



RECOMMENDATION

07 April 2021

Vilnius

The Investment Committee of INVL Baltic Real Estate (hereinafter '**the Company**'), having regard to the provisions of the Articles of Association of the Company and taking account of the proposal to reduce the authorised capital of the Company and the issues of amendments to the Articles of Association and the draft distribution of profit/loss of the Company, which are submitted to the Ordinary General Meeting of Shareholders of the Company of 29 April 2021 for discussion, informs that:

1. The decision on the distribution of profit/loss of the Company has been drawn up with account of:
 - a) the requirements of Art. 59 of the Law on Companies of the Republic of Lithuania concerning the formation of the legal reserve and the portion of profit allocated to the legal reserve for the acquisition of own shares;
 - b) the requirements met for the allocation of profit, as provided for in the Dividend Payment Policy of the Company;
 - c) the fact that no adverse effects on the activities of the Company are envisaged in 2021.
2. The decision on the amendment of the Articles of Association of the Company and the related reduction of the authorized capital in order to cancel the Company's own acquired shares, and the amendments to the Articles of Association will have no adverse effect on the financial situation of the Company or the shareholders and will not restrict the shareholders' rights or establish new duties. The Articles of Association of the Company are also amended to comply with the legal requirements applicable to the Company, i. y. to form the Company's supervisory body - the Supervisory Board.
3. Acting on behalf of INVL Asset Management, UAB, the Investment Committee recommends that the shareholders of the Company approve the draft decision on the distribution of profit/loss of the Company, the reduction of the authorised capital of the Company and the amendments to the Articles of Association at the Ordinary General Meeting of Shareholders of the Company to take place on 29 April 2021.

INVL Baltic Real Estate

On behalf of the Investment Committee

Vytautas Bakšinskas