

PURPOSE

This document provides key information about this investment product. This is not marketing material. This information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

INVL Baltic Real Estate, a special closed-end real estate investment company (hereinafter – the CEIC)

ISIN code: LT0000127151

UAB INVL Asset Management (hereinafter – the Management Company)

www.invl.com

For further information please call 8 700 55959

This CEIC is established in Lithuania and supervised by the Bank of Lithuania. UAB INVL Asset Management is licensed in Lithuania and supervised by the Bank of Lithuania.

30 December 2022

Warning: You are about to purchase a product that is not simple and may be difficult to understand.

WHAT KIND OF PRODUCT IS IT?

Type	Shares of INVL Baltic Real Estate, a special closed-end real estate investment company.
Term	The CEIC will operate for 30 years with the possibility of extending this period for a further 20 years, subject to a shareholder decision.
Objectives	<p>The CEIC will aim to provide a stable maximum return on investment for the benefit of shareholders by taking above-average risk. Investors can receive investment returns from both the growth in the value of the CEIC's shares and from the CEIC's dividend payments. The CEIC will invest the accumulated shareholders' funds in real estate assets (as defined in the Law on Collective Investment Undertakings of the Republic of Lithuania) in the Baltic States.</p> <p>Up to 100% of the net assets of the CEIC will consist of the land, buildings and/or premises comprising the single real estate property, real estate properties under construction and expected to be completed within a reasonable period of time, securities and money market instruments of companies whose principal activities consist of the acquisition, reconstruction, lease, trading and/or development of immovable property, and movable property and equipment necessary for the operation of the real estate property under management. The assets of the CEIC will consist of at least four real estate properties. At least 20% of the net assets of the CEIC may be invested in non-equity securities, units/shares of collective investment undertakings, deposits, financial derivatives and money market instruments. Some of the assets of the CEIC may also be held in cash. The CEIC does not use a benchmark.</p> <p>The CEIC's income may be distributed: a) to cover expenses related to the activities of the CEIC; b) for reinvestment; c) for dividends; d) for the redemption of the CEIC's shares (subject to the grounds provided by law).</p> <p>When making investment decisions, the CEIC seeks to assess all risks and factors that may affect the value and performance of its investments. Accordingly, the CEIC takes into account the <i>environmental, social, and governance</i> (ESG) sustainability factors and associated risks relevant to the specific investment under analysis. The CEIC does not promote any specific ESG characteristics and does not have a sustainable investment objective (disclosures in accordance with Article 6 of Regulation (EU) 2019/2088 of the European Parliament and of the Council). For more information, please refer to the Prospectus of the CEIC.</p>
Targeted retail investor	The CEIC is aimed at investors with extensive investment experience who can tolerate above-average, long-term risk. Retail investors are advised to seek advice from intermediaries of public trading or other professionals before investing. The CEIC's shares are not recommended for investors who, for whatever reason, cannot tolerate the limited liquidity of their investments, as the CEIC does not commit to redeem its shares.

The depository of the CEIC is AB SEB bankas.

Detailed information about the CEIC, the CEIC's Articles of Association, the CEIC's Prospectus, annual and semi-annual reports in English and Lithuanian are available free of charge on the website www.invlbalticrealestate.com. This information can also be obtained by contacting the Management Company at Gynėjų g. 14, LT-01109 Vilnius, by phone: +370 700 55 959 or by e-mail: info@invl.com, or on the website www.invl.com.

WHAT ARE THE RISKS OF THIS PRODUCT AND WHAT COULD I GET IN RETURN?

Risks	This is a high-risk product. This means that losses related to the CEIC's future performance might be significant and it is highly likely that poor market conditions could affect the return on investments.							
Risk indicator 	<div style="text-align: center;"> <table border="1" style="margin: auto;"> <tr> <td style="width: 20px; text-align: center;">1</td> <td style="width: 20px; text-align: center;">2</td> <td style="width: 20px; text-align: center;">3</td> <td style="width: 20px; text-align: center;">4</td> <td style="width: 20px; text-align: center;">5</td> <td style="width: 20px; text-align: center;">6</td> <td style="width: 20px; text-align: center;">7</td> </tr> </table> <p style="margin: 5px 0;">← Lower risk Higher risk →</p> </div> <p>The risk indicator assumes that the product will be kept for 10 years. The actual risk can vary considerably, so you may receive a lower return. You may not cash in early.</p>	1	2	3	4	5	6	7
1	2	3	4	5	6	7		

It may not be possible to sell the product easily, or it may be necessary to sell the product at a price that will have a significant impact on your recovery.
The summary risk indicator shows the level of risk of this product compared to other products. It shows how likely it is that the product will result in a loss due to changes in markets or because we are not able to pay you.

We have classified this product as 6 out of 7, which is a high-risk class. This rates the potential losses from future performance at a high level and poor market conditions are very likely to impact our capacity to pay you. This product does not include any protection against future market performance; therefore, you may lose some or all of your investment. The assets of the CEIC are accounted for separately from the assets of the Management Company.
The following are the material risks that are significant to the CEIC and its future prospects:
The cyclical nature of the real estate sector. The number and profitability of real estate transactions varies significantly depending on the stage of the real estate market cycle.
Dependence on tenants. Dependence on tenants, where the failure to generate the expected rental income from real estate or to maintain a high level of occupancy of the real estate could expose to a problem of non-recovery of investments. Accordingly, the CEIC's profits would also decrease.
All types of investment risks of the CEIC are set out in the CEIC's Articles of Association and the CEIC's Prospectus.
The use of derivatives by the CEIC may seek to hedge against adverse market movements for a limited period of time and to reduce the impact of undesirable risk factors.

PERFORMANCE SCENARIOS

The figures shown include all the costs of the product itself, but may not cover all the costs you pay to your advisor or distributor, and include the amount of costs you pay to your advisor or distributor. These figures do not take into account your personal tax situation, which may also affect how much you get back.
Receivables may vary depending on market performance. Future market developments are uncertain and cannot be accurately predicted.
The unfavourable, moderate and favourable scenarios shown are examples using the worst, average and best product performance. Under the favourable, moderate and unfavourable scenarios, the projected returns before all taxes and the CEIC's costs are 20%, 12%, 6% respectively. The tax impact is projected using the average running costs of the last 3 years and the impact of the success fee in the corresponding scenario. The performance scenarios are based on expert judgement as a conservative best estimate of expected performance values.

Recommended holding period: 10 years.

Investment example: EUR 10,000

If you withdraw after 1 year

If you withdraw after 5 years

If you withdraw after 10 years

Scenarios

Scenarios	There are no guaranteed returns, and you may lose some or all of your investment.			
Minimum				
Unfavourable	What can you get after costs? Average annual return	EUR 10,234 2.3%	EUR 11,228 2.3%	EUR 12,607 2.3%
Moderate	What can you get after costs? Average annual return	EUR 10,819 8.2%	EUR 14,819 8.2%	EUR 21,947 8.2%
Favourable	What can you get after costs? Average annual return	EUR 11,448 14.5%	EUR 19,515 14.3%	EUR 37,508 14.1%

WHAT HAPPENS IF UAB INVL ASSET MANAGEMENT IS UNABLE TO PAY OUT?

The assets of the CEIC are held separately from the assets of the Management Company. Therefore, investors in the CEIC will not suffer any losses in the event of default or insolvency of the Management Company. An investor may suffer financial losses as a result of a default by the CEIC. The CEIC does not participate in any investment insurance or guarantee scheme, and the CEIC's assets are not covered by deposit and investor liability insurance.

WHAT ARE THE COSTS?

The person selling you or advising you about this product may charge you other costs. In this case, the person will provide you with information on these costs and show you the impact that all costs will have on your investment over time.

Costs over period

The tables below show the amounts deducted from your investment to cover various expenses. These amounts depend on how much you invest, how long you hold the product, and on the profitability of the product. The amounts shown here are examples based on the amount of the sample investment and the different possible investment periods.

We make the following assumptions:

- in the first year, you will get back the amount you invested (0% annual return). In the cases of other holding periods, we have assumed that the profitability of the product is the same as under the moderate scenario,
- where the investment amounts to EUR 10,000

	If you withdraw after 1 year	If you withdraw after 5 years	If you withdraw after 10 years
Total costs	EUR 355	EUR 2,247	EUR 5,588
Annualised cost impact (*)	3.55%	3.82% each year	3.82% each year

(*) This shows how costs reduce your return each year over the holding period. For example, it shows that if you withdraw during the recommended holding period, your average annual return is expected to be 12% before tax and 8.2% after tax and the CEIC's costs.

COMPOSITION OF COSTS

One-off investment or exit costs		Annualised cost impact If you withdraw after 1 year
Entry costs	0% of the amount you pay to invest	EUR 0
Exit costs	We do not charge an exit fee for this product	EUR 0
Running costs (incurred each year)		
Management fees and other administrative or operational costs	3.55% of the value of your investment per year. This is the average level of running costs over the last 3 years.	EUR 355
Transaction costs	0% of the value of your investment per year. It is an estimate of the costs incurred in buying and selling the underlying product investments. The actual amount may vary depending on how much we buy and sell.	EUR 0
Additional costs are incurred under certain conditions		
Performance-based fees	Impact of carried interests in the CEIC. This 20% fee is applied above the 8% annual hurdle rate.	EUR 0

RECOMMENDED HOLDING PERIOD: 10 YEARS

The minimum recommended holding period varies according to the duration of the CEIC's operations. Redemption of the CEIC's share is restricted. The CEIC's shares will not be redeemable at the request of shareholders unless all the conditions for the redemption of the CEIC's shares set out in the CEIC's Articles of Association exist. No cashout fees will be charged after the termination date of the CEIC.

HOW CAN I COMPLAIN?

Complaints can be lodged to the Management Company by email: info@invl.com and at the address: Gynėjų g. 14, 01109, Vilnius. A complaint must include the following information: the applicant's first name and surname or corporate name, the applicant's address, the subject matter of the complaint, the services or products complained of, and the types of such services or products. Consumer disputes with a financial market participant and the Complaints Handling Rules are available on the Management Company's website www.invl.com.

OTHER RELEVANT INFORMATION

The CEIC's shares are traded on the NASDAQ Vilnius Stock Exchange (secondary market) by placing orders with intermediaries of public trading to buy or sell the CEIC's shares. The value of the CEIC's shares, as well as the bid and ask prices, can be found on the website of Nasdaq Vilnius: www.nasdaqbaltic.com.

Auditor: UAB PricewaterhouseCoopers.

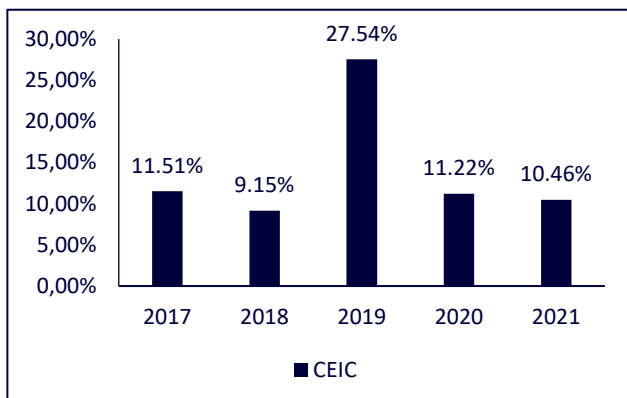
The calculations of fees, returns and risks presented in this document have been made in accordance with the methodology approved by the European Union.

The CEIC is subject to the tax laws of the Republic of Lithuania, which may affect the investor's personal tax situation. The Management Company may only be held liable for the information contained in this document if such information is misleading, inaccurate or inconsistent with the information contained in the respective parts of the CEIC's Articles of Association and other CEIC's documents.

Past performance

Past performance is not a reliable indicator of future results. Markets may develop very differently in the future.

This chart shows the CEIC's performance as a percentage of annual losses or profits over the last 5 years.



The date of receipt of the CEIC licence (authorisation to approve the incorporation documents and to choose the depository) is 22 December 2016.

Historical results are calculated in euros. The calculation of the CEIC's performance includes all taxes and deductions.

The calculation of the CEIC's past performance included all taxes.

For more information on the CEIC's performance, please visit <https://bre.invl.com/investuotojams/finansine-informacija/>