)	7	1	(8)	-	-
NET PROFIT FOR THE PERIOD		274	1,882	274	1,882
Other comprehensive income for the period, net of tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		274	1,882	274	1,882
Attributable to:					
Equity holders of the parent	13	274	1,882		
Basic and diluted earnings per share (in EUR)		0.03	0.23		

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of financial position

	Notes	Group		Company	
		As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
ASSETS					
Non-current assets					
Property, plant and equipment		314	359	68	82
Investment properties	8	41,279	36,427	26,782	26,444
Intangible assets		9	11	-	-
Investments into subsidiaries measured at fair value through profit or loss	3	-	-	13,989	11,176
Financial lease receivables-long term		299	397	299	396
Deferred tax asset		37	36	-	-
Total non-current assets		41,938	37,230	41,138	38,098
Current assets					
Inventories, prepayments and deferred charges		210	169	195	160
Trade and other receivables	9	131	142	28	57
Financial lease receivables – short term		195	193	194	193
Cash and cash equivalents		1,306	1,282	244	315
Total current assets		1,842	1,786	661	725
TOTAL ASSETS		43,780	39,016	41,799	38,823

(cont'd on the next page)

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of financial position (cont'd)

	Notes	Group		Company	
		As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
EQUITY AND LIABILITIES					
Equity					
Equity attributable to equity holders of the parent					
Share capital	10	11,689	11,689	11,689	11,689
Share premium	10	2,478	2,478	2,478	2,478
Reserves	10	3,430	3,431	3,669	3,669
Retained earnings	10	5,494	5,945	5,255	5,707
Total equity		23,091	23,543	23,091	23,543
Liabilities					
Non-current liabilities					
Non-current borrowings	12	14,720	12,109	13,663	12,109
Non-current lease liabilities		274	395	274	395
Provisions	5	792	919	792	919
Advances received		223	163	189	163
Total non-current liabilities		16,009	13,586	14,918	13,586
Current liabilities					
Current portion of non-current borrowings	12	691	708	599	708
Current portion of lease liabilities		241	238	241	238
Short term loans		381	-	-	-
Trade payables		324	281	219	171
Income tax payable		4	15	-	12
Provisions	5	5	13	5	13
Advances received		59	43	26	28
Other current liabilities	15	2,975	589	2,700	524
Total current liabilities		4,680	1,887	3,790	1,694
Total liabilities		20,689	15,473	18,708	15,280
TOTAL EQUITY AND LIABILITIES		43,780	39,016	41,799	38,823

(the end)

Special Closed-Ended Type Real Estate Investment Company INVL BALTIC REAL ESTATE
company code 152105644, Gynėjų str. 14, Vilnius, Lithuania

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023
(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of changes in equity

Group	Notes	Reserves					Retained earnings	Total
		Share capital	Share premium	Own Shares	Legal reserve	Reserve of purchase of own shares		
Balance as at 31 December 2022		11,689	2,478	-	931	2,500	5,945	23,543
Net profit for the six months ended 30 June 2023		-	-	-	-	-	274	274
Total comprehensive income for the six months ended 30 June 2023		-	-	-	-	-	274	274
Dividends approved	11	-	-	-	-	-	(726)	(726)
Transfer to reserves	10	-	-	-	(1)	-	1	-
Total transactions with owners of the Company, recognised directly in equity		-	-	-	(1)	-	(725)	(726)
Balance as at 30 June 2023		11,689	2,478	-	930	2,500	5,494	23,091

Group	Notes	Reserves					Retained earnings	Total
		Share capital	Share premium	Own Shares	Legal reserve	Reserve of purchase of own shares		
Balance as at 31 December 2021		11,689	2,478	-	1,592	887	3,640	20,286
Net profit for the six months ended 30 June 2022		-	-	-	-	-	1,882	1,882
Total comprehensive income for the six months ended 30 June 2022		-	-	-	-	-	1,882	1,882
Dividends approved	11	-	-	-	-	-	(967)	(967)
Transfer to reserves	10	-	-	-	(661)	1,613	(952)	-
Total transactions with owners of the Company, recognised directly in equity		-	-	-	(661)	1,613	(1,919)	(967)
Balance as at 30 June 2022		11,689	2,478	-	931	2,500	3,603	21,201

Special Closed-Ended Type Real Estate Investment Company INVL BALTIC REAL ESTATE
company code 152105644, Gynėjų str. 14, Vilnius, Lithuania

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023
(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of changes in equity (cont'd)

Company	Notes	Reserves					Retained earnings	Total
		Share capital	Share premium	Own shares	Legal reserve	Reserve of purchase of own shares		
Balance as at 31 December 2022		11,689	2,478	-	1,169	2,500	5,707	23,543
Net profit for the six months ended 30 June 2023		-	-	-	-	-	274	274
Total comprehensive income for the six months ended 30 June 2023		-	-	-	-	-	274	274
Dividends approved	11	-	-	-	-	-	(726)	(726)
Transfer to reserves	10	-	-	-	-	-	-	-
Total transactions with owners of the Company, recognised directly in equity		-	-	-	-	-	(726)	(726)
Balance as at 30 June 2023		11,689	2,478	-	1,169	2,500	5,255	23,091

Company	Notes	Reserves					Retained earnings	Total
		Share capital	Share premium	Own shares	Legal reserve	Reserve of purchase of own shares		
Balance as at 31 December 2021		11,689	2,478	-	1,832	887	3,400	20,286
Net profit for the six months ended 30 June 2022		-	-	-	-	-	1,882	1,882
Total comprehensive income for the six months ended 30 June 2022		-	-	-	-	-	1,882	1,882
Dividends approved	11	-	-	-	-	-	(967)	(967)
Transfer to reserves	10	-	-	-	(663)	1,613	(950)	-
Total transactions with owners of the Company, recognised directly in equity		-	-	-	(663)	1,613	(1,917)	(967)
Balance as at 30 June 2022		11,689	2,478	-	1,169	2,500	3,365	21,201

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of cash flows

	Notes	Group		Company	
		1 st Half Year 2023	1 st Half Year 2022	1 st Half Year 2023	1 st Half Year 2022
Cash flows from (to) operating activities					
Net profit for the period		274	1,882	274	1,882
Adjustments for non-cash items and non-operating activities:					
Net gains from fair value adjustments on investment property		219	(1,668)	133	(1,358)
Depreciation and amortization		58	54	14	13
Net loss from sale of non-current assets		-	-	-	-
Net changes in fair value of investments in subsidiaries measured at fair value through profit or loss	3	-	-	(143)	(555)
Interest income		(5)	(7)	(5)	(7)
Finance costs	6	368	157	368	156
Deferred taxes	7	(1)	1	-	-
Current income tax expenses	7	-	7	-	-
Provisions	5	(135)	280	(135)	280
Changes in working capital:					
Decrease (increase) in inventories		-	-	-	-
Decrease (increase) in trade and other receivables		47	51	29	55
Decrease (increase) in other current assets		(41)	(88)	(35)	28
(Decrease) increase in trade payables		28	(1,560)	64	(1,553)
(Decrease) increase in other current liabilities		(21)	(40)	(35)	(45)
Cash flows from(to) operating activities		791	(931)	529	(1,104)
Income tax paid		(15)	-	(12)	-
Net cash flows from (to) operating activities		776	(931)	517	(1,104)

(cont'd on the next page)

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

Condensed consolidated and Company's statements of cash flows (cont'd)

	Notes	Group		Company	
		1 st Half Year 2023	1 st Half Year 2022	1 st Half Year 2023	1 st Half Year 2022
Cash flows from (to) investing activities					
Acquisition of non-current assets (except investment properties)		(11)	(44)	-	-
Proceeds from sale of non-current assets (except for investment properties)		-	-	-	-
Acquisition of (investment in existing) investment properties	8	(487)	(427)	(487)	(427)
Proceeds from sale of investment properties	8	-	363	-	-
Acquisition of subsidiaries, net of cash acquired		(610)	(2,182)	(650)	(2,216)
Reduction of authorized capital of subsidiaries		-	-	-	70
Loans granted		-	-	-	(100)
Repayment of loans granted		-	-	193	100
Interest received		5	7	5	7
Proceeds from settlement of finance lease receivables		96	94	96	94
Net cash flows from (to) investing activities		(1,007)	(2,189)	(843)	(2,472)
Cash flows from (to) financing activities					
Cash flows related to Group owners:					
Dividends paid to equity holders of the parents		(710)	(949)	(710)	(949)
		(710)	(949)	(710)	(949)
Cash flows related to other sources of financing					
Proceeds from loans	12	1,865	4,650	1,865	4,650
Repayment of loans	12	(436)	(597)	(436)	(593)
Lease payments		(118)	(113)	(118)	(113)
Interest paid	12	(346)	(150)	(346)	(149)
		965	3,790	965	3,795
Net cash flows from (to) financing activities		255	2,841	255	2,846
Net increase (decrease) in cash and cash equivalents		24	(279)	(71)	(730)
Cash and cash equivalents at the beginning of the period		1,282	1,901	315	1,205
Cash and cash equivalents at the end of the period		1,306	1,622	244	475

(the end)

Notes to the interim condensed financial statements

1 General information

Special Closed-Ended Type Real Estate Investment Company INVL Baltic Real Estate (hereinafter 'the Company', previous name AB Invaldos Nekilnojamojo Turto Fondas, code 152105644) is a joint stock company registered in the Republic of Lithuania. It was established on 28 January 1997.

On 22 December 2016 the Company was issued a closed-end investment company (UTIB) licence by the Bank of Lithuania. Under the Company's Articles of Association, the Company will operate until 22 December 2046, with an extension possibility for additional term of twenty years.

As the Company obtained the status of a closed-end investment company, its management was thereafter undertaken by UAB INVL Asset Management ('the Management Company'), which is entitled to the Management Fee and the Performance Fee. Rights and duties of the Board and the head of the Company was also transferred to the Management Company.

Based on the Articles of Association, for the sake of efficiency of the Company's activities and control over its investments, an Investment Committee shall be formed by a decision of the Board of the Management Company. The Investment Committee shall consist of 3 (three) members, to the positions of which the representatives of the Management Company (employees, members of management bodies of the Management Company, other persons appointed by a decision of the Board of the Management Company) shall be appointed. Members of the Investment Committee shall be appointed and removed from office by the Board of the Management Company. An approval of the Investment Committee must be obtained for all investments of the Company and for their sale. At the moment of the release of the financial statements two 2 (members) of the Investment Committee was operating, the third member is not nominated.

On 29 April 2021, the Ordinary General Meeting of Shareholders of the Company approved the establishment of the Supervisory Board of the Company. The Supervisory Board is a collegial body supervising the activities of Company. The Supervisory Board ensures the representation of the interests of the Company's and the company's shareholders, the accountability of this body to the shareholders and the objective and impartial supervision of Company's activities. Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, General Ordinary Shareholders Meeting that was held on 18 April 2023, made a decision to eliminate the Company's collegial body with a supervisory function – the Supervisory Board. The Company's management bodies are not formed.

The Company also signed an agreement on depository services with AB SEB Bankas, which acts as a depository of the Company's assets.

The Group consists of the Company and its directly and indirectly owned subsidiaries (hereinafter 'the Group', Note 5 of annual financial statements for year ended 31 December 2022).

The address of the office is Gynėjų str. 14, Vilnius, Lithuania.

The Group was established on 29 April 2014 by spinning-off from AB Invalda INVL (code 121304349) the investments into entities, which business is investment into investment properties held for future development, into commercial real estate and renting thereof. On 17 August 2015 the parent entity AB INVL Baltic Real Estate (hereinafter 'the Former Parent Company', code 30329973) was merged to the Company, which continues its operations under the name INVL Baltic Real Estate and became the parent of the Group.

The Group has invested in commercial real estate: business centres and warehouse properties in Lithuania and Latvia. All the properties generate leasing income and most of them offer prospects for further development.

The Group seeks to earn profit from investments in commercial real estate by ensuring the growth of leasing income. When it makes business sense, the Company also considers investments in the reorganisation of its existing portfolio of properties, taking advantage of their good location.

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

1 General information (cont'd)

The Management Company shall manage the Company's portfolio of investment instruments following the principles of diversification (the conformity of the Company's portfolio of investment instruments to the diversification principles shall be achieved within four years after the Bank of Lithuania has issued a permission to certify the Company's incorporation documents and to choose the Depository) as set forth in the Articles of Association. The Company cannot invest directly or indirectly more than 30% of its net asset value into a single real estate object. The total amount of investments into real estate objects under construction cannot exceed 20% of net asset value of the Company. The total amount of investments into a real estate object and movable property and/or equipment necessary for its use cannot exceed 40% of net asset value of the Company. The Company cannot invest more than 30% of its net asset value into any single issuer of the instruments. More detailed requirements are set out in the Articles of Association of the Company.

As at 30 June 2023 the Company's share capital is divided into 8,061,414 ordinary registered shares with the nominal value of EUR 1.45 each (as at 31 December 2022 8,061,414 ordinary registered shares with the nominal value of EUR 1.45 each). All the shares of the Company were fully paid. Subsidiaries did not hold any shares of the Company. As at 30 June 2023 and 31 December 2022 the shareholders of the Company were:

	As at 30 June 2023		As at 31 December 2022	
	Number of shares held	Percentage	Number of shares held	Percentage
UAB „INVL Life“ (controlling shareholder AB „Invalda INVL“)	1,889,123	23.43	1,889,123	23.43
Mrs. Irena Ona Mišeikienė	1,308,596	16.23	1,308,596	16.23
UAB LJB property (controlling shareholder Mr. Alvydas Banys)	1,251,695	15.53	1,251,695	15.53
Mrs. Ilona Šulnienė	664,710	8.25	664,710	8.25
Mr. Alvydas Banys	663,640	8.23	663,640	8.23
Other minor shareholders	2,283,650	28.33	2,283,650	28.33
Total	8,061,414	100.00	8,061,414	100.00

The Company's shares are traded on the Baltic Secondary List of Nasdaq Vilnius from 16 September 2015. Before the merger the shares of the Former Parent Company were traded on the Baltic Secondary List of Nasdaq Vilnius from 4 June 2014 until 17 August 2015.

2 Accounting policies

Basis of preparation

The interim condensed financial statements for the 6 months ended 30 June 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's and the Company's annual financial statements as at 31 December 2022.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2022, except adoption of new Standards and Interpretations as of 1 January 2023, noted below.

A number of new or amended standards became applicable for the current reporting period:

- Amendments to IAS 1 and IFRS Practice Statement 2: *Disclosure of Accounting policies* (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8: Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (effective for annual periods beginning on or after 1 January 2023);
- IFRS 17 *Insurance Contracts* (effective for annual periods beginning on or after 1 January 2023).

The amendments to existing standards are not relevant to the Group and the Company.

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

3 Investments into subsidiaries

Fair value of investments into subsidiaries

Investments into subsidiaries together with loans granted to subsidiaries are measured at fair value through profit or loss in the Company's stand-alone financial statements for six months ended 30 June 2023 and for the year ended 31 December 2022. It is Level 3 fair value measurement. The fair value of investments is measured at the fair value of their net assets including loans granted by the Company. The main assets of dormant entities are cash. The main assets of active subsidiaries are investment properties, which are measured at fair value using the income approach. The main liabilities of subsidiaries are payables to external suppliers, whose carrying amount is approximated their fair value because they are short-term and the impact of discounting is immaterial.

The breakdown of the carrying amounts of investments in subsidiaries by legal form is presented below:

	<u>As at 30 June 2023</u>	<u>As at 31 December 2022</u>
Shares	2,640	187
Loans granted	11,349	10,989
	13,989	11,176

Key inputs to valuation on subsidiaries as at 30 June 2023:

<u>Significant unobservable inputs</u>	<u>Value of input or range</u>
Discount rate (%)	10
Capitalisation rate for terminal value (%)	9
Vacancy rate (%)	2
Increase of rents per year (%)	1.3
Inflation (%)	1.3

Key inputs to valuation on subsidiaries as at 31 December 2022:

<u>Significant unobservable inputs</u>	<u>Value of input or range</u>
Discount rate (%)	10
Capitalisation rate for terminal value (%)	9
Vacancy rate (%)	2
Increase of rents per year (%)	1.3
Inflation (%)	1.3

The sensitivity analysis of fair value of subsidiaries as at 30 June 2023 is as follows:

<u>Reasonable possible shift +/- (%)</u>	<u>Increase of estimates</u>	<u>Decrease of estimates</u>
Change in Increase of rents per year and inflation by 100 bps	103	(103)
Change in expected vacancy rates by 20%	(29)	28
Change in discount and capitalization rate by 50 bps	(301)	336

The sensitivity analysis of fair value of subsidiaries as at 31 December 2022 is as follows:

<u>Reasonable possible shift +/- (%)</u>	<u>Increase of estimates</u>	<u>Decrease of estimates</u>
Change in Increase of rents per year and inflation by 100 bps	98	(98)
Change in expected vacancy rates by 20%	(28)	27
Change in discount and capitalization rate by 50 bps	(288)	321

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

3 Investments into subsidiaries

Fair value of investments into subsidiaries (cont'd)

During the first half of 2023 the Company acquired 100% of UAB "Pramogų bankas" for EUR 2,863 thousand (accounted as acquisition of the group of asset, at the acquisition date entity had EUR 40 thousand of cash), acquisition is described in more detail in note 8. Until 30 June 2023 the Company was paid for shares EUR 650 thousand.

During the first half of 2022 the Company acquired 100% of UAB "RE 1" for EUR 2,216 thousand (accounted as acquisition of the group of asset, at the acquisition date entity had EUR 34 thousand of cash).

The table below shows changes in financial instruments in Level 3 during the 1st Half Year of 2023:

Fair value as at 31 December 2022	11,176
Gains and losses recognized in profit or loss (within 'Net changes in fair value of investments in subsidiaries measured at fair value through profit or loss')	143
Acquisitions	2,863
Granted loan	-
Repaid loan with interest	(193)
Fair value as at 30 June 2023	13,989

The table below shows changes in financial instruments in Level 3 during the 1st Half Year of 2022:

Fair value as at 31 December 2021	9,801
Gains and losses recognized in profit or loss (within 'Net changes in fair value of investments in subsidiaries measured at fair value through profit or loss')	555
Acquisitions	2,216
Reduction of authorized capital of subsidiaries	(70)
Granted loan	100
Repaid loan with interest	(100)
Fair value as at 30 June 2022	12,502

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(all amounts are in EUR thousand unless otherwise stated)

4 Segment information

Management of the Company has determined the operating segments based on the reports reviewed by the Investment Committee that are used to make strategic decisions. The Investment Committee analyses performance of the Group on property-by-property basis of owned premises. Performance is evaluated based on net operating income. Net operating income is calculated by deducting from revenue premises rent costs (excluding provision for onerous contract), utilities expenses, repair and maintenance expenses, property management and brokerage costs, taxes on property and insurance costs. Segment assets and liabilities are not reported to the Investment Committee. Management of the Company has determined following reportable segments:

- Owned property in Lithuania. The reportable segment comprises four segments on a property-by-property basis, which are aggregated according to separate objects of own property. The operating segments have similar economic characteristics because all owned premises are located in Vilnius, Lithuania. These are office buildings. All of them have further development opportunities. Three out of four have multiple tenants. Corporate tenants dominate, but some premises are also leased to governmental tenants and restaurants.
- Owned property in Latvia. Revenue is earned from warehouse located in Riga, Latvia.

The following table presents performance of reportable segments of the Group for the six months ended 30 June 2023:

	Owned property in Lithuania	Owned property in Latvia	Total
Six months ended 30 June 2023			
Rent income	717	307	1.024
Other revenue (utilities and other service)	696	-	696
Revenue	1,413	307	1,720
Expenses			
Premises rent costs	(19)	-	(19)
Utilities	(176)	-	(176)
Repair and maintenance of premises	(304)	(24)	(328)
Property management and brokerage costs	-	(23)	(23)
Taxes on property	(52)	(10)	(62)
Insurance costs	(4)	(2)	(6)
Net operating income for the period	858	248	1,106

The following table presents performance of reportable segments of the Group for the six months ended 30 June 2022:

	Owned property in Lithuania	Owned property in Latvia	Total
Six months ended 30 June 2022			
Rent income	660	289	949
Other revenue (utilities and other service)	704	-	704
Revenue	1,364	289	1,653
Expenses			
Premises rent costs	(37)	(1)	(38)
Utilities	(246)	(1)	(247)
Repair and maintenance of premises	(265)	(15)	(280)
Property management and brokerage costs	-	(13)	(13)
Taxes on property	(50)	(12)	(62)
Insurance costs	(3)	(1)	(4)
Net operating income for the period	763	246	1,009

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4 Segment information (cont'd)

The following table presents reconciliation of the Group's operating profits from net operating income, rent costs and revenue.

	01.01.2023 – 30.06.2023				01.01.2022 – 30.06.2022			
	Net operating income to operating profit	Premises rent costs	Repair and maintenance of premises	Revenue	Net operating income to operating profit	Premises rent costs	Repair and maintenance of premises	Revenue
From reportable segment	1,106	(19)	(328)	1,720	1,009	(38)	(280)	1,653
Provision for onerous contracts	10	10	-	-	4	4	-	-
Other revenue not included in reportable segments	-	-	-	-	2	-	-	2
Rent revenue not included in reportable segment due to application of IFRS 16	(4)	-	-	(4)	(15)	-	-	(15)
Add back insurance costs and other expenses (included within 'other expenses')	81	-	75	-	97	-	93	-
Management and Performance Fee	36	-	-	-	(375)	-	-	-
Impairment of trade receivables (reversal of impairment)	-	-	-	-	-	-	-	-
Employee benefits expenses	(116)	-	-	-	(86)	-	-	-
Depreciation and amortisation	(58)	-	-	-	(54)	-	-	-
Other expenses	(205)	-	-	-	(210)	-	-	-
Other income	10	-	-	-	7	-	-	-
Net gains from fair value adjustments on investment	(219)	-	-	-	1,668	-	-	-
Total	641	(9)	(253)	1,716	2,047	(34)	(187)	1,640

The table below presents distribution of the Group non-current assets (other than financial instruments and deferred tax assets) by geographical area as at 30 June 2023 and 31 December 2022:

	Lithuania	Latvia	Total
As at 30 June 2023	31,305	10,297	41,602
As at 31 December 2022	26,813	9,984	36,797

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5 Revenue, lease expenses and provisions

Revenue

The Group, as a lessor, leases the Group's investment property in accordance with the lease agreements for commercial property. Most of the contracts have a maturity from 1 to 6 years.

Analysis of revenue by category:

	Group		Company	
	1 st Half Year 2023	1 st Half Year 2022	1 st Half Year 2023	1 st Half Year 2022
Rent income	1,020	934	930	835
Utilities revenue	127	177	-	-
Other services revenue	569	529	6	6
Total revenue	1,716	1,640	936	841

From 1 January 2018 subsidiary UAB Proprietas provide property management services for the Company and utilities and other services to the tenants of the Company. Therefore, from 1 January 2018 most of utilities and other services revenue is earned by the subsidiary, not by the Company.

Analysis of revenue of the Group by geographical areas:

	Group	
	1 st Half Year 2023	1 st Half Year 2022
Lithuania	1,409	1,348
Latvia	307	292
Total	1,716	1,640

Expenses and provisions

The Company was leasing premises from an external party until August 2017 under the lease agreement of 10 August 2007, except for one property, which is leased until the expiry of the current sublease agreement (31 December 2025). The Company had a one off deposit in the amount of EUR 825 thousand corresponding to the 6 months rental fee amount which will be set-off against the last part of lease payment at the termination of the lease. The rent payments are subject to an indexation at the end of August each year on the basis of harmonised consumer price index, if the latter is more than 1%, but there is a cap for annual indexation of 3.8%. In November of 2016 the amendment to the lease agreement was signed. According to the amendment, EUR 275 thousand of prepayments was set off against lease payables in 2016, EUR 450 thousand of prepayments was set off in 2017, and EUR 100 thousand of prepayments has to be set off in 2025.

The lease agreement of 10 August 2007 is an onerous contract, therefore there is a provision of EUR 22 thousand and EUR 21 thousand to cover the loss anticipated in connection with this contract recognised in the statement of financial position as at 30 June 2023 and 31 December 2022, respectively. This amount represents the present value of forecast of indexation of future rent payment, which is not measured by recognizing lease liabilities in accordance with IFRS 16. In addition, after the sale of investment property located at Gyneju 14, Vilnius, the Company/the Group is committed to further ensure to rent the parking places for one of previous tenant of Gyneju 14. The commitment is onerous contract, therefore, additional provision of onerous contract (which has expired in March 2023) amounting for EUR 11 thousand recognised in the statement of financial position as at 31 December 2022. These amounts represent the present value of future cash flows related to the lease contracts. Future cash flows projections are based on the estimates of future rent income from subleased premises, contractual lease payments.

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5 Revenue, lease expenses and provisions (cont'd)

The changes in the provision for onerous contract during the 1st Half Year of 2023 and 2022 are presented below:

	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>
As at 1 January	21	74
Re-estimation of provision at the end of the reporting period	1	1
Amount used (recognised as a reduction of 'Premises rent costs')	-	(5)
The reversal of the discount effect and changes in the discount rate	-	-
As at 30 June	22	70
	As at 30 June 2023	As at 31 December 2022
Non-current	17	19
Current	5	13
Total	22	32

As at 30 June 2023 the Company recognised non-current provision for the Performance Fee of EUR 775 thousand (as at 31 December 2022 - EUR 900 thousand)

The changes in the provision for the Performance Fee is presented below:

	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>
As at 1 January	900	219
Re-estimation of provision at the end of the reporting period	(125)	284
Reclassification of payable to "Other current liabilities"	-	-
As at 30 June	775	503

6 Finance costs

	Group		Company	
	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>
Interest expenses of bank borrowings	(362)	(149)	(362)	(148)
Interest expenses arising from the lease liabilities	(6)	(8)	(6)	(8)
	<u>(368)</u>	<u>(157)</u>	<u>(368)</u>	<u>(156)</u>

7 Income tax

	Group		Company	
	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>	<u>1st Half Year 2023</u>	<u>1st Half Year 2022</u>
Components of the income tax expenses				
Current income tax expense	-	(7)	-	-
Prior year current income tax correction	-	-	-	-
Deferred income tax expense	1	(1)	-	-
Income tax expense charged to profit or loss – total	<u>1</u>	<u>(8)</u>	<u>-</u>	<u>-</u>

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8 Investment properties

The movements of investment properties of the Group were:

Fair value hierarchy	Other investment properties valued using sales comparison method	Properties leased out by the entity	Investment properties held for future redevelopment	Total
	Level 2	Level 3	Level 3	
Balance as at 31 December 2021	6,626	22,990	-	29,616
Additions	427	-	-	427
Acquisitions through the purchase of a subsidiary	-	2,450	-	2,450
Sale	(403)	-	-	(403)
Gain from fair value adjustment	783	1,535	-	2,316
Loss from fair value adjustment	-	(650)	-	(650)
Balance as at 30 June 2022	7,433	26,325	-	33,758
Balance as at 31 December 2022	8,292	26,595	1,540	36,427
Acquisitions through the purchase of a subsidiary	-	4,600	-	4,600
Subsequent expenditure	433	-	38	471
Gain from fair value adjustment	78	237	-	315
Loss from fair value adjustment	-	(496)	(38)	(534)
Balance as at 30 June 2023	8,803	30,936	1,540	41,279
Unrealized gains or losses for the period, included within 'Net gain (losses) on fair value adjustments of investment property' in profit or loss	78	(259)	(38)	(219)

The movements of investment properties of the Company were:

Fair value hierarchy	Other investment properties valued using sales comparison method	Properties leased out by the entity	Investment properties held for future redevelopment	Total
	Level 2	Level 3	Level 3	
Balance as at 31 December 2021	2,630	18,167	-	20,797
Additions	427	-	-	427
Subsequent expenditure	-	-	-	-
Gain from fair value adjustment	43	1,315	-	1,358
Balance as at 30 June 2022	3,100	19,482	-	22,582
Balance as at 31 December 2022	3,358	21,546	1,540	26,444
Additions	-	-	-	-
Subsequent expenditure	433	-	38	471
Gain from fair value adjustment	1	-	-	1
Loss from fair value adjustment	-	(96)	(38)	(134)
Balance as at 30 June 2023	3,792	21,450	1,540	26,782
Unrealized gains or losses for the period, included within 'Net gain (losses) on fair value adjustments of investment property' in profit or loss	1	(96)	(38)	(133)

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8 Investment properties (cont'd)

On 26 June 2023 a purchase and sale agreement was concluded with Nesė Group, UAB, regarding the acquisition of 100 percent of the shares of UAB "Pramogų bankas" and the ownership was taken over, however, the transaction was finalised on 18 July 2023 (note 17). This acquisition is accounted for as the acquisition of a group of assets, the cost of the acquired investment property was EUR 4,600 thousand). It is to be noted that UAB "Pramogų bankas" owns non-residential premises – entertainment center with guesthouse and non-residential premises – gambling house with bars – at the address A. Stulginskio str. 8, in Vilnius. UAB "OBER-HAUS Real Estate" valued the premises at EUR 4,200 thousand. Pramogų Bankas, located at A. Stulginskio Street 8 in the Lithuanian capital, has a total area of 4,100 square meters.

During 2022 the Company purchased two garages with a plot of land from private individuals for EUR 427 thousand, including transaction costs. The purchased real estate is located on the same plot of land as other real estate owned by the Company. The Company acquired 100 percent UAB "RE 1" shares for EUR 2,216 thousand (accounted as acquisition of the group of assets, acquisition cost of acquired investment property amounted to EUR 2,450 thousand). It should be noted that RE 1 owns a non-residential premises-cafe located at Vilniaus str. 37, Vilnius. The area of the remaining purchased premises is 257 sq. m., which are estimated at EUR 1,800 thousand, valued by UAB OBER-HAUS Nekilnojamosis Turtas. After this transaction, INVL Baltic Real Estate's total area of managed premises on Vilniaus str. 37, in Vilnius, reaches 1,990 sq. m.

During first half of 2023 the reconstruction expenses of EUR 38 thousand and EUR 433 thousand were incurred additionally for the investment properties, located at Palangos 4, Vilnius and Vilniaus 37, Vilnius respectively.

As at 30 June 2023 and 31 December 2022 outstanding payables for additions and subsequent expenditure from 2023 and 2022 for investment properties amounted to EUR 159 thousand and EUR 175 thousand respectively.

The Company's subsidiary SIA "Dommo Grupa" sold a 3.4 ha plot of land located in the 58 ha logistics and industrial park "Dommo Logistics and Industrial Park" for EUR 403 thousand. The preliminary sales contract was signed in 2021 and then EUR 40 thousand was transferred. euro advance. In June 2022 the remaining money (EUR 363 thousand euros) was transferred to the escrow account and the ownership of the plot of land was rewritten in the register on the behalf of the Buyer. On 4 July 2022 the money was transferred from the escrow account to the current account of the subsidiary. In the statement of financial position, the money was recognized in the article of cash and cash equivalents as early as at 30 June 2022.

Investment properties are measured at fair value. During the 1st Half Year of 2023, properties leased out by the entity in Lithuania were valued as at 30 April 2023 and 31 October 2022, respectively, by an accredited valuer UAB OBER-HAUS Nekilnojamosis Turtas (hereinafter together with SIA OBER-HAUS Vertešanas Serviss referred to as 'Oberhaus') using the income and comparative approaches. During the 1st Half Year of 2023 and 2022 investment properties located in Latvia were valued as at 30 April 2023 and 31 October 2022, respectively, by an accredited valuer SIA OBER-HAUS Vertešanas Serviss using a market approach for land and using an income approach for warehouse. Investment properties were measured at fair value. There were no significant changes in the market during period from valuation date till end of reporting periods that could have an effect on the value of investment properties, therefore the updated valuation was not performed as at 30 June 2023 and as at 31 December 2022.

The split of carrying amounts of the properties leased out by the entity by type:

	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
Offices premises in city centre – Lithuania	25,649	21,546	25,649	21,546
Warehouse – Latvia	5,286	5,049	-	-
	30,935	26,595	25,649	21,546

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8 Investment properties (cont'd)

Description of valuation techniques used and key inputs to valuation on investment properties located in Lithuania as at 30 June 2023:

	Valuation technique	Significant unobservable inputs	Range (weighted average)
Properties leased out by the entity	Discounted cash flows	Discount rate (%)	7.75-9.5 (9.38)
		Capitalisation rate for terminal value (%)	6.5-7.5 (7.28)
		Vacancy rate (%)	0-25
		Office premises in city centre - Rent price EUR per sq. m. (without VAT)	4.93 – 38.49 (14.71)
Investment properties held for future redevelopment	Discounted cash flows with estimated costs to complete	Profit on cost ratio of the entire project (%)	25
		Capitalisation rate for terminal value (%)	6.25
		Cost to completion EUR per sq. m (without VAT)	1,520
		Sales price EUR per sq. m. (with VAT)	4,100

Description of valuation techniques used and key inputs to valuation on investment properties located in Lithuania as at 31 December 2022:

	Valuation technique	Significant unobservable inputs	Range (weighted average)
Properties leased out by the entity	Discounted cash flows	Discount rate (%)	7-9.5 (9.29)
		Capitalisation rate for terminal value (%)	6.5-7.5 (7.23)
		Vacancy rate (%)	0-33.3
		Office premises in city centre - Rent price EUR per sq. m. (without VAT)	4.93-35 (15.04)
Investment properties held for future redevelopment	Discounted cash flows with estimated costs to complete	Profit on cost ratio of the entire project (%)	25
		Capitalisation rate for terminal value (%)	6.25
		Cost to completion EUR per sq. m (without VAT)	1,520
		Sales price EUR per sq. m. (with VAT)	4,100

Description of valuation techniques used and key inputs to valuation on investment properties located in Latvia as at 30 June 2023:

	Valuation technique	Significant unobservable inputs	Value of input or range Oberhaus
Properties leased out by the entity	Discounted cash flows (five years estimated)	Discount rate (%)	10
		Capitalisation rate for terminal value (%)	9
		Vacancy rate (%)	2
		Increase of rents per year (%)	1.3
		Inflation (%)	1.3

Oberhaus is used for valuation of current contractual rent prices and has indexed these prices by input of increase of rents per year.

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8 Investment properties (cont'd)

Description of valuation techniques used and key inputs to valuation on investment properties located in Latvia as at 31 December 2022:

	Valuation technique	Significant unobservable inputs	Value of input or range	Oberhaus
Properties leased out by the entity	Discounted cash flows (five years estimated)	Discount rate (%)	10	
		Capitalisation rate for terminal value (%)	9	
		Vacancy rate (%)	2	
		Increase of rents per year (%)	1.3	
		Inflation (%)	1.3	

The sensitivity analysis of investment properties located in Lithuania valued using income approach as at 30 June 2023 is as follows:

Group	Increase of estimates		Decrease of estimates	
	Properties leased out by the entity	Investment properties held for future redevelopment	Properties leased out by the entity	Investment properties held for future redevelopment
Reasonable possible shift +/-				
Change in future rental rates by 10 %	2,700	1,160	(2,700)	(1,150)
Change in construction costs by 10%	-	(1,000)	-	1,000
Change in expected vacancy rates by 20%	(400)	-	500	-
Change in discount and capitalization rate by 50 bps	(1,700)	(850)	1,900	1,010
Change in profit on cost ratio of the entire project by 200 bps	-	(180)	-	190

Company	Increase of estimates		Decrease of estimates	
	Properties leased out by the entity	Investment properties held for future redevelopment	Properties leased out by the entity	Investment properties held for future redevelopment
Reasonable possible shift +/-				
Change in future rental rates by 10 %	2,200	1,160	(2,200)	(1,150)
Change in construction costs by 10%	-	(1,000)	-	1,000
Change in expected vacancy rates by 20%	(300)	-	400	-
Change in discount and capitalization rate by 50 bps	(1,400)	(850)	1,600	1,010
Change in profit on cost ratio of the entire project by 200 bps	-	(180)	-	190

The sensitivity analysis of investment properties located in Latvia valued using income approach as at 30 June 2023 is as follows:

Reasonable possible shift +/- (%)	Increase of estimates	Decrease of estimates
Change in Increase of rents per year by 100 bps or change in future rental rates by 1%	103	(103)
Change in expected vacancy rates by 20%	(29)	28
Change in discount and capitalization rate by 50 bps	(301)	336

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8 Investment properties (cont'd)

The sensitivity analysis of investment properties located in Lithuania valued using income approach as at 31 December 2022 is as follows:

Group/Company	Increase of estimates		Decrease of estimates	
	Properties leased out by the entity	Investment properties held for future redevelopment	Properties leased out by the entity	Investment properties held for future redevelopment
Reasonable possible shift +/-				
Change in future rental rates by 10 %	1,900	1,160	(2,200)	(1,150)
Change in construction costs by 10%	-	(1,000)	-	1,000
Change in expected vacancy rates by 20%	(500)	-	300	-
Change in discount and capitalization rate by 50 bps	(1,600)	(850)	1,400	1,010
Change in profit on cost ratio of the entire project by 200 bps	-	(180)	-	190

The sensitivity analysis of investment properties located in Latvia valued using income approach as at 31 December 2022 is as follows:

Reasonable possible shift +/- (%)	Increase of estimates	Decrease of estimates
Change in Increase of rents per year and inflation by 100 bps	98	(98)
Change in expected vacancy rates by 20%	(28)	27
Change in discount and capitalization rate by 50 bps	(288)	321

As at 30 June 2023 the Group's investment properties with carrying amount of EUR 29,802 thousand (EUR 25,313 thousand as at 31 December 2022) were pledged to the banks as collateral for the loans.

As at 30 June 2023 the Company's investment properties with carrying amount of EUR 25,602 thousand (EUR 25,313 thousand as at 31 December 2022) were pledged to the banks as collateral for the loans.

As at 31 December 2016 a written consent is required for sale of investment property from AB SEB bankas as a depository service provider. According to the Lithuanian Law on Collective Investment Undertakings, the sale price of investment properties may not be lower by more than 15% of the value determined by the independent qualified valuer. Having concluded a contract on sale of investment properties, when the above-described condition is not satisfied, the Management Company must, in exceptional cases and provided that interests of participants of the Company are not harmed, notify the supervisory authority thereof immediately.

There were no restrictions on the realisation of investment properties or the remittance of income and proceeds of disposals during the 1st Half Year of 2023 and 2022. No contractual obligations to purchase, construct, repair or enhance investment properties existed at the end of the period.

9 Trade and other receivables

	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
Trade receivables, gross	157	153	40	55
Accrued lease income, gross	11	14	11	14
Taxes receivable, gross	3	15	3	14
Total trade and other receivable, gross	171	182	54	83
Less: provision for impairment of trade and other receivables	(40)	(40)	(26)	(26)
Less: Write off still subject to enforcement activity	-	-	-	-
Trade and other receivable net of expected credit losses	131	142	28	57

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9 Trade and other receivables (cont'd)

Changes in provision for impairment of trade and other receivables for the year 2023 and 2022 have been included within 'Provision for impairment of trade receivables' in the statement of comprehensive income.

Trade and other receivables are non-interest bearing and are generally with a credit term of 30 days.

Movements in the accumulated impairment losses on credit impaired accounts receivable of the Group and in the write-off were as follows:

	Group		
	Impairment losses	Write off still subject to enforcement activity	Total
Balance as at 31 December 2021	49	-	49
Charge for the year	2	-	2
Write-offs charged against the provision	-	-	-
Enforcement activity ended	-	-	-
Recoveries of amounts previously impaired or written off	(2)	-	(2)
Balance as at 30 June 2022	49	-	49
Balance as at 31 December 2022	40	-	40
Charge for the year	1	-	1
Write-offs charged against the provision	-	-	-
Enforcement activity ended	-	-	-
Recoveries of amounts previously impaired or written off	(1)	-	(1)
Balance as at 30 June 2023	40	-	40

Movements in the accumulated impairment losses on credit impaired accounts receivable of the Company and in the write-off were as follows:

	Company		
	Impairment losses	Write off still subject to enforcement activity	Total
Balance as at 31 December 2021	32	-	32
Charge for the year	-	-	-
Write-offs charged against the provision	-	-	-
Enforcement activity ended	-	-	-
Recoveries of amounts previously impaired or written off	-	-	-
Balance as at 30 June 2022	32	-	32
Balance as at 31 December 2022	26	-	26
Charge for the year	-	-	-
Write-offs charged against the provision	-	-	-
Enforcement activity ended	-	-	-
Recoveries of amounts previously impaired or written off	-	-	-
Balance as at 30 June 2023	26	-	26

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9 Trade and other receivables (cont'd)

The credit quality of trade receivables of the Group as of 30 June 2023 and 31 December 2022 can be assessed on the ageing analysis disclosed below:

	Current	Less than 30 days	30–60 days	61–90 days	More than 90 days	Credit impaired	Total
As at 30 June 2023							
Trade receivables net of write off	67	36	8	-	6	40	157
Accrued lease income	11	-	-	-	-	-	11
Expected credit losses	-	-	-	-	-	(40)	(40)
Trade and other receivable net of expected credit losses	78	36	8	-	6	-	128
As at 31 December 2022							
Trade receivables net of write off	65	42	3	-	3	40	153
Accrued lease income	14	-	-	-	-	-	14
Expected credit losses	-	-	-	-	-	(40)	(40)
Trade and other receivable net of expected credit losses	79	42	3	-	3	-	127

The credit quality of trade receivables of the Company as of 30 June 2023 and 31 December 2022 can be assessed on the ageing analysis disclosed below:

	Current	Less than 30 days	30–60 days	61–90 days	More than 90 days	Credit impaired	Total
As at 30 June 2023							
Trade receivables net of write off	1	12	1	-	-	26	40
Accrued lease income	11	-	-	-	-	-	11
Expected credit losses	-	-	-	-	-	(26)	(26)
Trade and other receivable net of expected credit losses	12	12	1	-	-	-	25
As at 31 December 2022							
Trade receivables net of write off	4	25	-	-	-	26	55
Accrued lease income	14	-	-	-	-	-	14
Expected credit losses	-	-	-	-	-	(26)	(26)
Trade and other receivable net of expected credit losses	18	25	-	-	-	-	43

As at 30 June 2023 and 31 December 2022 most of trade receivables were secured by advances received from tenants.

The ageing analysis of the credit impaired trade receivables of the Group disclosed below:

	Current	Less than 30 days	30–60 days	61–90 days	91–180 days	More than 180 days	Total
Trade receivables net of write off as at 30 June 2023	-	-	-	-	-	40	40
Trade receivables net of write off as at 31 December 2022	-	-	-	-	1	39	40

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

9 Trade and other receivables (cont'd)

The ageing analysis of the credit impaired trade receivables of the Company disclosed below:

	Current	Less than 30 days	30–60 days	61–90 days	91–180 days	More than 180 days	Total
Trade receivables net of write off as at 30 June 2023	-	-	-	-	-	26	26
Trade receivables net of write off as at 31 December 2022	-	-	-	-	-	26	26

10 Share capital and reserves, own shares

As at 30 June 2023 the Group's/Company's share capital is divided into 8,061,414 ordinary registered shares with the nominal value of EUR 1.45 each.

All the shares of the Company were fully paid.

As at 30 June 2022 the Group's/Company's share capital is divided into 8,061,414 ordinary registered shares with the nominal value of EUR 1.45 each.

All the shares of the Company were fully paid.

Changes during the first half of 2022

On 12 April 2022 EUR the annual general meeting has decided to transfer from the legal reserve EUR 663 thousand to retained earnings and 1,613 thousand from retained earnings to reserves for purchase of own shares.

11 Dividends

Payment of dividends of EUR 0.09 per share and total dividends of EUR 726 thousand in respect of the year ended 31 December 2022 was approved at the Annual General Meeting of Shareholders on 18 April 2023.

Payment of dividends of EUR 0.12 per share and total dividends of EUR 967 thousand in respect of the year ended 31 December 2021 was approved at the Annual General Meeting of Shareholders on 12 April 2022.

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

12 Borrowings

	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
Non-current:				
Non-current bank borrowings	14,720	12,109	13,663	12,109
Non-current other borrowings	-	-	-	-
	<u>14,720</u>	<u>12,109</u>	<u>13,663</u>	<u>12,109</u>
Current:				
Current portion of non-current borrowings	691	708	599	708
Borrowings from third parties	381	-	-	-
	<u>1,072</u>	<u>708</u>	<u>599</u>	<u>708</u>
Total borrowings	<u>15,792</u>	<u>12,817</u>	<u>14,262</u>	<u>12,817</u>

All borrowings are expressed in EUR.

Borrowings with fixed or floating interest rate (with changes in 6 months period) were as follows:

Interest rate type:	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
Fixed	439	-	-	-
Floating	<u>15,353</u>	<u>12,817</u>	<u>14,262</u>	<u>12,817</u>
	<u>15,792</u>	<u>12,817</u>	<u>14,262</u>	<u>12,817</u>

As at 30 June 2023 and at 31 December 2022 all Group entities have complied with bank loan covenants.

On 23 June 2023 the Company has signed an amendment of to the borrowing agreement with AB Šiaulių bankas. According to the amendment the new credit limit of EUR 15,095 thousand is set. It consists of two parts. The first part amounts to EUR 14,095 thousand whose outstanding balance on the day of signing the contract was EUR 13,190 thousand and EUR 870 thousand an additional credit amount. The second part is a credit line of EUR 1,000 thousand, which could be disbursed until 26 June 2028. Furthermore, the settlement schedule and due date (27 June 2028) were changed. During first half of 2023 the Company used EUR 1,865 thousand of borrowing and returned EUR 436 thousand. As at 30 June 2023 the unused portion of the Company's credit (including the credit line) was EUR 906 thousand.

On 19 May 2022 the Company has signed an amendment of to the borrowing agreement with AB Šiaulių bankas. According to the amendment the new credit limit of EUR 14,500 thousand is set. It consists of two parts. The first part amounts to EUR 13,500 thousand whose outstanding balance on the day of signing the contract was EUR 8,978 thousand and EUR 4,522 thousand an additional credit amount. The second part is a credit line of EUR 1,000 thousand, which could be disbursed until 17 May 2027. Furthermore, the settlement schedule and due date (18 May 2027) were changed. During 2022 May - June the Company used EUR 1,000 thousand of credit line and EUR 3,650 thousand of the first part of the credit. In addition, EUR 407 thousand of credit line was returned. In additions, according to loan repayment schedule EUR 190 thousand was returned. As at 30 June 2022 the unused portion of the Company's credit (including the credit line) was EUR 1,465 thousand.

After the acquisition and merger of UAB "RE 1" to the Company, the Group took over the available short-term loan of AB Šiaulių Bankas, which was fully repaid on the date of these statements.

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

13 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of shares for the six months ended 30 June 2023 and 30 June 2022 was 8,061 thousand.

The following table reflects the income and share data used in the basic earnings per share computations:

	Group	
	1 st Half Year 2023	1 st Half Year 2022
Net profit, attributable to the equity holders of the parent	274	1,882
Weighted average number of ordinary shares (thousand)	8,061	8,061
Basic earnings per share (EUR)	0.03	0.23

For the 1st Half Year of 2023 and 2022 the Group diluted earnings per share are the same as basic earnings per share.

14 Liquidity risk

The Group's liquidity ratio (total current assets including assets held for sale / total current liabilities) as at 30 June 2023 was approximately 0.39 (as at 31 December 2022 – 0.95). The Company liquidity ratio as at 30 June 2023 was approximately 0.17 (as at 31 December 2022 – 0.43). As at 30 June 2023 the current assets were lower than current liabilities by EUR 3,129 thousand in the Company. The management of the Company forecasted the cash flows of the Company for the upcoming year and believes that the Company will have sufficient funds to cover liabilities, which fall due in upcoming year. The Company could use additional liquidity source - unused credit balance up to EUR 906 thousand.

The table below summarises the maturity profile of the Group's financial liabilities as at 30 June 2023 and at 31 December 2022 based on contractual undiscounted payments.

	On demand	Less than 3 months	4 to 12 months	2 to 5 years	More than 5 years	Total
Interest bearing borrowings	-	758	1,355	18,157	-	20,270
Lease liabilities	-	62	187	278	-	527
Trade and other payables	-	324	-	-	-	324
Provision for onerous contract	-	1	5	17	-	23
Other liabilities	455	2,431	-	-	-	2,886
Balance as at 30 June 2023	455	3,576	1,547	18,452	-	24,030
Interest bearing borrowings	-	281	1,017	14,122	-	15,420
Lease liabilities	-	62	187	402	-	651
Trade and other payables	-	281	-	-	-	281
Provision for onerous contract	-	11	2	20	-	33
Other liabilities	440	68	1	-	-	509
Balance as at 31 December 2022	440	703	1,207	14,544	-	16,894

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

14 Liquidity risk (cont'd)

The table below summarises the maturity profile of the Company financial liabilities as at 30 June 2023 and at 31 December 2022 based on contractual undiscounted payments.

	On demand	Less than 3 months	4 to 12 months	2 to 5 years	More than 5 years	Total
Interest bearing borrowings	-	351	1,221	16,870	-	18,442
Lease liabilities	-	62	187	278	-	527
Trade and other payables	-	219	-	-	-	219
Provision for onerous contract	-	1	5	17	-	23
Other liabilities	455	2,229	-	-	-	2,684
Balance as at 30 June 2023	455	2,862	1,413	17,165	-	21,895
Interest bearing borrowings	-	281	1,017	14,122	-	15,420
Lease liabilities	-	62	187	402	-	651
Trade and other payables	-	171	-	-	-	171
Provision for onerous contract	-	11	2	20	-	33
Other liabilities	440	66	-	-	-	506
Balance as at 31 December 2022	440	591	1,206	14,544	-	16,781

Provision for onerous contract is disclosed in the tables above because it is a financial liability arising from the unavoidable cost of meeting the obligation of contract. The amounts disclosed are undiscounted future loss amounts used to calculate provision.

15 Other current liabilities

Other current liabilities are presented in the table below:

	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
<u>Financial liabilities</u>				
Dividends payable	455	440	455	440
Performance Fee	-	-	-	-
Payables for shares	2,219	-	2,219	-
Other amounts payable	212	69	10	66
	2,886	509	2,684	506
<u>Non – financial liabilities</u>				
Salaries and social security contributions payable	48	30	-	-
Tax payable	41	50	16	18
	89	80	16	18
Total other current liabilities	2,975	589	2,700	524

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2023**

(all amounts are in EUR thousand unless otherwise stated)

16 Related party transactions

The related parties of the Group were the shareholders of the Company, who have significance influence (note 1), key management personnel, including companies under control or joint control of key management and shareholders having significant influence. Under IAS 24, AB "Invalda INV L" and its controlled companies (hereinafter - Other related parties) are also classified as related parties.

The Group transactions with related parties during the six months ended 30 June 2023 and related balances as at 30 June 2023 were as follows:

1st Half Year 2023

Group

	Revenue and other income from related parties	Purchases (including provision) and interest from related parties	Receivables from related parties	Payables to related parties (excluding provision)
AB Invalda INV L (accounting services)	-	19	-	-
AB Invalda INV L (cost compensation - insurance)	-	3	-	3
Other related parties (management services provided by the Management Company)	-	(36)	-	15
	<u>-</u>	<u>(14)</u>	<u>-</u>	<u>15</u>

The Group transactions with related parties during the six months ended 30 June 2022 and related balances as at 30 June 2022 were as follows:

1st Half Year 2022

Group

	Revenue and other income from related parties	Purchases (including provision) and interest from related parties	Receivables from related parties	Payables to related parties (excluding provision)
AB Invalda INV L (accounting services)	-	19	-	-
Other related parties (maintenance and repair services)	-	36	-	-
Other related parties (rent, utilities and other)	4	3	-	-
Other related parties (management services provided by the Management Company)	-	375	-	15
	<u>4</u>	<u>433</u>	<u>-</u>	<u>15</u>

The related parties of the Company are subsidiaries, shareholders who have significant influence (Note 1), key managers, key managers and shareholders with significant influence, controlled or jointly controlled entities. Under IAS 24, AB "Invalda INV L" and its controlled companies (hereinafter - Other related parties) are also classified as related parties.

The Company transactions with related parties during the six months ended 30 June 2023 and related balances as at 30 June 2023 were as follows:

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

(all amounts are in EUR thousand unless otherwise stated)

16 Related party transactions (cont'd)

1st Half Year 2023 Company	Revenue and other income from related parties	Purchases (including provision) and interest from related parties	Receivables from related parties	Payables to related parties (excluding provision)
Loans granted to subsidiaries	-	-	11.349	-
AB Invalda INVL (accounting services)	-	11	-	-
Subsidiary's rent	219	-	-	-
AB Invalda INVL (cost compensation - insurance)	-	3	-	3
Other related parties (management services provided by the Management Company)	-	(36)	-	15
Property administration and other services from subsidiaries	-	75	-	-
	219	53	11.349	18

The Company measured the loans granted to subsidiaries at fair value and did not recognise interest income separately.

The Company transactions with related parties during the six months ended 30 June 2022 and related balances as at 30 June 2022 were as follows:

1st Half Year 2022 Company	Revenue and other income from related parties	Purchases (including provision) and interest from related parties	Receivables from related parties	Payables to related parties (excluding provision)
Loans granted to subsidiaries	-	-	10.775	-
AB Invalda INVL (accounting services)	-	11	-	-
Subsidiary's rent	199	-	-	-
Other related parties (maintenance and repair services)	-	4	-	-
Other related parties (management services provided by the Management Company)	-	375	-	15
Property administration and other services from subsidiaries	-	75	-	-
	199	465	10.775	15

According to dividend distribution report, based on the shareholder list as at 3 May 2023 (the day of accounting of rights), the Company paid to "INVL Life" UAB EUR 170 thousand of dividends, net of tax, and paid to other shareholders, who have significance influence, EUR 264 thousand of dividends, net of tax.

According to dividend distribution report, based on the shareholder list as at 27 May 2022 (the day of accounting of rights), the Company paid to "INVL Life" UAB EUR 227 thousand of dividends, net of tax, and paid to other shareholders, who have significance influence, EUR 351 thousand of dividends, net of tax.

17 Events after reporting period

On 18 July 2023 the Company completed the transaction regarding the acquisition of shares of UAB "Pramogų bankas"; all the conditions stipulated in the agreement have been implemented. The transaction was financed with borrowed funds. Šiaulių Bankas provided loans for the amount of EUR 870 thousand allocated to the Company for the payment of shares of UAB "Pramogų Bankas". Furthermore, to finance the transaction, the Company's subsidiary UAB "Rovelija" issued a non-public issue of bonds, which was bought out by the private debt fund Mundus Bridge Finance managed by the INVL Group company for EUR 2 million.

On 20 June 2023 the Company won the auction organized by VĮ Turto bankas for the garage (box) with a total area of 16.83 sq. m., located at Vilniaus str. 37-3, Vilnius, with part of the land plot of 0.0015 ha from the total land plot of 0.3453 ha, located at Vilniaus st. 37, Vilnius. On 14 July 2023 the Company acquired the real estate from VĮ Turto bankas for EUR 30 thousand.



INVL

BALTIC REAL ESTATE

THE SPECIAL CLOSED-ENDED TYPE REAL ESTATE INVESTMENT COMPANY

INVL BALTIC REAL ESTATE

CONSOLIDATED REPORT FOR 6 MONTHS OF 2023

Translation note:

This version of the Consolidated Report for the 6 months of 2023 is a translation from the original, which was prepared in Lithuanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version takes precedence over this translation.

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I. GENERAL INFORMATION

1. Legal basis of preparation and content of information

The semi-annual Consolidated Report of the public joint-stock company Special closed-ended type real estate investment company "INVL Baltic Real Estate" (hereinafter – "**the Company**", "**INVL Baltic Real Estate**" or "**the Issuer**") has been prepared by the Company in accordance with the Rules on the Disclosure of Information and the Guidelines on the Disclosure of Information approved by the Board of the Bank of Lithuania. The content of the consolidated semi-annual report is disclosed according to Law on Consolidated Financial Statements of Enterprises of the Republic of Lithuania and Law on Corporate Financial Reporting of the Republic of Lithuania.

The Company informs that after evaluating the Information Disclosure Rules approved by the Bank of Lithuania and Guidelines for Non-Financial Reporting (Methodology for Providing Non-Financial Information), the information disclosing information about the Company presented in this semi-annual Report is divided into five (V) sections. These sections disclose information on Company's securities, the Management of the Company, the Company's and the Group's activities and other information, that Company's Management values as important to disclose. The Company notes that the information presented in the Annual Report is relevant for understanding the Company's performance, condition and impact of operations.

2. Reporting period for which the report is prepared

The report covers the financial period of INVL Baltic Real Estate, starting from 1 January 2023 and ending on 30 June 2023. The report includes significant events that occurred since the end of the reporting period.

3. General information about the Issuer and other companies comprising the Issuer's group

3.1. Information about the Issuer

Name	Special closed-ended type real estate investment company "INVL Baltic Real Estate"
Company code	152105644
Registration address	Gynėjų str. 14, 01109, Vilnius, Lithuania
Telephone	+370 5 279 0601
Fax	+370 5 279 0530
E-mail	breinfo@invl.com
Website	www.invlbalticrealestate.com
LEI code	529900GSTE0HKA0R1M59
Legal form	joint-stock company
Company type	special closed-ended type real estate investment company
Date and place of registration	28 January 1997; Register of Legal Entities
Date of the Supervisory authority approval of collective investment entity formation documents	22 December 2016
Register in which data about the Company are accumulated and stored	Register of Legal Entities
Management company	INVL Asset Management, UAB, code 126263073, licence No. VĮK-005
Depository	SEB bankas, AB, code 112021238, bank licence No. 2

3.2. Information about Company's goals and strategy

INVL Baltic Real Estate – real estate investment company that was founded on 28 January 1997, former name – Invaldos Nekilnojamo Turto Fondas, AB. On 17 August 2015 the Company was merged with its parent company; therefore, the Company took over all its rights and obligations.

On 22 December 2016 the Bank of Lithuania issued the closed-ended type investment company operating license enabling INVL Baltic Real Estate to engage in the closed-ended type investment company's activities under the Law of the Republic of Lithuania Collective Investment Undertakings. The special closed-ended type real estate investment company will operate 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 (hereinafter – the Management company). The rights and duties of the Board and the head of the Company were also transferred to the Management company.

According to the Articles of Association of the Company, the Management company formed an Investment Committee, which based on powers vested by the Management company, also participates in the management of the Company.

INVL Baltic Real Estate seeks to ensure the growth of rental income and earn from investments in commercial real estate. The companies owned by INVL Baltic Real Estate have invested in commercial real estate: business centres and warehouse properties at strategically attractive locations in Lithuania and Latvia. All the properties are characterized by high occupancy rates and generate stable financial flows. In addition, most of them has further development potential.

INVL Baltic Real Estate shares have been listed on Nasdaq Vilnius Baltic Secondary trading list since 4 June 2014. The Company has approved a Dividend Payment policy on 9 April 2019 which stipulates the annual payment of dividend per share of no less than EUR 0.09. It is noted that in accordance with the provisions of the dividend payment policy, the Company may allocate both lower and higher dividends per share than it is expected in the policy.

3.3. Information about the Issuer's group of companies

Companies of INVL Baltic Real Estate – the structure of the group companies is disclosed below – owned real estate properties in Vilnius and Riga during the reporting period.

3.3.1. Companies of INVL Baltic Real Estate (date as of 30 June 2023)

Company	Registration information	Shares (voting rights) directly or indirectly held by the Company	Type of activity	Contact details
Rovelija, UAB	Code 302575846 Address – Gynėjų str. 14, Vilnius Legal form – private limited liability company Registration date 20.12.2010	100 percent	investments into commercial rental real estate	Tel. +370 5 2790601 breinfo@invl.com
Proprietas, UAB	Code 303252098 Address – Gynėjų str. 14, Vilnius Legal form – private limited liability company Registration date 27.02.2014	100 percent	investments into commercial rental real estate	Tel. +370 5 2790601 breinfo@invl.com
Pramogų bankas, UAB	Code 300044665 Address A. Stulginskio str. 8, Vilnius Legal form – private limited liability company Registration date 30.07.2004	100 percent	investments into commercial rental real estate	Tel. (8 5) 279 0601 breinfo@invl.com
DOMMO grupa SIA	Code 40003733866 Address – Lapegles, Stūniši, Olaines pag., Olaines nov., LV-2127 Latvia Legal form – private limited liability company Registration date 17.03.2005	100 percent	investments into commercial rental real estate	Tel. +370 5 2790601 breinfo@invl.com

DOMMO biznesa parks SIA

Code 40003865398
 Address – Lapegles, Stūniši, Olaines pag., Olaines nov., LV-2127 Latvia
 Legal form – private limited liability company
 Registration date 13.10.2006

100 percent

investments into commercial rental real estate

Tel. +370 5 2790601
 breinfo@invl.com

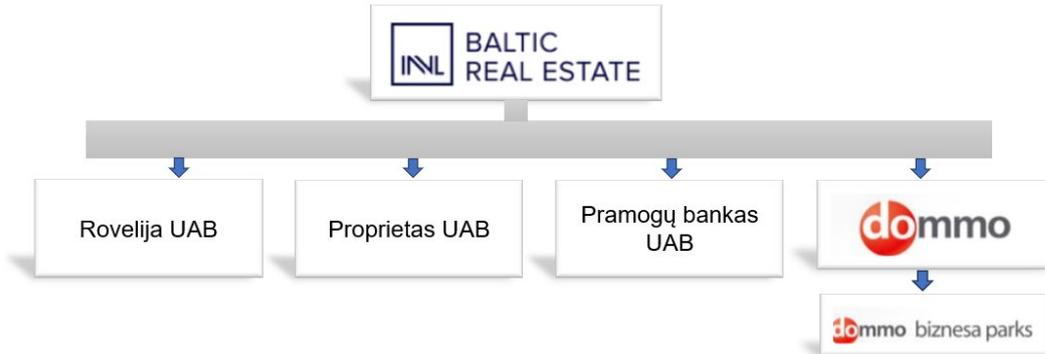


Fig. 3.3.1. Simplified group structure of INVL Baltic Real Estate as of 30 June 2023

3.3.2. Real estate objects owned by group companies in Vilnius (Lithuania)



Fig. 3.3.2. Real estate objects owned by group companies of INVL Baltic Real Estate in Vilnius (Lithuania)

OFFICE BUILDING IN THE CENTRE OF VILNIUS, PALANGOS STR. 4/ VILNIAUS STR. 33
 AREA 10,000 SQ.M.

Business centre is in one of the busiest places in the Old Town of Vilnius, between Vilnius, Pamenkalnio, Islandijos and Palangos streets.

Vilnius Old Town - one of the most important components of the city and its centre, the oldest part of the city of Vilnius, situated on the left bank of the Neris River. Old Town area - protected and managed in accordance with the special heritage protection well, small business and residential function are being supported. There is a closed, guarded parking and underground garage in the area, convenient public transport access.

In the business center operates more than 2,000 square meters Talent Garden Vilnius cooperation space. In total, the space has more than 230 workplaces, more than half of which are in private offices, as well as a modern conference hall with 150 seats.

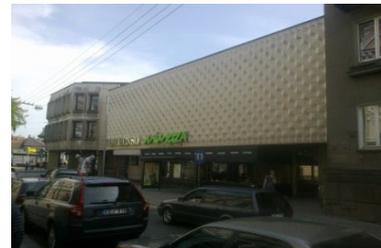
Radvilų Palace, Teacher's House, Lithuanian Technical Library, St. Catherine's Church and other cultural attractions, cafes, restaurants are located near the building.


Block A basic information

Total area	5,100 sq. m
Leased area	4,000 sq. m
Land area	0.49 ha (total area of the complex)
Property market value at 30 of June 2023	EUR 9 million
Occupancy at 30 of June 2023	89 percent (total complex occupancy)

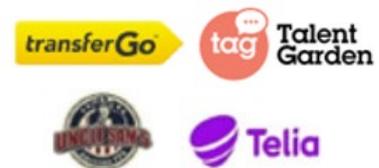

Block B basic information

Total area	4,900 sq. m
Leased area	2,900 sq. m
Land area	0,49 ha (total area of the complex)
Property market value at 30 of June 2023	EUR 8.4 million
Occupancy at 30 of June 2023	89 percent (total complex occupancy)



Address Palangos str. 4/ Vilniaus str. 33, Vilnius.

Main tenants Talent Garden Vilnius, TransferGo, Telia LT, Uncle Sam's.



Talent Garden Vilnius' opened on 12th December 2019 and was established on a campus of more than 2,000 sq. m. on Vilniaus Street (Vilniaus g. 33). The space is also host to the first Startup Museum in the country, a creation of Vilnius's tourism and development agency Go Vilnius. The campus features a total of over 230 workplaces, more than half of which are in private offices, as well as a 150-seat modern conference hall.

More about the project: <http://talentgardenvilnius.lt/>



ŽYGIS BUSSINESS CENTRE AREA 3,300 SQ.M.



Žygis business centre – the yellow brick, authentic nineteenth century architecture, renovated office building, perfectly adapted to modern office activities. The building stands in the Northern Town – in a strategically attractive, busy part of Vilnius, easily accessible by car and public transport. Other commercial and business centres, banks, the State Tax Inspectorate, Social Insurance, Employment Exchange, medical clinics and various business services companies, attracting large flows of people, are located nearby. Also, even four large shopping centres – Domus Gallery, Ogmios miestas, Hyper Rimi, Banginis-Senukai, are located near the business centre. Distance to the centre of Vilnius is about 3.5 km. 70 spots covered parking lot is installed next to the building.



Basic information

Total area	3,300 sq. m
Leased area	2,900 sq. m
Land area	0.4 ha
Property market value at 30 of June 2023	EUR 3.9 million
Occupancy at 30 of June 2023	100 percent
Address	Zygio str. 97A, Vilnius.



Main tenants School "Žiniukas", Innoforce, UAB



BUILDING IN THE CENTRE OF VILNIUS, VILNIAUS STR. 37 AREA 2,000 SQ.M.

The building is located in a prestigious part of Vilnius, in Old Town. It is one of the most important components of the city and its centre, located on the left bank of the Neris river. The property is positioned near Gediminas Avenue, which is considered the most prestigious street in Vilnius. The building's environment is dominated by older buildings of city centre-specific architecture, with various commercial premises, hotels, numerous cafes, restaurants, and other attractions. Currently, the café which is located in the building is rented, however other premises of the building are not rented and a reconstruction project is in the process of being prepared for it. Once this project is implemented, the building will be adapted to commercial and catering activities.



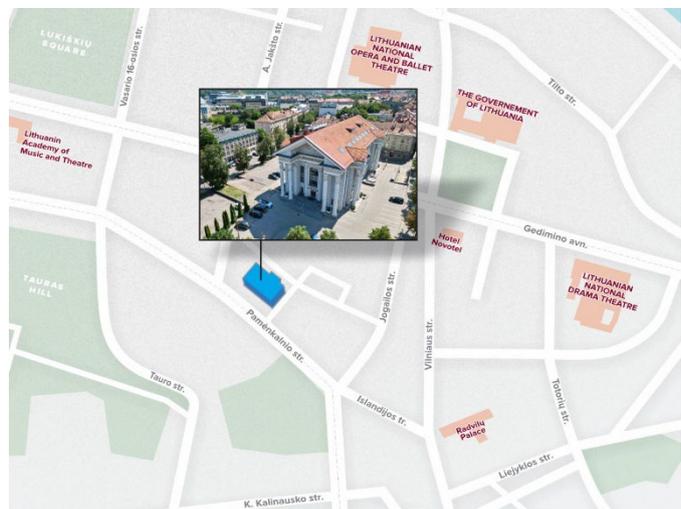
Basic information

Total area	2,000 sq. m.
Leased area	260 sq. m.
Land area	0.16 ha
Property market value at 30 of June 2023 ¹	5.5 mln. EUR
Occupancy at 30 of June 2023	100 percent ¹
Address:	Vilniaus str. 37, Vilnius.



BUILDING OF PRAMOGŲ BANKAS, A. STULGINSKIO STR. 8 AREA 4,100 SQ.M.

The building is located in a desirable and convenient location in Vilnius, i.e. at the crossroads of Naujamiestis (New Town) and Senamiestis (Old Town) districts. It is about 200 metres away from the commercially highly desirable Gediminas Avenue, which attracts large pedestrian traffic and is home to many commercial facilities. The building is a cultural heritage site and used to house the Pergalės Cinema. The cinema was built in 1951 to a standard design refined by Giovanni Ripa-Angioletto, with a spacious neo-classical interior. The underground parking and the adjacent car park have a total of 50 parking spaces, which is a significant number in the central part of Vilnius. The company acquired the building in June 2023. It is currently home to the Nesė Casino and other commercial activities. The company has started to prepare a renovation project for the building in order to best meet the needs of potential tenants in the future.



¹ The 257 sq. m. building area, which is suitable for rent is leased. The other building area is being reconstructed

Basic information

Total area	4,100 sq. m.
Leased area	3,000 sq. m.
Land area	0.24 ha
Property market value at 30 of June 2023	4.2 mln. EUR
Occupancy at 30 of June 2023	85 percent
Address:	A.Stulginskio str., Vilnius.



3.3.2. Real estate objects owned by group companies of INVL Baltic Real Estate in Riga (Latvia)

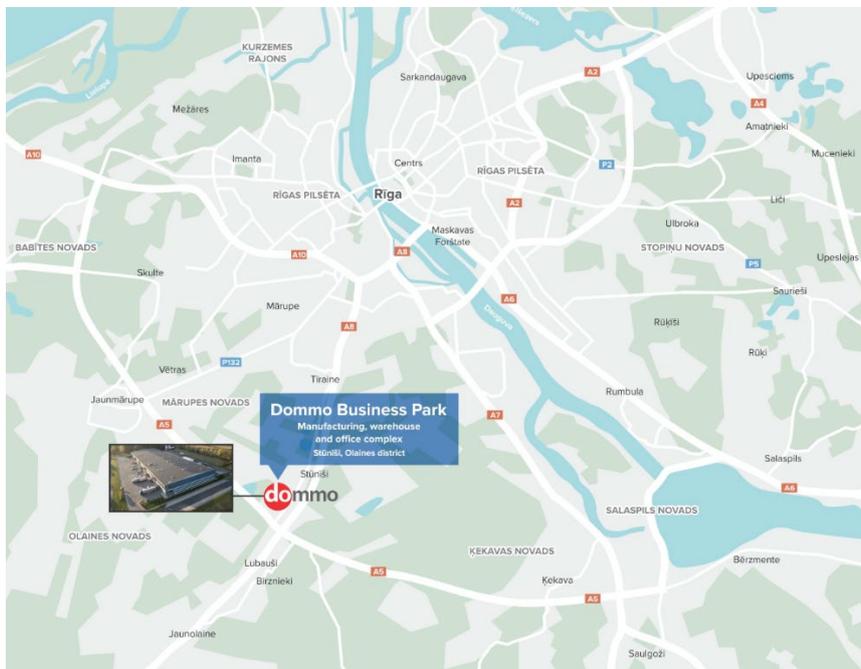
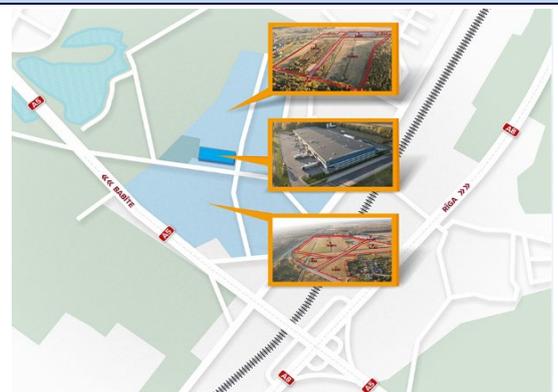


Fig. 3.3.3. Real estate objects owned by group companies of INVL Baltic Real Estate in Riga (Latvia)

**DOMMO BUSINESS PARK WAREHOUSE AND OFFICE COMPLEX
AREA 12,800 SQ.M.**

Dommo Business Park warehouse and office premises complex in Latvia. The area is strategically well-located, to the right of Jelgava Road, in front of the intersection with Jurmala - Tallinn bypass. Distance to the centre of Riga and the airport is 13 km, the port - 16 km. The area is suitable for the development of logistics centres.



Basic information

Total area and lease area	12,800 sq. m
Leased area	12,800 sq. m
Land area	54.80 ha
Property market value at 30 of June 2023	EUR 10.3 million
Occupancy at 30 of June 2023	100 percent
Address	Stūnyši, Olainės region.



Main tenants	Bohnenkamp, Tente, Rewico Baltikum, Inservis.
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Bohnenkamp
Moving Professionals**TENTE****REWICO Baltikum**

II. FINANCIAL INFORMATION AND SIGNIFICANT EVENTS

4. Overview of the Issuer and its group activity

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



INVL Baltic Real Estate's consolidated net operating income from its own properties in the first half of 2023 amounted to EUR 1.1 million, or 9.6% more than in the corresponding period in 2022 (EUR 1 million). INVL Baltic Real Estate's consolidated income in the first half of 2023 amounted to EUR 1.71 million, or 4.6% more than in the corresponding period of 2022 (EUR 1.64 million), including an increase of 9.2% in the consolidated operating income from owned properties to EUR 1 million. Properties managed by INVL Baltic Real Estate continued to maintain high occupancy levels and increase operating income. Net profit for the first half of the year amounted to EUR 0.27 million, or 85% less than in the corresponding period in 2022.

The income of the largest object managed by INVL Baltic Real Estate, i.e. the office building at 4 Palangos str., which houses the co-working space Talent Garden Vilnius managed by the company, amounted to EUR 0.74 million in the first half of the year, or 7.2% more than in the same period of the previous year (EUR 0.69 million). Talent Garden Vilnius continued to maintain a very high occupancy rate of 99% at the end of the half-year.

Žygis Business Centre's rent revenue in the first half of 2023 amounted to EUR 0.18 million, or 6.8% more than in the corresponding period in 2022 (EUR 0.17 million). At the end of the half-year, the occupancy rate was 100%.

The value of INVL Baltic Real Estate's investment property holdings at the end of the first half of 2023 was EUR 41.3 million and was 22.3% more than a year earlier (when it was EUR 33.8 million).

"In the first half of this year, we continued the design work for the planned reconstruction of the buildings located at 37 Vilniaus str. and 4 Palangos str./33 Vilniaus str. in the Old Town. At the beginning of the second quarter of this year, we started the renovation of the building at 37 Vilniaus str., which is progressing well according to schedule, together with the contractor Sivysta. Also in June, a small but important garage for the development was acquired at an auction organised by the Property Bank for a starting bid price. At the end of the first half of the year, a deal was concluded for the acquisition of the Pramogų Bankas building, and with the successful completion of the transaction, we are now starting to implement our long-term plans for the redevelopment of the property and the increase in its value," - said Vytautas Bakšinskas, the manager of the real estate fund of INVL Asset Management, which is the managing company of INVL Baltic Real Estate.

4.2. Operational environment

In the first half of 2023, the supply of office space in Vilnius increased by 38,000 sq.m.. The second phase of Cyber City and the S28 business centre project were completed. Currently, about 122,000 sq.m. of office buildings are under development in Vilnius, about 50% of which should be completed this year. At the beginning of this year, landlords indexed rents to tenants more significantly due to high inflation. In Vilnius, the rents for premium buildings are EUR 19-21.5/sq.m., EUR 16-19/ sq.m. for class A buildings and EUR 12-15.3/sq.m. for class B buildings. Indexation also contributed to the increase in vacancy in the city, which rose from 6.5% to 7.9%. The slowing economy is forcing tenants to be more cautious in their development decisions, which has an impact on office development and its increasing vacancy. There is also a growing trend towards subletting, where tenants with long-term contracts sublet part of their premises because they no longer need the space they have available due to the hybrid working model or due to a reduction in business volumes. Despite all the circumstances and economic challenges, developers believe in the opportunities of the Vilnius market and are actively planning new office projects.

Despite the sluggish economy, Kaunas office market has potential. The city's population has been growing for 4 years in a row, and an increasing number of companies are looking to set up branches here. The vacancy rate for class A offices is 3.9% and no new office space will be offered in the city this year. Developers are hesitant to start new construction in Kaunas, so there will be very little new office space in the next two years. This should have an impact on the vacancy rate, which is expected to fall to 2-3% by the end of 2023. This lack of supply limits the choice of tenants, with a very low level of letting transactions in the first half of 2023.

In the first half of 2023, the Riga logistics and warehousing market added 57,000 sq.m. of new warehouse space. VGP completed a built to suit logistics centre for its anchor tenant Eugesta, Sirin completed the third phase of the 28,000 sq.m. Rumbula logistics centre. The entire logistics park in Rumbula now totals over 80,000 sq.m.. Built to suit projects in Riga are becoming more and more popular and developers are now taking on such projects rather than building speculative ones. The overall vacancy rate in Riga fell slightly to 3.2%. During the first quarter of this year, several transactions took place in the Riga logistics and warehousing market. Capitalica bought 5,500 sq.m. Ulbrokas 42G logistics centre, while East Capital Fund bought a 3,600 sq.m. logistics centre from Hepsor.

Resources:

<https://newsec.lt/apzvalga/baltijos-saliu-biuru-rinkos-apzvalga-2023-q2/>

<https://newsec.lt/apzvalga/kauno-biuru-rinkos-apzvalga-2023-h1/>

<https://newsec.lt/apzvalga/baltijos-saliu-logistikos-ir-industrinio-nt-apzvalga-2023-q2/>

4.3. Key figures of INVL Baltic Real Estate

EUR million	Group		
	30.06.2021	30.06.2022	30.06.2023
Managed common area	26,100 sq. m.	28,100 sq. m.	32,100 sq. m.
Managed rental area	22,600 sq. m.	22,850 sq. m.	25,800 sq. m.
The real estate value	24.7	33.8	41.3
Cash	4.2	1.6	1.3
Other assets	1.5	1.4	1.2
Assets	30.4	36.8	43.8
Equity	17.6	21.2	23.1
Borrowings from credit institutions	9.3	13.4	15.4
Other payables	3.5	2.2	5.3
Total equity and liabilities	30.4	36.8	43.8
Total equity for one share	EUR 2.19	EUR 2.63	EUR 2.86

4.4. Results of INVL Baltic Real Estate

EUR million	Group		
	01.01.2021 – 30.06.2021	01.01.2022 – 30.06.2022	01.01.2023 – 30.06.2023
Revenue	1.2	1.6	1.7
<i>rental income from owned premises</i>	0.8	0.9	1.0
<i>other revenue</i>	0.4	0.7	0.7
Investment property revaluation	0.5	1.7	(0.2)
Net operating income from owned properties	0.7	1.0	1.1
Profit before tax	0.75	1.9	0.3
Net profit	0.75	1.9	0.3
Earnings per share	EUR 0.07	EUR 0.23	EUR 0.03

Net asset value of the Company amounted to EUR 23,089,203 or EUR 2.8642 per share on 30 June 2023. At the same period in 2022, the net asset value amounted to EUR 21,196,770 or EUR 2.6294 per share.

More detail information on the net asset value of the Company as well as change of the net asset value per share is stated in the website of the Company (the Company's web site section "For investors" → "Financial information and reports" → "Net asset value"). Link <https://bre.invl.com/en/for-investors/financial-information-and-reports/>

4.5. Significant Issuer's and its group events during the reporting period, effect on the financial statement

4.5.1. Significant Issuer's events

On 20 June 2023 the Company won the auction organized by Turto bankas, VĮ for the garage (box) with a total area of 16.83 sq. m., located at Vilniaus str. 37-3, Vilnius, with part of the land plot of 0.0015 ha from the total land plot of 0.3453 ha, located at Vilniaus st. 37, Vilnius. The Company will acquire the real estate from Turto bankas, VĮ for EUR 29,900.

On 26 June 2023, a purchase and sale agreement was concluded regarding the acquisition of 100 percent of the shares of Pramogų bankas, UAB, legal entity code 30004466, which owns non-residential premises – entertainment center with guesthouse and non-residential premises – gambling house with bars – at the address A. Stulginskio str. 8, in Vilnius.

The Company publishes all publicly available information on the Nasdaq Vilnius website ([link](#)), on the Central Regulatory Information Base ([link](#)), as well as on the Company's website (For investors → Regulated information). Link: <https://bre.invl.com/en/news/>

4.5.2. Significant group's events

There were no important events in the activities of the real estate companies in the first half of 2023. The companies performed usual activity during the reporting period.

5. Significant events of the Issuer and its group since the end of the reporting period

On 18 July 2023 the Company completed the transaction regarding the acquisition of shares of Pramogų Bankas; all the conditions stipulated in the agreement have been implemented. The value of the transaction was 2.9 million euros. The building managed by Pramogų Bankas was valued at EUR 4.6 million. The transaction was financed with borrowed funds. Šiaulių Bankas provided loans for the amount of EUR 2.6 million, of which EUR 1.7 million are allocated for the refinancing of loans held by Pramogų Bankas, and the remaining amount is allocated to the Company for the payment of Pramogų Bankas shares. In this way, the Company increased its available credit limit in Šiaulių Bankas to EUR 15.1 million. Furthermore, to finance the transaction, the Company's subsidiary Roveliija issued a non-public issue of bonds, which was bought out by the private debt fund Mundus Bridge Finance managed by the INVL Group company for EUR 2 million. More detailed information is [here](#).

No other important events of the Issuer or the group companies were noted. The Issuer and the group companies performed usual activity.

6. Estimation of Issuer's and Group's activity last year and activity plans and forecasts

6.1. Evaluation of implementation of goals

INVL Baltic Real Estate has succeeded in achieving the essential goals of improving the Company's performance, as well as to start successful operations of the Talent Garden Vilnius cooperation space.

6.2. Activity plans and forecast

INVL Baltic Real Estate will seek to continue to earn from investment in commercial real estate, ensuring rental income growth, cost optimization. Investments managed by INVL Baltic Real Estate allows us to expect a constant increase in the value of the property.

III. INFORMATION ABOUT SECURITIES

7. The order of amendment of Issuer's Articles of Association

According to the Articles of Association of the Company, the Articles of Association of INVL Baltic Real Estate may be amended by the decision of the General Shareholders' Meeting, passed by more than 3/4 of votes (except in cases stated in the Law on Companies of the Republic of Lithuania and in cases stated in Company's Articles of Association).

During the reporting period, Company's Articles of Association were amended. Currently actual wording of the Articles of Association of INVL Baltic Real Estate is dated as of 11 May 2023. The Articles of Association is available on the Company's website (Section on the website "For investors" → "Legal documents" → "Articles of Association". Link: <https://bre.invl.com/en/for-investors/legal-documents/>)

8. Structure of the authorized capital

Table 8.1. Structure of INVL Baltic Real Estate authorized capital as of 30 June 2023.

Type of shares	Number of shares and total voting rights granted by the issued shares, units	Nominal value, EUR	Total nominal Value and authorised capital, EUR	Portion of the authorised capital, %
Ordinary registered shares	8,061,414	1.45	11,689,050.30	100

All shares are fully paid-up, and no restrictions apply on their transfer.

8.2. Information about the Issuer's treasury shares

8.2.1. Purchase of own shares

The General Shareholders Meeting of the Company that was held on 29 April 2021 made decision to purchase its own shares. The period during which the company may acquire its own shares - 18 months from the day of this resolution. The maximum one share acquisition price - the last announced net asset value per share, the minimal one share acquisition price - EUR 1.45.

The General Shareholders Meeting of the Company that was held on 12 April 2022 made decision to purchase its own shares. The period during which the company may acquire its own shares - 18 months from the day of this resolution. The maximum one share acquisition price - the last announced net asset value per share, the minimal one share acquisition price - EUR 1.45.

The General Shareholders Meeting of the Company that was held on 18 April 2023 made decision to purchase its own shares. The period during which the company may acquire its own shares - 18 months from the day of this resolution. The maximum one share acquisition price - the last announced net asset value per share, the minimal one share acquisition price - EUR 1.45.

During the reporting period the Company not initiated acquisition of own shares.

9. Trading in Issuer's securities as well as securities, which are deemed to be a significant financial investment to the Issuer on a regulated market

9.1. table. Main characteristics of INVL Baltic Real Estate shares admitted to trading

Shares issued, units	8,061,414
Shares with voting rights, units	8,061,414
Number of votes for the quorum of the General Shareholders Meeting, units	8,061,414
Nominal value, EUR	1.45
Total nominal value, EUR	11,689,050,30
ISIN code	LT0000127151
LEI code	529900GSTE0HKA0R1M59
Ticker	INR1L
Exchange	Nasdaq Vilnius
List	Baltic Secondary list
Listing date	04.06.2014

Included into indexes

OMX VILNIUS INDEX (VILSE)
 STOXX Global Total Market Price Index (TW1P)
 STOXX All Europe Total Market Price Index (TE1P)
 OMX Baltic Benchmark Gross Index (OMXBBGI)
 STOXX EU Enlarged TMI (Price) EUR (EUETMP)
 OMX Baltic Benchmark Price Index (OMXBBPI)
 OMX Baltic Benchmark Capped Price Index (OMXBBCPP)
 OMX Baltic All Share Gross Index (OMXBGI)
 OMX Baltic All Share Price Index (OMXBPI)
 OMX Baltic Real Estate PI (B8600PI)
 OMX Baltic Real Estate GI (B8600GI)
 OMX Baltic Benchmark Capped Gross Index (OMXBBCPG)

Table 9.2. Trading in INVL Baltic Real Estate shares

	6 months of 2021	6 months of 2022	6 months of 2023
Share price, EUR:			
- open	2.220	2.330	2.12
- high	2.470	2.380	2.28
- low	2.180	1.630	2.08
- average	2.273	2.240	2.19
- last	2.340	2.160	2.1
Turnover, units	235,488	85,729	48,639
Turnover, EUR	535,296.04	192,055.01	106,626.58
Traded volume, units	1,423	1,233	758

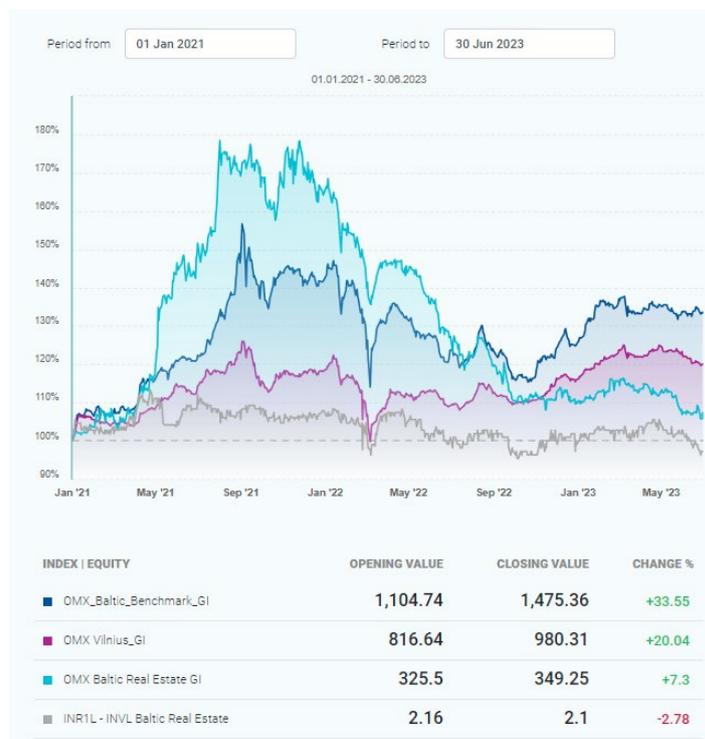


Fig 9.1. INVL Baltic Real Estate change of share price and indexes ² (source Nasdaq indexes)

² OMX index is an all-share index which includes all the shares listed on the Main and Secondary lists on the NASDAQ Vilnius with exception of the shares of the companies where a single shareholder controls at least 90% of the outstanding shares. The OMX Baltic Real Estate GI index is based on the Industry Classification Benchmark (ICB) developed by FTSE Group (FTSE).

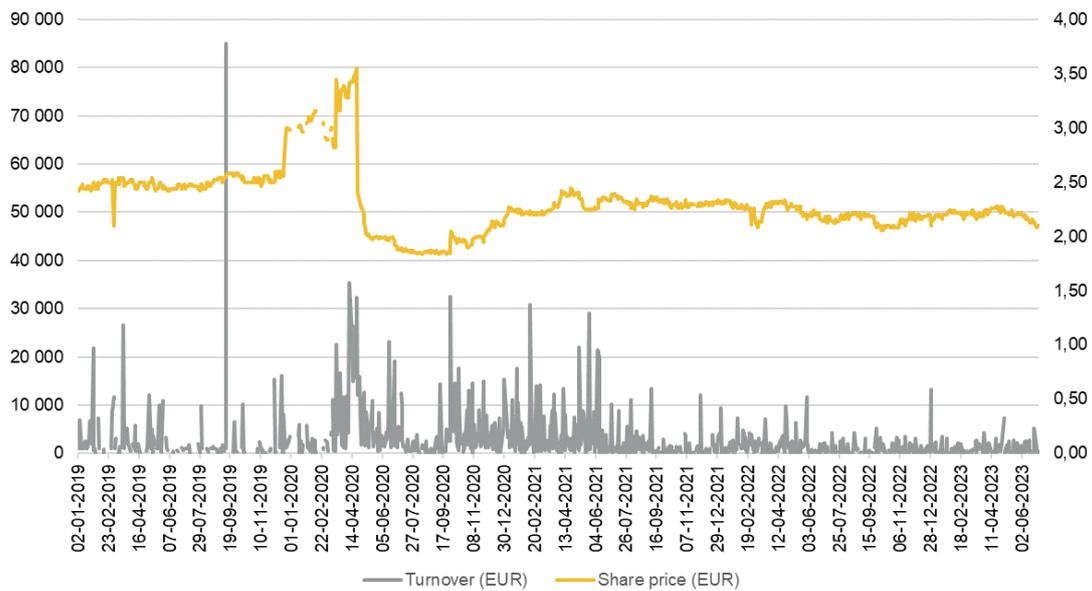


Fig. 9.2. Change of share price of INVL Baltic Real Estate and turnover

10. Shareholders

10.1. Information about Company's shareholders

The total number of shareholders in INVL Baltic Real Estate was 4,054 on 30 June 2023. There are no shareholders entitled to special rights of control.

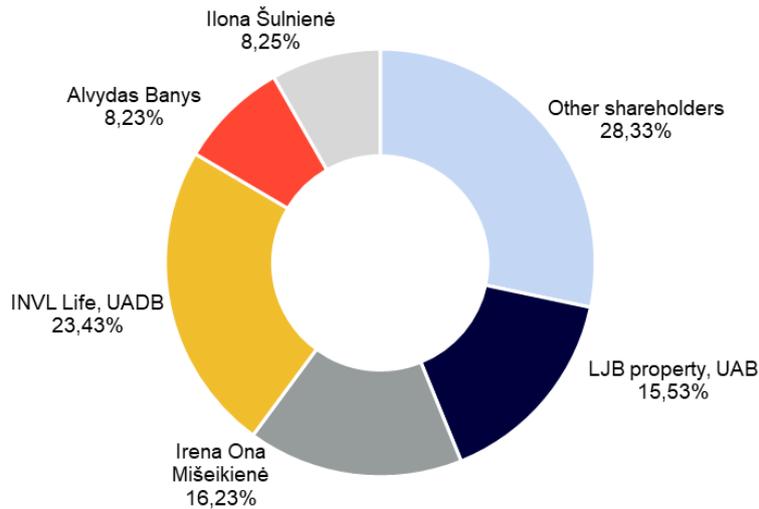
10.1.1. table. Shareholders who held title to more than 5% of INVL Baltic Real Estate authorised capital and/or votes as of 30 June 2023.

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held and share of votes given by the shares held by the right of ownership, %	Indirectly held votes, %	Total votes, %
LJB property, UAB, code 300822529	1,251,695	15.53	0	15.53
Alvydas Banyš	663,640	8.23	15.53 ³	23.76
Irena Ona Mišeikienė	1,308,596	16.23	0	16.23
INVL Life, UADB, code 305859887 ⁴	1,889,123	23.43	0	23.43
Invalda INVL, AB, code 121304349,	0	0	23.43 ⁵	23.43
Ilona Šulnienė	664,710	8.25	0	8.25

³ According to section 1 of article 16 of the Law on Securities of the Republic of Lithuania, Alvydas Banyš is considered to hold the voting rights of the controlled company UAB LJB property

⁴ 100% of shares of INVL Life, UADB are held by Invalda INVL, AB, code 121304349

⁵ 100% of shares of INVL Life, UADB are held by Invalda INVL, AB, code 121304349



10.1.1. Fig. Votes as of 30 June 2023

10.2. Rights and obligations carried by the shares

Property, non-property rights and obligations to shareholder granted by the Company's shares in the first half of 2023 are not different from the description of the rights and obligations carried by the shares presented in the Company's consolidated annual report for 2022.

11. Dividends

The General Shareholders' Meeting decides upon dividend payment and sets the number of dividends. The Company pays out the dividends within 1 month after the day of adoption of the resolution on profit distribution.

Persons have the right to receive dividends if they were shareholders of the Company at the end of the tenth working day after the day of the General Shareholders' Meeting which issued the resolution to pay dividends.

According to the Lithuanian Law on Personal Income Tax and the Lithuanian Law on Corporate Income Tax, 15 % tax is applied to the dividends since 2014. The Company is responsible for calculation, withdrawn and transfer (to the benefit of the State) of applicable taxes⁶.

The General Shareholders Meeting of the Company held on 9 April 2020 approved the new wording of the Dividend payment policy which stipulates the yearly payment of dividends per share of no less than EUR 0.09.

On 18 April 2023, the General Shareholders Meeting of INVL Baltic Real Estate decided to allocate EUR 0.09 dividend per share.

Dividends were allocated to the shareholders, who at the end of the tenth business day following the day of the General Shareholders Meeting that adopted a decision on dividend payment, i.e., on 3 May 2023 were shareholders of the Company.

The Company started to allocate dividends for the year 2022 from 18 May 2023. Dividends were allocated to those shareholders of the Company, who have provided existing bank accounts.

Information relevant to the dividends paid by the Company, as well as matter of dividend payments and valid Dividend payment policy is published on Company's web page.

11.1. Table. Indexes related with shares⁷

Company's	30 June 2021	30 June 2022	30 June 2023
Net Asset Value per share, EUR	2.19	2.63	2.86
Price to book value (P/Bv)	1.07	0.82	0.73
Dividend yield	5.1	5.6	4.3

⁶ This information should not be treated as tax advice.

⁷ The Company publishes Alternative performance measures (AVR), that are in use of the Company, provides indicators definitions and calculation formulas. All the information is disclosed in the Company's web site section "For Investors" → "Financial information and reports". The link is provided <https://bre.invl.com/en/for-investors/financial-information-and-reports/>

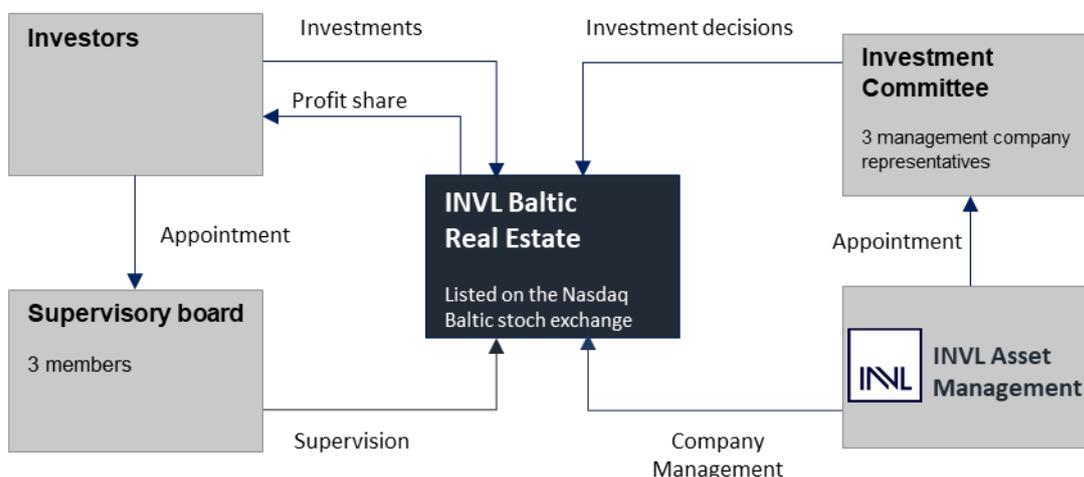
IV. ISSUER'S MANAGING BODIES

12. Issuer's managing bodies

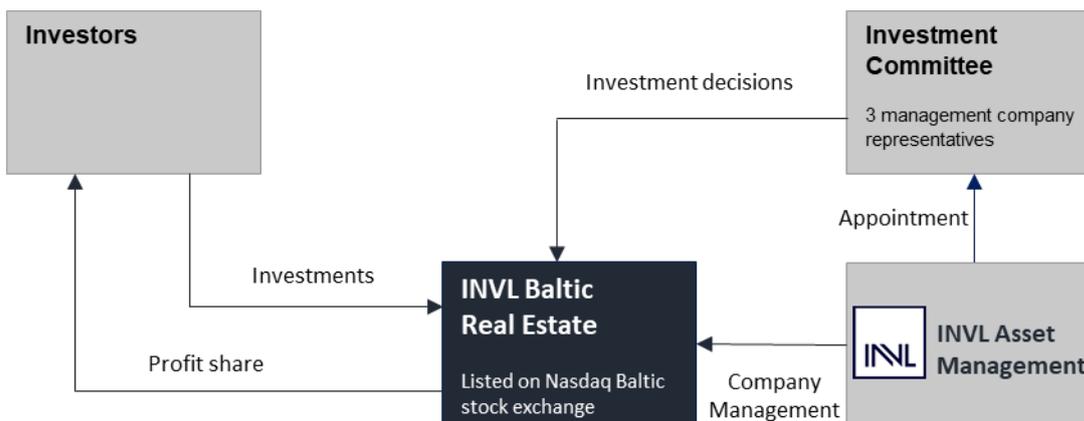
The management of INVL Baltic Real Estate was transferred to the Management company INVL Asset Management on 22 December 2016 as the Bank of the Republic of Lithuania granted INVL Baltic Real Estate with the license of the closed-ended type investment company. The rights and duties of the Board and the Manager of the Company were also transferred to the Management Company. From 26 July 2021, the Company had a collegial supervisory body - the supervisory board. Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, General Ordinary Shareholders Meeting that was held on 18 April 2023, made a decision to eliminate the Company's collegial body with a supervisory function – the Supervisory Board. The Company's management bodies are not formed.

To ensure management efficiency and control of investments, the Management company formed an Investment Committee of INVL Baltic Real Estate.

The Management company is responsible for convening and organizing the highest management body of the Company - the General Shareholders Meeting.



12.1. Structure of the Management of the Company until 11 May 2023



12.1. Structure of the Management of the Company from 11 May 2023

Detailed information on the structure of the management of the Company before the CEF license was granted is published in the consolidated annual report for the year 2016 of INVL Baltic Real Estate. The report is published on the Company's website section For Investors.

Darius Šulnis (the chairman), Nerijus Drobavičius and Vytautas Plunksnis are members of the Board of the Management Company since 19 January 2015. On 16 January 2023 the Board of Management Company for the second time was re-elected for the new 4 years of office, after the Bank of Lithuania granted their permission. The composition of the Board remained unchanged: Darius Šulnis (the Chairman), Nerijus Drobavičius and Vytautas Plunksnis. During the reporting period the Board of the Management company remained unchanged.

Currently there are 2 (two) members in the Investment Committee: Vytautas Bakšinskas and Andrius Daukšas.

Supervisory Board was formed until 11 May 2023. Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022, General Ordinary Shareholders Meeting that was held on 18 April 2023, made a decision to eliminate the Company's collegial body with a supervisory function – the Supervisory Board. There were 3 (three) members in the Supervisory Board of the Company until 11 May 2023: Raimondas Rajeckas, Mantas Gofmanas and Eglė Surplienė (the Chairman of the Board of the Supervisory Board and an Independent member).



Darius Šulnis – Chairman of the Board of the Management company
Main workplace – Invalda INVL, AB (code 121304349, Gynėjų str. 14, Vilnius) - CEO

Educational background and qualifications

Duke University (USA). Business Administration. Global Executive MBA.
Vilnius University. Faculty of Economics. Master's in accounting and Audit.
Financial broker's license (General) No. A109.

Work experience

2015 – October 2017 General manager of INVL Asset Management, UAB
2006 – 2011 Invalda, AB – President. 2011 – 2013 Invalda, AB – Advisor. Since May 2013 Invalda INVL, AB – President (CEO)
2002 – 2006 Invalda Real Estate, UAB (current name Inreal Valdymas) – Director
1994 – 2002 FBC Finasta, AB – Director

Owned amount of shares in INVL Baltic Real Estate

-

Participation in other companies

Invalda INVL, AB (code 121304349, Gynėjų str. 14, Vilnius) - CEO
Šiaulių bankas, AB (code 112025254, Tilžės str. 149, Šiauliai) – Member of the Supervisory Board
Litagra, UAB (code 304564478, Savanorių ave. 173, Vilnius) – Member of the Board
INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member
FERN Group, UAB (code 306110392, Granito str. 3-101, Vilnius) – Chairman of the Supervisory Board



Nerijus Drobavičius – Member of the Board of the Management company
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
Private Equity Partner

Educational background and qualifications

In 1998 graduated Vytautas Magnus University and gained his Bachelor's degree in Business management. Graduated Vytautas Magnus University in 2000 and gained his Master's degree in banking and finance.

Work experience

Since 2014 works at Invalda INVL, AB group
Since 2015 till August 2018 Head of Finance unit of INVL Asset Management, UAB. From August 2018 – Private Equity Partner of INVL Asset Management, UAB
2012 – 2014 Independent financial expert
2007 – 2011 CFO in Sanitas Group
2001 – 2007 Sampo Bank. Head of Accounting and Reporting unit, later – CFO of the bank

Owned amount of shares in INVL Baltic Real Estate 8,000 units of shares

Participation in other companies

INVL Technology, CEF (code 300893533, Gynėjų str. 14, Vilnius) – Member of the Investment Committee
 BSGF Sanus, UAB (code 304924481, Gynėjų str. 14, Vilnius) – Director
 InMedica, UAB (codas 300011170, L. Asanavičiūtės str. 20-201, Vilnius) – Chairman of the Board
 INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member
 MBL A/S (CVR-no 12825242) – Member of the Board
 MBL Poland Sp. z.o.o. (ul. Sulejowskiej 45d, 97-300 Piotrków Trybunalski, Polska, KRS 0000065219) – Member of the Supervisory Board
 Reneso, UAB (code 302941941, Gynėjų str. 14, Vilnius) – Director
 Sugrasta, MB (code 305287386, Pranapolio str. 11, Vilnius) – Director
 Eglės sanatorija, UAB (code 301026531, Eglės str. 1, Druskininkai) – Chairman of the Board
 MiniVet Holding, UAB (code 306127331, Gynėjų str. 14, Vilnius) – Member of the Board
 UTIB BSGF Salt Invest (code 306193648, Gynėjų str. 14, Vilnius) – fund manager
 BSGF Salt, UAB (code 306193153, Gynėjų str. 14, Vilnius) – Director
 Bališkių individualių gyvenamųjų namų statybos bendrija (code 300027032, Pranapolio str. 11, Vilnius) – Chairman of the association



Vytautas Plunksnis – Member of the Board of the Management company
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
 Head of Private Equity

Educational background and qualifications

Graduated the studies in economics at Kaunas University of Technology in 2001, gained Bachelor's degree in Management.
 Financial broker's licence (General) No. G091.

Work experience

Since 2016 - INVL Asset Management, UAB, Head of Private Equity Funds
 2009 – 2015 Fund Manager at Invalda INVL, AB
 2006 – 2009 Finasta Asset Management, UAB – analyst, fund manager, strategic analyst
 2004 ELTA redactor (business news)
 2002 – 2004 Baltic News Service business journalist

Owned amount of shares in INVL Baltic Real Estate

Personally: 1,000 units of shares

Participation in other companies

INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member
 Eco Baltia AS (Maskavas str. 240-3, Rīga, Latvia 40103435432) – Chairman of the Supervisory Board
 Eco Baltic vide, SIA (code 40003309841, Ropažu nov., Stopiņu pag., Rumbula, Getliņu iela 5) – Member of the Supervisory Board
 Ecoservice, UAB (code 123044722, Dunojaus str. 29, Vilnius) – Chairman of the Board
 B2Y, SIA (code 40103243404, Maskavas iela 322A, Rīga) – Chairman of the Board
 INVL Technology (code 300893533, Gynėjų str. 14, Vilnius) – Member of the Investment Committee
 Norway Registers Development AS (code 985 221 405 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board
 NRD Systems, UAB (code 111647812, Gynėjų str. 14, Vilnius) – Member of the Board
 NRD CS, UAB (code 303115085, Gynėjų str. 14, Vilnius) – Member of the Board
 Novian Systems, UAB (code 125774645, Gynėjų str. 14, Vilnius) – Chairman of the Board
 NRD Companies AS (code 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board
 BC Moldova-Agroindbank SA (MAIB) (code 1002600003778, Constantin Tănase str. 9/1, Chisinau, Moldova) – Chairman of the Supervisory Board

Investuotoju Asociacija (code 302351517, Konstitucijos av. 23, Vilnius) – Chairman of the Board



Laura Križinauskienė – General Manager of the Management company
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
 General manager

Educational background and qualifications

Vilnius Gediminas Technical University, Master's degree in Management and Business Administration

Work experience

2016-2017 Danske Bank A/S Lithuanian branch – Operational manager, Head of Global Function
 2012-2016 Baltpool UAB – general manager, member of the Board
 2010-2012 Finasta bank AB – Director of the Capital market department
 2005-2012 held various positions in Finasta FMĮ AB, Finasta bank AB, Finasta investicijų valdymas (currently INVL Asset Management)

Owned amount of shares in INVL Baltic Real Estate

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Participation in other companies

FMI Financial Advisors, UAB (code 304049332, Gynėjų str. 14, Vilnius) – Member of the Board
 IPAS INVL Asset Management (code 40003605043, Elizabetes iela 10B-1, Riga, Latvia) – Member of the Supervisory Board
 AS INVL atklātais pensiju fonds (code 40003377918, Elizabetes iela 10B-1, Riga, Latvia) – Member of the Supervisory Board



Vytautas Bakšinskas – Chairman of the Investment Committee
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
 Real estate fund manager

Work experience

Since 2 January 2017 – Real Estate Fund Manager at INVL Asset Management
 2016 – 31.12.2016 – director at Dizaino institutas, UAB, Variagis
 2014- 31.12.2016 - director at UAB, Riešės investicija, UAB,
 2013 – 31.12.2016 – director at Dipolio valda, UAB, Tripolio valda, UAB, Paralelių valda, UAB, Etanija, UAB
 2012 – 31.12.2016 – director at Justiniškių valda, UAB
 2011 – 31.12.2016- – head of Lease department at Inreal valdymas, UAB
 2015-06 – 2016-01 – director at Elniakampio namai, UAB
 2014-03 – 2016-06 – director at Akvilas, UAB
 2014-03 – 2015-07 – director at Aikstentis, UAB
 2014-03 – 2015-07 – director at Trakų kelias, UAB
 2013-01 – 2013-02 – project manager at Naujoji švara, UAB
 2010-04 – 2013-02 – project manager at Sago, UAB
 2008-11 – 2011-08 – project manager at Inreal valdymas, UAB

Owned amount of shares in INVL Baltic Real Estate

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Participation in other companies

Proprietas, UAB (code 303252098, Gynėjų str. 14, Vilnius) – director
 Rovelija, UAB (code 302575846, Gynėjų str. 14, Vilnius) – director

Pramogų bankas, UAB (code 300044665, A. Stulginskio str. 8, Vilnius) – director



Andrius Daukšas – Member of the Investment Committee
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
Investment manager

Educational background and qualifications

Master's degree in banking at the Faculty of Economics of Vilnius University.
Financial broker's license (general) No. G311

Work experience

Since 22 December 2016 – Investment Manager at INVL Asset Management
3 January 2016 – 21 December 2016 – deputy director at INVL Baltic Real Estate
December 2014 - January 2016 – director at INVL Baltic Real Estate
March 2010 – 21 December 2016 - investment manager at Invalda INVL
2008-2010 - director of the Treasury Department of the bank Finasta
2004-2008 - an accountant, later - the department manager of securities accounting at FBC Finasta

Owned amount of shares in INVL Baltic Real Estate

Personally: 5,000 units of shares

Participation in other companies

IPPG, UAB (code 301673796, Gynėjų str. 14, Vilnius) - Director
Vernitas, AB (code 193052526, Stoties str. 16, Marijampolė) - Member of the Supervisory Board



Raimondas Rajeckas – Member of the Supervisory Board until 11 May 2023
Main workplace – Invalda INVL, AB (code 121304349, Gynėjų 14, Vilnius, Lithuania)
CFO

The term of office

Since 2021 till 11 May 2023

Educational background and qualifications

2001 Vilnius University, Faculty of Economics, Master of Science in Accounting and Auditing
1999 Vilnius University, Faculty of Economics, Bachelor of Science in Business Administration and Management

Work experience

Since 2006 CFO at Invalda INVL, AB
2001 – 2006 CFO at Valmeda, AB
2000 – 2001 CFO at Galincius, AB
2000 – 2001 CFO at Invaldos Marketingas, UAB (current name Inreal Valdymas. UAB)
2000 – 2002 Accountant at Gildeta, AB
1998 – 2000 Accountant at Invalda, AB

Owned amount of shares in INVL Baltic Real Estate

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Participation in other companies

Raimondas Rajeckas holds management positions in companies controlled by Invalda INVL:
– director at MD PARTNERS, UAB

- director at Invalda INVL Investments, UAB
- director at Cedus, UAB
- director at Cedus Invest, UAB
- director at Regenus, UAB
- director at Consult Invalda, UAB
- director at RPNG, UAB
- director at MGK invest, UAB
- director at MBGK, UAB
- director at Aktyvo, UAB
- director at Aktyvus valdymas, UAB
- director at public institution Iniciatyvos Fondas



Eglė Surplienė – Chairman and Independent member of the Supervisory Board until 11 May 2023
Main workplace - Gerovės valdymas, UAB FPI (code 302445450, Jogailos str. 3-103, Vilnius)
 – Director

The term of office Since 2021 till 11 May 2023

Educational background and qualifications

Vilnius University, Faculty of Economic Cybernetics and Finance, Economic Cybernetics studies, Economics – mathematics diploma (equivalent of Master’s degree)
 2009 – Award in Financial Planning (CII program and exam) certificate.
 2005 – OMX Vilnius dealer certificate
 1996 – General financial broker license

Work experience

Since 2018 general partner at limited partnership Gerovės partneriai
 Since 2015 director INVL Baltic Farmland, UAB
 Since 2014 Chairman of the Board at Atelier Investment management, UAB
 Since 2009 wealth manager at UAB FPI Geroves Valdymas
 2006 - 2009 wealth manager, VIP Clients manager at AB FBC Finasta, AB bank Finasta
 2005 - 2006 project manager at Zabolis ir partneriai, UAB
 1999 – 2005 member, Deputy Director of the Commission at Securities Commission of Lithuania
 1995 - 1999 Head of Issuer Division at UAB FMI Vilfima
 1993 - 1995 member of Market Regulation Division at Securities Commission of Lithuania

Owned amount of shares in INVL Baltic Real Estate

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Participation in other companies

Atelier Investment Management, UAB (code 303335430, Žemaitijos str. 8-20, Vilnius) – Chairman of the Board
 Gerovės valdymas, UAB FPI (code 302445450, Gedimino pr. 20-27, Vilnius) – Director
 Gerovės partneriai, KŪB (code 304746185, Gedimino pr. 20, Vilnius) – Full member
 DIM investment, UAB (code 301145749, Pasakų str. 5, Vilnius) – Director
 INVL Baltic Farmland, AB (code 303299781, Gynėjų str. 14, Vilnius) - Director



Mantas Gofmanas – Member of the Supervisory Board from 10 January 2023 till 11 May 2023
Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius)
 Head of Legal and Product Development team

The term of office 2023 till 11 May 2023

Educational background and qualifications

2007 Vilnius University, Master of Laws

Work experience

Since 2022 Head of Legal and Product Development team in Private Equity Unit at INVL Asset Management, UAB
2006 – 2022 Associate Partner, Lawyer at Law Firm TGS Baltic

Owned amount of shares in INVL Baltic Real Estate

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Participation in other companies

Mantas Gofmanas is an employee of INVL Baltic Real Estate Management Company UAB INVL Asset Management

Power of the General Shareholders Meeting and convocation procedure of the General Shareholders Meetings of the Company, also the description of rights and obligations of the Management Company of INVL Baltic Real Estate and objectives and functions of the Investment Committee during the reporting period wasn't any different than disclosed in the Consolidated Annual Report of INVL Baltic Real Estate for the year 2022 (IV chapter 13 section „Structure, authorities, the procedure for appointment and replacement“).

A During the reporting period (starting - 1 January 2023, ending – 30 June 2023) 16 (sixteen) Investment Committee meetings were held. The Board of the Management Company is familiarized with the agenda and related material of the Investment Committee meetings.

During the reporting period 1 (one) General Shareholders Meetings was held.

On 18 April 2023 during the General Ordinary Shareholders Meeting of the Company, the shareholders of the Company were introduced with (i) the consolidated annual report for 2022; (ii) the independent auditor's report on the financial statements and consolidated annual report of the Company; (iii) the Company's investment committee's recommendation on the draft of the profit (loss) distribution (including the formation of the reserve) and the draft of the remuneration report; (iv) the Company's Supervisory Board's feedback and suggestions. Moreover, the shareholders of the Company decided on: (i) the assent to the remuneration report of the Company, as a part of the consolidated annual report of the Company for the year 2022; (ii) approval of the consolidated and stand-alone financial statements for 2022 of the Company; (iii) approval of a new version of the Company's Articles of Association. Shareholders were also introduced with the Company's Management Company's statement on the share purchase price. The shareholders of the Company also decided on (i) the purchase of own shares of the Company; (ii) the repeal of the Supervisory Board remuneration policy; (iii) approval of the new wording of the INVL Baltic Real Estate Related Policy on Transactions with Related Parties and were also introduced to the Report of the Audit Committee of the Company.

13. Information about the Audit Committee of the Company

The Audit Committee consists of 2 (two) independent members. The members of the Audit Committee are elected by the decision of the General Shareholders' Meeting. The members of the Audit Committee are proposed by the Management company and the shareholders of the company. The Audit Committee is elected for a four-year term of office.

The main functions of the Audit Committee are the following:

- provide recommendations to the Management company with selection, appointment, reappointment and removal of an external audit company of the Company as well as the terms and conditions of engagement with the audit company;
- monitor the process of external audit of the Company;
- monitor how the external auditor and audit company follow the principles of independence and objectivity;
- observe the process of preparation of financial reports of the Company;
- monitor the efficiency of the internal control and risk management systems of the Management company directly related to the management of the Company. Once a year review the need of the dedicated internal audit function for the Company within the Management company;
- monitor if the Management company gives due consideration to the recommendations or comments provided by the audit company regarding management of the Company;

The Audit Committee reports its activities to the Company's ordinary General Shareholders Meeting by submitting a written report on Audit Committee activities during the last financial year.

Any member of the Audit Committee should have the right to resign upon submitting 14 (fourteen) days written notice to the Management company. When the Management company receives the notice of resignation of a member of the Audit Committee and considers all circumstances related to the resignation, it may decide - either to convene an Extraordinary General

Shareholders Meeting to elect new member of the Audit Committee, or to postpone the question on the election of the new member of the Audit Committee till the next General Shareholders Meeting of the Company. The new member is elected till the end of term of office of the operating Audit Committee.

During the General Shareholders Meeting of the Company, held on 29 April 2021, Danute Pranckeniene and Tomas Bubinas were re-elected to the audit committee of the Company for the term of 4 years. Both members are independent, submitted notification proving their independency.



Tomas Bubinas – Independent Member of the Audit Committee

The term of office Since 2021 till 2025

Educational background and qualifications
 2004 - 2005 Baltic Management Institute (BMI), Executive MBA
 1997 - 2000 Association of Chartered Certified Accountants. ACCA. Fellow Member
 1997 Lithuanian Sworn Registered Auditor
 1988 - 1993 Vilnius University, Msc. in Economics

Work experience
 2013 - 2022 Chief Operating Officer at Biotechpharma, UAB
 2010 - 2012 Senior Director, Operations. TEVA Biopharmaceuticals (USA)
 2004 - 2010 CFO for Baltic countries, Teva Pharmaceuticals
 2001 - 2004 m. CFO, Sicom Biotech
 1999 - 2001 Senior Manager, PricewaterhouseCoopers
 1994 - 1999 Senior Auditor, Manager, Coopers & Lybrand.

Owned amount of shares in INVL Baltic Real Estate

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Dangutė Pranckėnienė – Independent Member of the Audit Committee

The term of office Since 2021 till 2025

Educational background and qualifications
 1995 - 1996 Vilnius Gediminas Technical University, Master of Business Administration.
 1976 - 1981 Vilnius University, Master of Economics.
 The International Coach Union (ICU), professional coacher name, license No. E-51.
 Lithuanian Ministry of Finance, the auditor's name, license No. 000345.

Work experience
 since 1997 the Partner at Moore Mackonis, UAB
 1996 - 1997 Audit Manager, Deloitte & Touche
 1995 - 1996 Lecturer, Vilnius Gediminas Technical University
 1982 - 1983 Lecturer, Vilnius University

Owned amount of shares in INVL Baltic Real Estate

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14. Information on the Issuer's payable management fee, the amounts calculated by the Issuer, other assets transferred and guarantees granted to the Managing bodies and company providing accounting services

After the Bank of Lithuania issued the closed-ended type investment company operating license for INVL Baltic Real Estate on 22 December 2016, the rights and duties of the Board and the head of the Company are implemented by the asset management company INVL Asset Management, which took over the management of INVL Baltic Real Estate.

The management fee payable to the Management Company (hereinafter – "**Management Fee**") is the remuneration for management of the assets of the Company, which shall be payable for each quarter of a calendar year. The Management Fee for a full quarter of a calendar year shall be 0.25% of the weighted average capitalisation of the Company. The Performance Fee shall be additionally paid to the Management Company under the procedure set in the Articles of Association. During the reporting period the Management fee payable to the Management Company was EUR 88 thousand.

The members of the Board and the members of the investment committee of the Management Company do not receive remuneration for these duties. They are paid the salary according to the employment contract with the Management Company.

According to the decision of the General Meeting of the Shareholders of the Company hold on 29 April 2021 it was set the hourly remuneration of the elected independent member of the Supervisory Board at EUR 145 per hour. The other Members of the Supervisory Board do not receive remuneration for these duties. Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022, General Ordinary Shareholders Meeting that was held on 18 April 2023, made a decision to eliminate the Company's collegial body with a supervisory function – the Supervisory Board.

Pursuant to Article 23 (3) of the Law on Financial Statements of Enterprises of the Republic of Lithuania, from 2020 the Company publishes the Remuneration Report, which is available in Appendix No. 5 to the Company's Annual Consolidated Report for 2022.

During the reporting period the Members of the Board of the Management Company and the Members of the Investment Committee were paid EUR 689 of dividends, net of tax. There were no assets transferred, no guarantees granted, no bonuses paid, and no special pay-outs made by the Company to its managing bodies. The managing bodies were not granted with bonuses by other companies of INVL Baltic Real Estate group.

During the reporting period INVL Baltic Real Estate Group and the Company for the company providing accounting services respectively paid EUR 19 thousand and EUR 11 thousand (in 2022 respectively paid EUR 19 thousand and EUR 11 thousand).

V. OTHER INFORMATION

15. Agreements with intermediaries on public trading in securities

INVL Baltic Real Estate has signed these agreements with the following intermediaries:

- AB Siauliu bankas (Seimyniskiu str. 1A, Vilnius, Lithuania. tel. +370 5 203 2233) – the agreement on management of securities accounting, the market maker services agreement and service agreement on the payment of dividends.
- AB SEB bankas (Gedimino av. 12, Vilnius, Lithuania tel. +370 5 268 2800) – agreement on depository services.

16. Information on Issuer's branches and representative offices

INVL Baltic Real Estate has no branches or representative offices.

17. A description of the principal risks and uncertainties

During the six months of 2023 there were no significant changes from the information about the principal risks and uncertainties disclosed in the latest Consolidated annual report. For the next six months of this financial year, there aren't expecting any changes in principal risks and uncertainties rather than already disclosed in the latest annual report of the Company.

Principal risk and uncertainties of the Company are published in the web page of INVL Baltic Real Estate. All the information is disclosed in the Company's web site section "For Investors" → "Investment risks". The link is provided <https://bre.invl.com/en/for-investors/investment-risks/>

18. Significant investments made during the reporting period

During the six months of 2023, the main investment made by INVL Baltic Real Estate was the acquisition of shares of Pramogų Bankas, UAB, which owns non-residential premises – entertainment center with guesthouse and non-residential premises – gambling house with bars – at the address A. Stulginskio str. 8, in Vilnius. The Company acquired 100 per cent of shares of Pramogų bankas, UAB for EUR 2.9 million.

19. Information about significant agreements to which the Issuer is a party, which would come into force, be amended or cease to be valid if there was a change in Issuer's controlling shareholder

There are no significant agreements of the Company which would come into force, be amended or cease to be valid if there was a change in Issuer's controlling shareholder.

20. Information on the related parties' transactions

Information on the related parties' transactions is disclosed in 16 point of explanatory notes of consolidated interim condensed financial statements for the six months ended 30 June 2023.

21. The effect of Russia's war against Ukraine and the imposed sanctions on the Issuer

The invasion of Russia and the imposed sanctions do not have a direct or indirect impact on the Issuer's strategic directions, goals, financial results, and financial condition. After the Russian invasion, the Issuer's Business Continuity Plan was revised and updated, which sets out specific measures to be taken in the event of information system failures.

22. The disclosure of sustainability-related information

As the management of the Company has been transferred to the Management Company, the number of employees of which does not exceed 500 (the number of employees of the Management Company as of 30 June 2023 was 115), and the Company itself has no employees, the Company is not subject to the requirements for the preparation of a non-financial statement.

According to Regulation (EU) 2019/2088 of the European Parliament and Council on sustainability-related disclosures in the financial services sector ("SFDR") and Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment ("Taxonomy"), the financial product must provide information in the periodic report on how and to what extent the environmental and social features are ensured (Article 8 according to the SFDR) or information on the environmental objectives to which it contributes and a description on investments in sustainable economic activity (Article 9 according to the SFDR).

The Issuer does not promote environmental and/or social characteristics, nor it has sustainable investment as its objective and discloses information under Article 6 of SFDR. The investments underlying the Issuer do not consider the European Union criteria for environmentally sustainable economic activities.

When making investment decisions, the Company currently does not consider the principal adverse impacts of investment decisions on sustainability factors, as defined in SFDR. In the Company's assessment, the possibilities of information collection are limited.

According to the SFDR, information related to the integration of sustainability requirements in the Company's investment decisions and identification of risks related to sustainability is disclosed in the Prospectus (prepared in accordance with the provisions of the Law on Collective Investment Undertakings of the Republic of Lithuania) of the Company.

23. Information related to the compliance with the Governance Code

During the six months of 2023 there were no significant changes in principles and recommendations contained in the Governance Code rather than disclosed in the latest Consolidated annual report of the Company.

24. Information regarding transactions with related parties

According to Article 10, part 3 of the Law on Companies, the provisions of Article 37² are not applicable to the transactions concluded with a subsidiary company, if the owner of all shares is this joint-stock company. In addition, the provisions of Article 37² is not applicable when the transaction or the total amount of such transactions per financial year do not exceed 1/10 of a joint stock company whose shares are allowed to be traded on the regulated market, the value of the assets specified in the latest balance sheet. Since all transactions in the Company are either with subsidiaries or does not exceed 1/10 of its asset value, the details of such transactions are not disclosed.

Real estate fund manager of the Management Company

Vytautas Bakšinskas

INVL Asset Management