

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

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

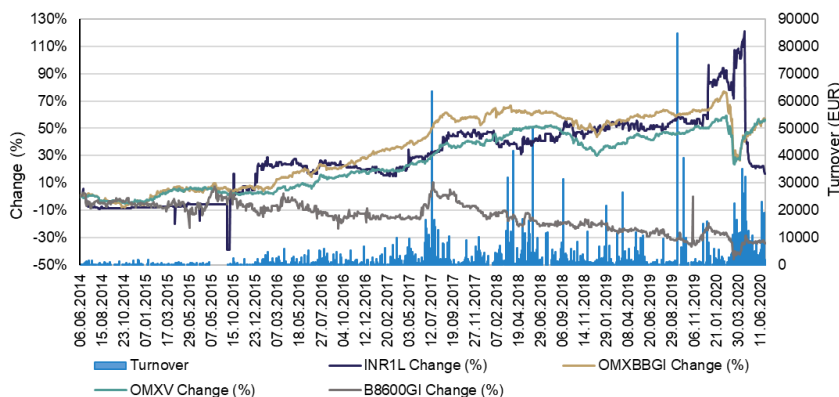
Assets under management: about 34,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further development potential.

Management of the Company: On 22 December 2016 the Bank of Lithuania issued the closed-ended type investment company operating approval for INVL Baltic Real Estate enabling to engage in the closed-ended type investment company's activities under the Republic of Lithuania Collective investment undertakings act. The special closed-ended type real estate investment company will work 30 years from receiving the special closed-ended real estate investment company approval, the term of company's activity may be further extended for a period of no longer than 20 years. The company's management was transferred to the Management company INVL Asset Management.

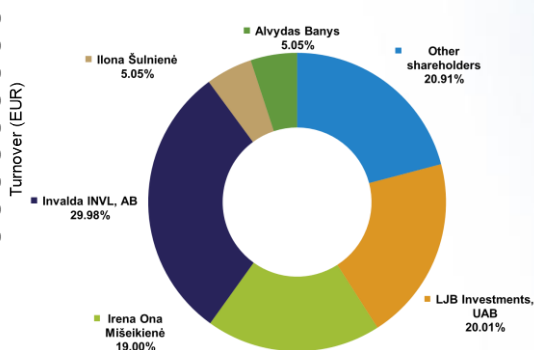
Main information about securities of the Company	
ISIN code	LT0000127151
Amount of shares, units	13,150,000
Nominal value per share, EUR	1.45
Share price, EUR (as of 30.06.2020)	1.90
Last approved dividends, EUR per share	1.55
Consolidated equity, thousand EUR	24.562
Net asset value per share, EUR	1.8678

INR1L
Nasdaq Baltic Listed

INVL Baltic Real Estate change of share price and indexes



Votes as of 30 June 2020



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



INVL Baltic Real Estate's consolidated net operating income from its properties in the first half of 2020 was EUR 1.28 million, or 59.3% more than in the same period of 2019 (when it was EUR 0.8 million). INVL Baltic Real Estate's consolidated revenue in the first half of 2020 was EUR 2.29 million, or 23% less than in the same period of 2019 (when it was EUR 2.98 million). Of that, consolidated leasing income from property holdings decreased 27.4% to EUR 1.7 million. The decrease in leasing income was influenced by the completion in March of the sale of the IBC Business Centre, while the other properties that INVL Baltic Real Estate owns maintained a high level of occupancy and increased their leasing income. Net profit for the first half of the year was Eur 0.92 million, or 46% less than in the corresponding period of 2019. The reduction of net profit essentially was due to the significant change in the value of investment assets recorded in 2019.

The Vilnius Gates Business Centre's leasing income in the first half of 2020 was EUR 0.59 million, or 4.6% more than in the same period a year before (when it was EUR 0.57 million).

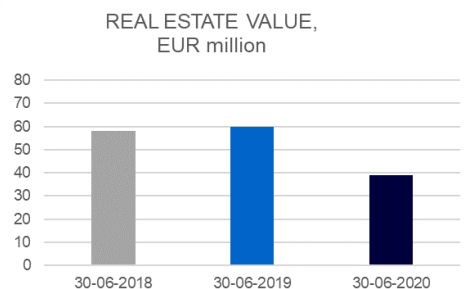
Leasing income at the Žygis Street 97 Business Centre in the first half of 2020 was EUR 0.11 million, or 6.9% more than in the corresponding period of 2019 (when in was EUR 0.1 million)

The first half of 2020 stood out for the successful start of activities of the Talent Garden Vilnius coworking space, which helped increase the leasing income of the property at Palangos St. 4 / Vilniaus St. 33 by 24.55% to EUR 0.48 million (from EUR 0.39 million in 2019). Talent Garden Vilnius's operating results were negatively impacted by the quarantine declared in the country, but just after the end of the quarantine its occupancy reached 80%.

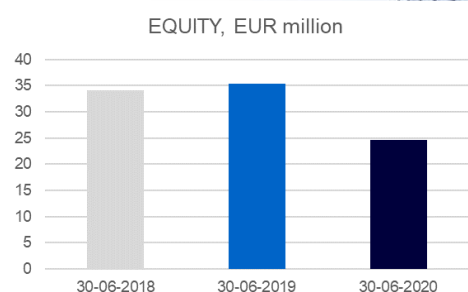
The coronavirus negatively impacted the company's results, but that impact was not material. The total discounts given to tenants whose activities were banned during the quarantine amounted to approximately EUR 50,000.

We are pleased with the company's positive results and for our part will strive to further increase the value of the assets being held.

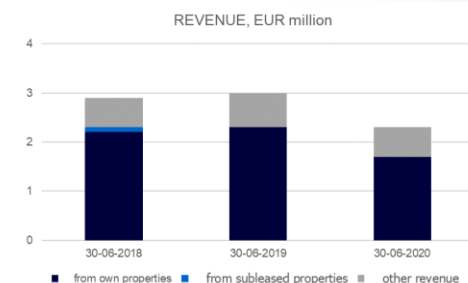
Portfolio, thousand EUR	30.06.2018	30.06.2019	30.06.2020*
Operational Property investments	52,791	54,745	34,020
Property Investment redevelopment	350	350	-
Other investment properties	4,376	4,889	4,914
TOTAL PROPERTY VALUE	57,517	59,984	38,934
Rent Income from own properties during 6 months period	2,257	2,322	1,686
NOI (Net Operating Income) from own properties during 6 months period	1,695	804	1,281
NLA (Net Leasable Area), sq.m.	46,576	46,876	29,700



Balance sheet, million EUR	30.06.2018	30.06.2019	30.06.2020*
Investment properties	57.5	60.0	38.9
Cash	0.6	0.7	3.1
Other assets	1.2	2.0	2.3
TOTAL ASSETS	59.3	62.7	44.3
Borrowings from credit institutions	23.1	24.2	16.9
Other liabilities	2.1	3.2	2.8
TOTAL LIABILITIES	25.2	27.4	19.7
EQUITY	34.1	35.3	24.6



Profit (loss) statement, million EUR	01.01.2018-30.06.2018	01.01.2019-30.06.2019	01.01.2020-30.06.2020*
Revenue	2.9	3.0	2.3
<i>from own properties</i>	2.2	2.3	1.7
<i>from subleased properties</i>	0.1	-	-
<i>other revenue</i>	0.6	0.7	0.6
Investment property revaluation	0.85	1.6	(0.1)
Net profit	1.9	1.7	0.9
<i>Earnings per share**</i>	<i>EUR 0.15</i>	<i>EUR 0.13</i>	<i>EUR 0.07</i>



Borrowings	30.06.2018	30.06.2019	30.06.2020*
Borrowings, thousand EUR	23,108	24,234	16,893
Borrowings to value of investment properties***	40.2	40.4	43.4
Gearing ratio***	0,40	0.40	0.36
Interest coverage ratio***	5.93	2.12	3.22
Bank's Debt Service Coverage Ratio***	2.14	0.74	0.09

*Changes in financial indicators for 30 June 2020, compared to the same period in 2018 and 2019, was affected by the decrease in the Company's managed real estate portfolio due to the sale of the IBC business center on 6th March 2020. The value of the transaction amounted to EUR 33 million.



**Business centre
Vilnius Gates**
Gynėjų str. 14
Vilnius



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



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



**„Dommo
business park“**
Riga
Latvia

Acquired	2015	2006	2006	2015
Net leasable area	7,200 sq.m	6,800 sq.m	2,900 sq.m	12,800 sq.m
Property value	EUR 15.5 million	EUR 12.1 million	EUR 3.0 million	EUR 8.4 million
Occupancy	95%	95%	69%	100%

**The nominal value per share amounted to EUR 1.45

***<https://bre.invl.com/lt/en/for-investors/reports/formulas-of-performance-indicators>

More information: www.invlbalticrealestate.com