



INVL

BALTIC FARMLAND

INVL Baltic Farmland, AB

Consolidated Semi-Annual Management Report of 2025 and Consolidated Interim Condensed Not-audited Financial Statements for the six months ended 30 June 2025 prepared in accordance with International Financial Reporting Standards as adopted by the European Union

STATEMENT OF RESPONSIBLE PERSONS

14 August 2025

Following on Information Disclosure Rules of the Bank of Lithuania and the Law on Securities (articles 13 and 15¹) of the Republic of Lithuania, management of INVL Baltic Farmland, AB 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 2025 are prepared in accordance with applicable reporting standards, give true and fair view of the assets, liabilities, financial position and profit or loss, cash flows of INVL Baltic Farmland and Consolidated Group.

Presented Consolidated Semi-Annual Management Report of INVL Baltic Farmland, AB of 2025 includes a fair review of the development and performance of the business and description of the position of INVL Baltic Farmland, AB and the consolidated group along with the main risks and contingencies faced thereby.

ENCLOSURE:

1. Consolidated and Company's Consolidated Interim Condensed Unaudited Financial Statements for the 6 months of 2025.
2. Consolidated Semi-Annual Management Report of 2025.

Director

Eglė Surplienė

Person authorised to conduct accounting

Raimondas Rajeckas

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DETAILS OF THE COMPANY

Board of Directors

Mr. Alvydas Banys (chairman of the Board)
Ms. Indrė Mišeikytė
Mr. Tomas Bubinas

Management (director)

Ms. Eglė Surplienė

Principal place of business and company code

Gynėjų str, 14,
Vilnius,
Lithuania

Company code 303299781

Banks

Luminor Bank AS Lithuanian Branch
AB Šiaulių Bankas

The financial statements were approved and signed by the Management on 14 August 2025.

The document is signed with a qualified
electronic signature

Ms. Eglė Surplienė

Director

The document is signed with a qualified
electronic signature

Mr. Raimondas Rajeckas

Authorized person according to the
agreement to conduct accounting
Financial accounting service provider:
UAB INVL Farmland Management

Condensed consolidated statement of comprehensive income

	Notes	1 st Half Year 2025	1 st Half Year 2024
Revenue		427	402
Other income		-	5
Net gain from fair value adjustments on investment property	3	-	-
Land plots administration fees		(82)	(81)
Legal, professional and securities administration fees		(45)	(46)
(Provision for) reversal of impairment of trade receivables	4	-	(7)
Direct property operating expenses		(1)	-
Employee benefits expense		(3)	(3)
Other expenses		(6)	(4)
Operating profit		290	266
Finance costs		-	-
Profit before income tax		290	266
Income tax expense	6	(46)	(40)
NET PROFIT FOR THE YEAR		244	226
Other comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		244	226
Attributable to:			
Equity holders of the parent		244	226
Basic and diluted earnings per share (in EUR)	7	0.08	0.07

Condensed consolidated statement of financial position

	Notes	As at 30 June 2025	As at 31 December 2024
ASSETS			
Non-current assets			
Investment properties	3	22,736	22,736
Total non-current assets		22,736	22,736
Current assets			
Trade and other receivables	4	361	120
Prepayments and deferred charges		5	3
Cash and cash equivalents		120	125
Total current assets		486	248
Total assets		23,222	22,984
EQUITY AND LIABILITIES			
Equity			
Equity attributable to equity holders of the parent			
Share capital		955	955
Own shares		(203)	(203)
Share premium		1,387	1,387
Reserves		3,237	3,237
Retained earnings		14,223	14,367
Total equity		19,599	19,743
Liabilities			
Non-current liabilities			
Deferred income tax liability		2,904	2,904
Total non-current liabilities		2,904	2,904
Current liabilities			
Trade payables		147	157
Income tax payable		46	59
Deferred revenue	4	426	-
Other current liabilities		100	121
Total current liabilities		719	337
Total liabilities		3,623	3,241
Total equity and liabilities		23,222	22,984

Condensed consolidated statements of changes in equity

Group	Notes	Reserves						Total
		Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares	Retained earnings	
Balance as at 31 December 2023		955	(203)	1,387	158	3,079	12,918	18,294
Net profit for the 6 months ended 30 June 2024		-	-	-	-	-	226	226
Total comprehensive income for the 6 months ended 30 June 2024		-	-	-	-	-	226	226
Transfer to reserves		-	-	-	-	-	-	-
Dividends approved	5	-	-	-	-	-	(388)	(388)
Total transactions with owners of the Company, recognised directly in equity		-	-	-	-	-	(388)	(388)
Balance as at 30 June 2024		955	(203)	1,387	158	3,079	12,756	18,132

Group	Notes	Reserves						Total
		Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares	Retained earnings	
Balance as at 31 December 2024		955	(203)	1,387	158	3,079	14,367	19,743
Net profit for the 6 months ended 30 June 2025		-	-	-	-	-	244	244
Total comprehensive income for the 6 months ended 30 June 2025		-	-	-	-	-	244	244
Transfer to reserves		-	-	-	-	-	-	-
Dividends approved	5	-	-	-	-	-	(388)	(388)
Total transactions with owners of the Company, recognised directly in equity		-	-	-	-	-	(388)	(388)
Balance as at 30 June 2025		955	(203)	1,387	158	3,079	14,223	19,599

Condensed consolidated statement of cash flows

	Notes	1 st Half Year 2025	1 st Half Year 2024
Cash flows from (to) operating activities			
Net profit for the period		244	226
Adjustments for non-cash items and non-operating activities:			
Net gains from fair value adjustments on investment property		-	-
Deferred taxes	6	-	-
Current income tax expenses	6	46	40
Allowances	4	-	7
Changes in working capital:			
Decrease (increase) in trade and other receivables		185	171
Decrease (increase) in other current assets		(2)	-
(Decrease) increase in trade payables		(10)	39
(Decrease) increase in other liabilities		(30)	(16)
Cash flows (to) from operating activities		433	467
Income tax paid		(59)	(47)
Net cash flows (to) from operating activities		374	420
Cash flows from (to) investing activities			
Acquisition of investment properties		-	-
Proceeds from the sale of investment properties	3	-	-
Net cash flows from (to) investing activities		-	-
Cash flows from (to) financing activities			
Cash flows related to Group owners			
Acquisition of own shares		-	-
Dividends paid to equity holders of the parent		(379)	(379)
		(379)	(379)
Net cash flows (to) from financing activities		(379)	(379)
Net increase (decrease) in cash and cash equivalents		(5)	41
Cash and cash equivalents at the beginning of the period		125	59
Cash and cash equivalents at the end of the period		120	100

Notes to the interim condensed financial statements

1. General information

AB INVL Baltic Farmland (hereinafter the Company) is a joint stock company registered in the Republic of Lithuania. It was established on 29 April 2014, following the split-off of 14.45% assets, equity and liabilities from AB Invalda INVL (company code 121304349). Entities, which business is investment into agricultural land and its rent, were transferred to the Company.

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

The Group consists of the Company and its directly owned subsidiaries (hereinafter the Group, Note 5 of annual financial statements for year ended 31 December 2024).

The Company manages shares of entities investing into agricultural land and provides finance. Now the Company has 100% in 18 companies owning more than 3 thousand hectares of agricultural land in Lithuania, that is rented to farmers and agricultural companies. The Company focuses on growth of quality of owned land and environmental sustainability. The Group is operated in one segment – agricultural land segment.

Investments into agricultural land are classified as long term and are recommended for investors who are satisfied with the return on rent and possible income from increase of agricultural land prices. Since prices of agricultural products are determined in the world markets, this investment allow to participate in the world food supply chain.

The Company's share capital is divided into 3,291,549 ordinary registered shares with the nominal value of EUR 0.29 each. All the shares of the Company were fully paid. Subsidiaries did not hold any shares of the Company. As at 30 June 2025 and 31 December 2024 the shareholders of the Company were:

	As at 30 June 2025		As at 31 December 2024	
	Number of shares held	Percentage	Number of shares held	Percentage
UAB LJB Investments (controlling shareholder				
Mr. Alvydas Banys)	977,751	29.70	977,751	29.70
Mrs. Irena Ona Mišeikienė	931,831	28.31	931,831	28.31
UAB Lucrum Investicija (sole shareholder				
Mr. Darius Šulnis)	415,628	12.63	415,628	12.63
Mr. Alvydas Banys	252,875	7.68	252,875	7.68
Ms. Ilona Šulnienė	239,000	7.26	239,000	7.26
Ms. Greta Mišeikytė	65,758	2.00	65,758	2.00
Ms. Indrė Mišeikytė	64,450	1.96	64,450	1.96
The Company (own shares)	63,039	1.92	63,039	1.92
Other minor shareholders	281,217	8.54	281,217	8.54
Total	3,291,549	100.00	3,291,549	100.00

The Company's shares are traded on the Baltic Secondary List of NASDAQ Vilnius from 4 June 2014.

2. Accounting policies

Basis of preparation

The interim condensed financial statements for the 6 months ended 30 June 2025 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 annual financial statements as at 31 December 2024.

Material 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 2024, except adoption of new Standards and Interpretations as of 1 January 2025, noted below.

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

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability (effective for annual periods beginning on or after 1 January 2025)

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

3. Investment properties

During 1st Half Year of 2025 and 2024 the Group has not acquired investment properties. During 1st Half year of 2025 and 2024 the Group has not sold any investment properties.

Investment properties are stated at fair value and are valued by accredited valuer UAB korporacija Matininkai using sales comparison method. The valuation was performed in December 2024. There were no significant changes in the market since the end of 2024 that could have an effect on the value of those investment properties, therefore the updated valuation was not performed as at 30 June 2025.

On 1 May 2014 changes to the Agricultural Land Acquisition temporary law entered into force, providing restrictions of the purchase of agricultural land (including restriction of purchase of shares in the legal entity owning agricultural land). These restrictions mean that the Group cannot purchase additional agricultural land and/or acquire shares in entities owning agricultural land. As a result of restrictions, the land sale market in Lithuania became less liquid.

There were no other restrictions on the realisation of investment properties or the remittance of income and proceeds of disposals during 1st Half Year of 2025 and 2024. No contractual obligations to purchase investment properties existed at the end of the period.

4. Trade and other receivables

	As at 30 June 2025	As at 31 December 2024
Trade receivables, net of write off	301	44
Accrued lease income, gross	69	69
Other receivables, gross	-	-
Taxes receivable, gross	20	36
Total trade and other receivable	309	149
Less: provision for impairment of trade and other receivables	(29)	(29)
Trade and other receivable net of expected credit losses	361	120

Changes in allowance for doubtful trade and other receivables for the 1st Half Year of 2025 and 2024 have been included within 'Provision for (reversal of) impairment of trade receivables' in the statement of comprehensive income.

4 Trade and other receivables (cont'd)

In the caption of statement of financial position 'Deferred revenue' is recognised current year's invoiced rental income, net of on a straight line basis recognised rental income for 1st Half Year of 2025 (EUR 426 thousand). This amount would be recognised as rental income during 3rd – 4th Quarters of current year.

The Group's 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
Balance as at 31 December 2023	21
Charge for the 6 months ended 30 June 2024	8
Enforcement activity ended	-
Recoveries of amounts previously impaired or written off	-
Balance as at 30 June 2024	29
	Group Impairment losses
Balance as at 31 December 2024	29
Charge for the 6 months ended 30 June 2025	-
Enforcement activity ended	-
Recoveries of amounts previously impaired or written off	-
Balance as at 30 June 2025	29

During 1st Half Year of 2025 and 2024 the recoveries of written off were EUR 0 thousand and EUR 1 thousand, respectively.

The credit risk exposure of trade receivables can be assessed on the ageing analysis disclosed below:

	Current	Less than 30 days	30–90 days	91–180 days	181 – 365 days	Credit impaired	Total
As at 30 June 2025							
Trade receivables net of write off	45	-	219	-	-	37	301
Accrued lease income	69	-	-	-	-	-	69
Other receivables	-	-	-	-	-	-	-
Expected credit losses	-	-	-	-	-	(29)	(29)
Trade and other receivable net of expected credit losses	114	-	219	-	-	8	341
As at 31 December 2024							
Trade receivables net of write off	1	-	-	-	8	35	44
Accrued lease income	69	-	-	-	-	-	69
Other receivables	-	-	-	-	-	-	-
Expected credit losses	-	-	-	-	-	(29)	(29)
Trade and other receivable net of expected credit losses	70	-	-	-	8	6	84

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

	Current	Less than 30 days	30–90 days	91–180 days	181 – 365 days	More than 1 years	Total
Trade receivables net of write off as at 30 June 2025	-	-	-	-	-	37	37
Trade receivables net of write off as at 31 December 2024	-	-	-	-	-	35	35

5. Dividends

A dividend in respect of the year ended 31 December 2024 of EUR 0.12 per share, amounting to a total dividend of EUR 388 thousand, was approved at the annual general meeting on 14 April 2025.

A dividend in respect of the year ended 31 December 2023 of EUR 0.12 per share, amounting to a total dividend of EUR 388 thousand, was approved at the annual general meeting on 10 April 2024.

6. Income tax

	1 st Half Year 2025	1 st Half Year 2024
Components of the income tax expenses		
Current year income tax	(46)	(40)
Deferred income tax expenses	-	-
Income tax expenses charged to profit or loss – total	(46)	(40)

7. 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 2025 and 30 June 2024 was 3,228 thousand.

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

	1 st Half Year 2025	1 st Half Year 2024
Net profit (loss), attributable to the equity holders of the parent	244	226
Weighted average number of ordinary shares (thousand)	3,228	3,228
Basic earnings (deficit) per share (EUR)	0.08	0.07

For 1st Half Year of 2025 and 2024 diluted earnings per share of the Group are the same as basic earnings per share.

8. 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. According to IAS 24, AB Invalda INVL and the entities controlled by AB Invalda INVL are also considered to be related parties, because the shareholders of the Company, having significance influence, also have a joint control over AB Invalda INVL group through shareholders' agreement.

The Group's transactions with related parties during 1st half year of 2025 and related half year-end balances were as follows:

1st Half Year 2025 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AB Invalda INVL group (accounting services)	-	33	-	-
UAB INVL Farmland Management (administration fees)	-	81	-	146
AB Invalda INVL (reimbursement of expenses for insurance)	-	4	-	-
	-	118	-	146

In 2025 to the Board members, which are shareholders of the Company, were paid EUR 32 thousand of dividends, net of tax. To the entities, which are controlled by the Board members, were paid EUR 117 thousand of dividends, net of tax. To the natural persons related to the Board members the Company paid EUR 102 thousand of dividends, net of tax.

The Group's transactions with related parties during 1st half year of 2024 and related half year-end balances were as follows:

1st Half Year 2024 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AB Invalda INVL group (accounting services)	-	33	-	-
UAB INVL Farmland Management (administration fees)	-	81	-	115
AB Invalda INVL (reimbursement of expenses for insurance)	-	-	-	-
	-	114	-	115

In 2024 to the Board members, which are shareholders of the Company, were paid EUR 32 thousand of dividends, net of tax. To the entities, which are controlled by the Board members, were paid EUR 117 thousand of dividends, net of tax. To the natural persons related to the Board members the Company paid EUR 102 thousand of dividends, net of tax.

The logo for INVL, consisting of the letters 'INVL' in a stylized, bold, white font, enclosed within a white square border.

BALTIC FARMLAND



INVL Baltic Farmland, AB

CONSOLIDATED SEMI-ANNUAL MANAGEMENT REPORT OF 2025

APPROVED BY THE BOARD OF INVL BALTIC FARMLAND, AB ON 14 AUGUST 2025.

Translation note:

This version of the Consolidated Semi-Annual Management Report of 2025 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 for preparation of the Semi-Annual Consolidated Management Report and content of information

The semi-annual consolidated management report of the public joint-stock company INVL Baltic Farmland (hereinafter may be referred as **the Company, the Issuer** or **INVL Baltic Farmland, AB**) has been prepared by the Company in accordance with the Lithuanian Law on Securities of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania, Law on Corporate Reporting of the Republic of Lithuania, 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 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 management report is divided into four (IV) 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 Management Report is relevant for understanding the Company's performance, condition and impact of operations.

2. Reporting period for which the management report is prepared

The management report covers the financial period of INVL Baltic Farmland, AB starting from 1 January 2025 and ending on 30 June 2025. The management report also discloses information from the end of the reporting period to the release of the management report.

The management report was not audited.

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

3.1. Information about the Issuer

Name of the Issuer	The public joint-stock company INVL Baltic Farmland
Code	303299781
Registered address	Gynėjų str. 14, 01110, Vilnius, Lithuania
Telephone	+370 5 279 0601
E-mail	farmland@invalidainvl.com
Website	www.invlbalticfarmland.lt
LEI code	5299000AUE9M1W13ZQ36
Legal form	public joint-stock company
Date and place of registration	29 April 2014; Register of Legal Entities
Register in which data about the Company are accumulated and stored	Register of Legal Entities

3.2. Information on Company's goals, philosophy and strategy

The main goal of INVL Baltic Farmland, AB – to invest into agricultural land in Lithuania and, after renting it to farmers and agricultural companies, to ensure that income from rent will exceed inflation and make a profit from agricultural land price growth. Since prices of agricultural products are determined in the world markets, this investment allow to participate in the world food supply chain.

The public joint-stock company INVL Baltic Farmland, AB was established on 29 April 2014 on the basis of a part of assets split-off from one of the leading asset management groups in the Baltic region Invalda INVL. INVL Baltic Farmland, AB manages shares of 18 companies investing into agricultural land that own about 3 thousand hectares of agricultural land in Lithuania. 99% of cultivated land is rented to farmers and agricultural companies.

Shares of INVL Baltic Farmland, AB are listed on Nasdaq Vilnius stock exchange since 4 June 2014.

The administration of the INVL Baltic Farmland, AB group owned land, according to the basic property administration agreement signed on 30 June 2015, is transmitted to the owned company INVL Farmland Management. Management fees paid for INVL Farmland Management are 7 percent of annual rental income of the companies - land owners as well as 0.5 percent of INVL Baltic Farmland, AB market capitalization. Moreover there is a success fee which becomes valid only when consolidated equity of companies - land owners annual growth is higher than 5 percent plus inflation (High-Water Mark principle is applicable). Success

fee is 20 percent of the consolidated equity in excess of the above-mentioned benchmark. On 28 December 2020, the Basic Property Administration Agreement's Amendment No. 20150630/01 was concluded, based on which the term of the Basic Property Administration Agreement was extended until 31 December 2025.

As the Company has signed the property administration agreement it employs a minimum number of people.

It is prohibited for one person to have more than 500 hectares of land in Lithuania since 2014. That's why INVL Baltic Farmland, AB development is limited and the generated funds are directed to the payment of dividends to shareholders.

Investments into agricultural land are classified as long term and are suitable for investors who are satisfied with the return on rent and possible income from increase of agricultural land prices.

3.3. Information about the Issuer's group of companies

INVL Baltic Farmland, AB has 100% in 18 companies owning about 3 thousand hectares of agricultural land in the most fertile regions of Lithuania. Companies - land owners and joint-stock company INVL Baltic Farmland, AB, whose shareholder is Invalda INVL – one of the leading asset management groups in the Baltic region, on 30 June 2015 have signed a basic property administration agreement with INVL Farmland Management which administers agricultural land owned by the companies to ensure steady growth of income for the shareholders and the value of the land. On 21 October 2020, the General Meeting of Shareholders of the Company approved the extension of the agreement with INVL Farmland Management and its arrangement in a recast version. The agreement was extended until 31 December 2025.

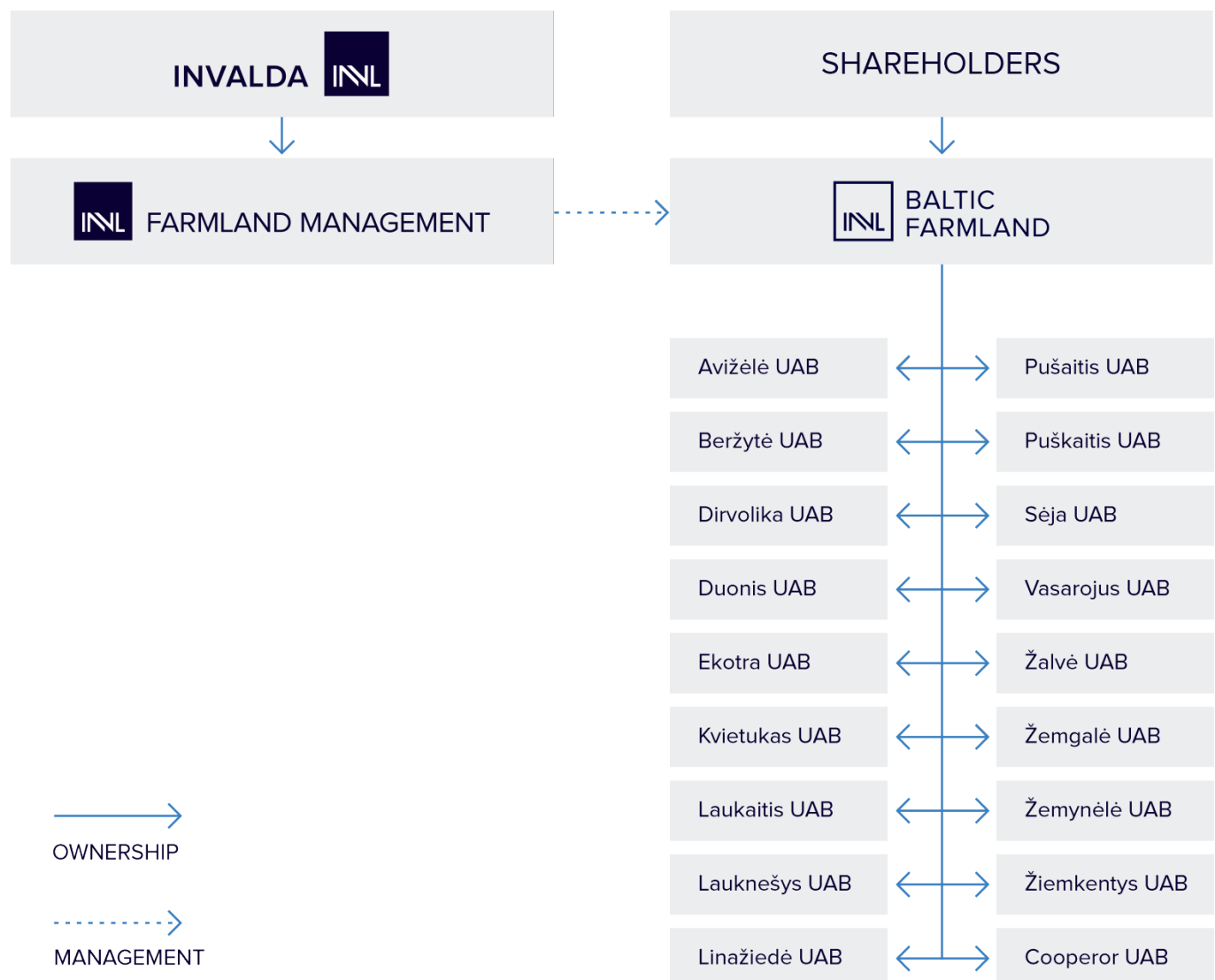
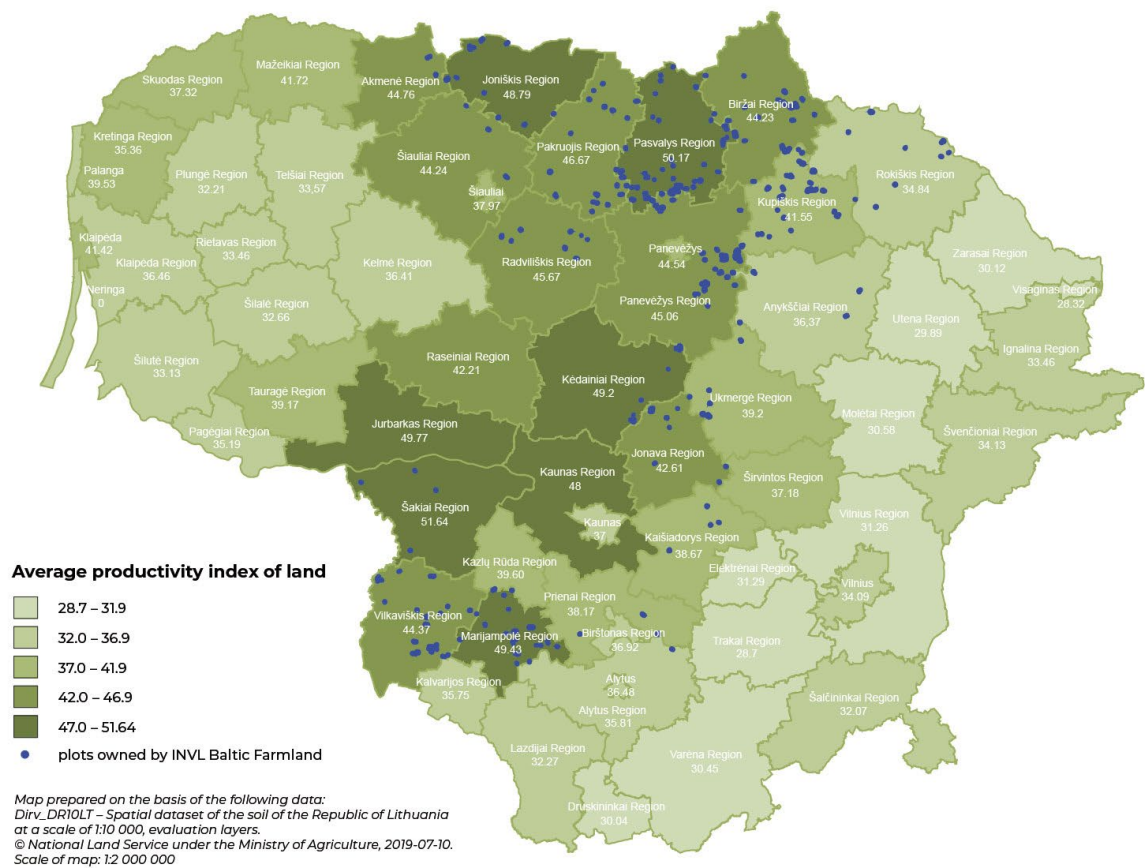


Fig. 3.3.1. Group structure of INVL Baltic Farmland, AB as of 30 June 2025

INVL Baltic Farmland's landholdings



*Fig. 3.3.2. Agricultural land portfolio and agricultural land fertilisation of INVL Baltic Farmland, AB
Plots belonging to the company are in the most fertile areas of Lithuania. They are highlighted in blue.*

Table 3.3.3. Information about companies of INVL Baltic Farmland, AB group

Company name	District of company's activities	Owned land plot, hectares	Cultivated cropland area, hectares
Avizele, UAB	Rokiskis dist., Anyksciai dist.	113.82	107.51
Berzyte, UAB	Birzai dist.	150.49	145.99
Dirvolika, UAB	Akmene dist., Joniskis dist., Siauliai dist.	199.44	192.03
Duonis, UAB	Jonava dist., Kedainiai dist., Ukmerge dist.	181.98	174.34
Ekotra, UAB	Vilkaviskis dist.	238.81	228.02
Kvietukas, UAB	Pakruojis dist., Pasvalys dist.	118.01	112.69
Laukaitis, UAB	Pakruojis dist., Pasvalys dist., Siauliai dist.	204.10	193.44
Lauknesys, UAB	Birzai dist., Pasvalys dist.	109.94	107.83
Linaziede, UAB	Alytus dist., Jonava dist., Kaisiadorys dist., Prienai dist.	85.13	80.75
Pusaitis, UAB	Radviliskis dist.	82.44	81.10
Puskaitis, UAB	Marijampole dist., Prienai dist., Vilkaviskis dist.	193.46	188.14
Seja, UAB	Kedainiai dist.	82.53	79.75
Vasarojus, UAB	Anyksciai dist., Panevezys dist., Ukmerge dist.	375.73	364.85
Zalve, UAB	Kupiskis dist.	216.88	201.73
Zemgale, UAB	Birzai dist., Kupiskis dist., Panevezys dist.	241.76	232.00
Zemynele, UAB	Sakiai dist., Vilkaviskis dist.	72.57	70.81
Ziemkentys, UAB	Panevezys dist., Pasvalys dist.	414.14	401.62
Total:		3,081.23	2,962.60

4. Agreements with intermediaries on public trading in securities

INVL Baltic Farmland, AB has signed the agreements with these intermediaries:

- AB „Artea“ bankas (Tilžės str. 149, Šiauliai, Lithuania, tel. +370 41 595 607) – the agreement on investment services, the agreement on management of securities accounting and agreement on dividend distribution.

5. Information on Issuer's branches and representative offices

INVL Baltic Farmland, AB has no branches or representative offices.

II. INFORMATION ABOUT SECURITIES

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

The Articles of Association of INVL Baltic Farmland, AB may be amended by resolution of the General Shareholders' Meeting, passed by more than 2/3 of votes (except in cases provided for by the Law on Companies of the Republic of Lithuania).

Actual wording of the Articles of Association of the Company is dated as of 18 April 2023. The Articles of Association have been changed in order to implement the current wording of the Law on Companies of the Republic of Lithuania. The Company's Articles of Association is published on the Company's web page (Company's web site section „Investor Relations“ → „Articles of Association“. The link: <https://invlbalticfarmland.com/en/investor-relations/legal-documents/>).

7. Structure of the authorized capital

Table 7.1. Structure of INVL Baltic Farmland, AB authorised capital as of 30 June 2025.

Type of shares	Number of shares and total voting rights granted by the issued shares, units	Number of votes for the quorum of the General Shareholders Meeting, units*	Nominal value, EUR	Total nominal Value and authorised capital, EUR	Portion of the authorised capital,
Ordinary registered shares	3,291,549	3,228,510	0.29	954,549.21	100

*According to Article 27 (4) of the Law on Companies' in determining the quorum of the General Meeting of Shareholders, it is considered that the acquired own shares do not grant voting rights.

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

7.1. Information about the issuer's treasury shares

The General Shareholders Meeting of the Company that was held on 28 October 2015 approved resolution to purchase its own shares. The period during which the company could acquire its own shares - 18 months from the day of this resolution. The maximum one share acquisition price - EUR 4.00, minimum one share acquisition price - EUR 2.87. During this period the Company initiated acquisition of own shares 1 time. On 21 June 2016, the company announced about acquisition of 1.92 percent of own shares. 63,039 units of shares were offered. The settlement for the acquired shares happened on 22 June 2016.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 22 March 2017 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 - EUR 4.50, minimum one share acquisition price - EUR 3.16. Company not initiated acquisition of own shares in 2017.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 10 April 2018 approved resolution 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00. Company not initiated acquisition of own shares in 2018.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 22 March 2019 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00. Company not initiated acquisition of own shares in 2019.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 23 March 2020 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00. Company not initiated acquisition of own shares in 2020.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 9 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 27 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 29 March 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 - EUR 5.00, minimum one share acquisition price - EUR 3.00.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 10 April 2024 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 – EUR 5.50, minimum one share acquisition price – EUR 3.50.

The General Shareholders Meeting of INVL Baltic Farmland, AB that was held on 14 April 2025 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 value of consolidated equity per share, calculated based on the most recently published consolidated equity data of the public limited company INVL Baltic Farmland, AB prior to the adoption of the Board's decision, minimum one share acquisition price – EUR 3.50.

At the end of the reporting period the amount of Company's acquired own shares stayed the same and amounted to 63,039 (units) or 1.92 percent of the Company's Authorised capital. Subsidiaries of INVL Baltic Farmland, AB have not implemented acquisition of shares in INVL Baltic Farmland, AB directly or indirectly under the order of subsidiary by persons acting by their name.

8. 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

Table 8.1. Main characteristics of INVL Baltic Farmland, AB shares admitted to trading:

Type of shares	Ordinary registered shares
ISIN code	LT0000128753
LEI code	5299000AUE9M1W13ZQ36
Name	INL1L
Exchange	Nasdaq Vilnius
List	Baltic Secondary list
Authorised capital (EUR)	954,549.21
Nominal value of 1 share (EUR)	0.29
Shares issued, units	3,291,549
Total voting rights granted by the issued shares, units	3,291,549
Number of votes for the quorum of the General Shareholders Meeting, units*	3,228,510
Date of the beginning of listing	4 June 2014

*According to Article 27 (4) of the Law on Companies' in determining the quorum of the General Meeting of Shareholders, it is considered that the acquired own shares do not grant voting rights.

Company uses no services of liquidity providers.

Table 8.2. Trading in INVL Baltic Farmland, AB shares:

	6 months of 2023	6 months of 2024	6 months of 2025
Share price, EUR			
- open	8.100	7.200	6.300
- high	8.200	7.250	7.700
- low	6.050	5.800	5.700
- medium	7.491	6.456	6.454
- last	7.000	6.400	6.700
Turnover, units	3,959	7,604	13,094
Turnover, EUR	29,658.8	49,094.4	84,505
Traded volume, units	236	295	340

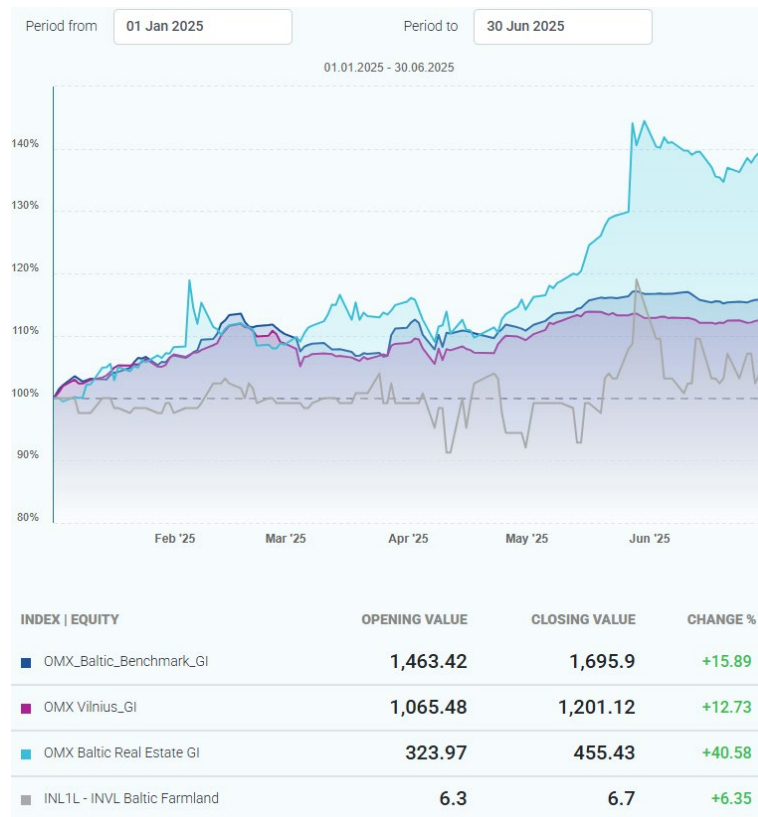


Fig. 8.1. INVL Baltic Farmland, AB change of share price and indexes¹ (resource: Nasdaq Baltic, Baltic market indexes)

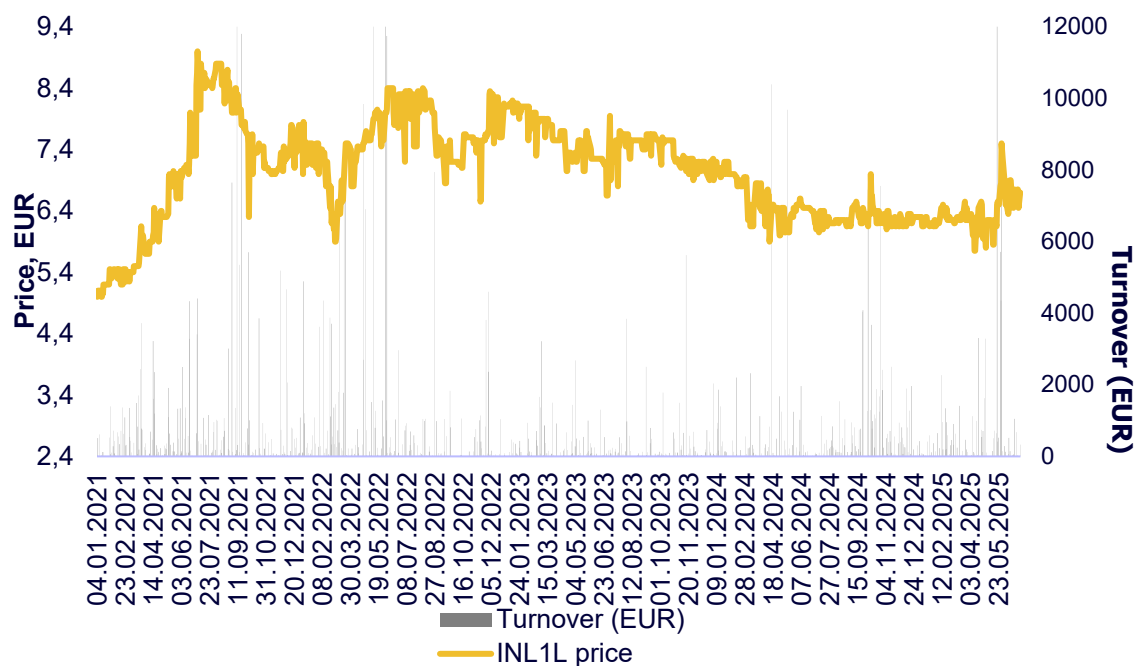


Fig. 8.2. Change of share price of INVL Baltic Farmland, AB

¹ The OMX Baltic Benchmark index (OMXBB – PI, GI, CAP) tracks the largest and most traded shares from all the industry sectors represented on the Nasdaq Baltic Market. The OMX Baltic Real Estate GI index is available at the Baltic level. Based on the FTSE Group's Industry Classification Benchmark (ICB), each shows the trend in a specific industry and enables the comparison of companies in that industry. Indexes for each ICB industry and supersector are calculated in euros for the stocks on the Main and Secondary lists of the Nasdaq Baltic exchanges is based on the Industry Classification Benchmark (ICB) developed by FTSE Group (FTSE).

9. Dividends

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

The General Shareholders Meeting of the Company held on 10 April 2018 approved the new wording of the Dividend Payment Policy. According to the Policy, it is decided to allocate EUR 0.10 dividend per share (exceptions, which state decrease / increase of the allocated dividend is disclosed in the Company's dividend payment policy).

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 Law on Personal Income Tax 15 % tax is applied to the dividends since 2014 and according to the Law on Corporate Income Tax 16 % tax is applied to the dividends since 2025. The company is responsible for calculation, withdrawn and transfer (to the benefit of the State) of applicable taxes².

The General Shareholders Meeting of INVL Baltic Farmland, AB held on 14 April 2025, decided to allocate EUR 0.12 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 29 April 2025 were shareholders of INVL Baltic Farmland, AB.

On 13 May 2025, the Company announced that will start to allocate dividends from 14 May 2025. Dividends were allocated to those shareholders of the Company, who has 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.

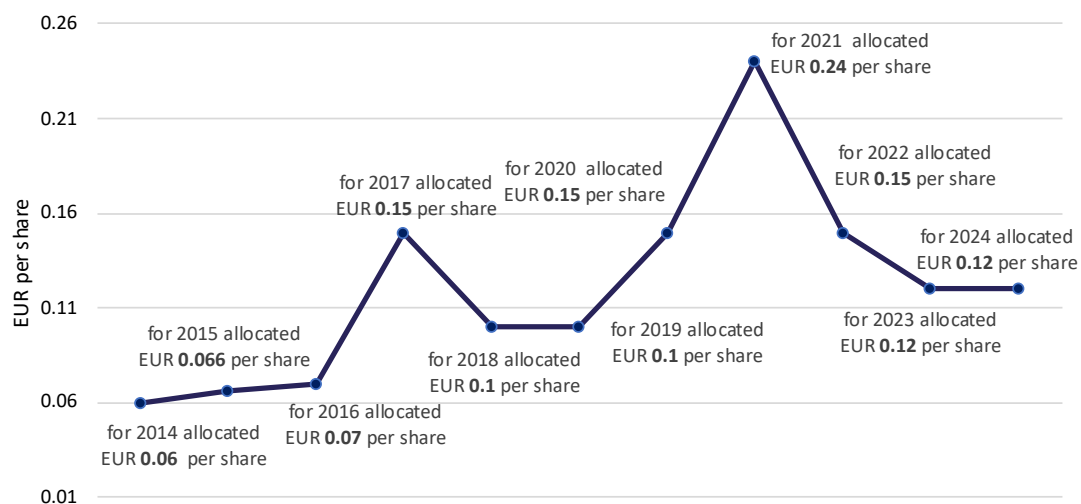


Fig. 9.1. Dividends allocation per share

² This information should not be treated as tax consultation.

10. Information about Company's shareholders

The total number of shareholders in INVL Baltic Farmland, AB was 3,369 on 30 June 2025. There are no shareholders entitled to special rights of control.

Table 10.1.1. Shareholders who held title to more than 5% of INVL Baltic Farmland, AB authorised capital, votes as of 30 June 2025. The votes, authorised capital held of the management of the Company (manager, members of the Board) is also be disclosed.

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of votes given by the shares held by the right of ownership, %	Indirectly held voting rights, %
LJB Investments, UAB code 300822575, Juozapavičiaus str. 9A, Vilnius	977,751	29.70	29.70	0
Irena Ona Mišeikienė	931,831	28.31	28.31	0
Lucrum Investicija, UAB code 300806471, Gynėjų str. 14, Vilnius	415,628	12.63	12.63	0
Alvydas Banys	252,875	7.68	7.68	29.70 ³
Ilona Šulnienė	239,000	7.26	7.26	0
Indrė Mišeikytė	64,450	1.96	1.96	0
Darius Šulnis	0	0	0	12.63 ⁴
Eglė Surplienė	0	0	0	0

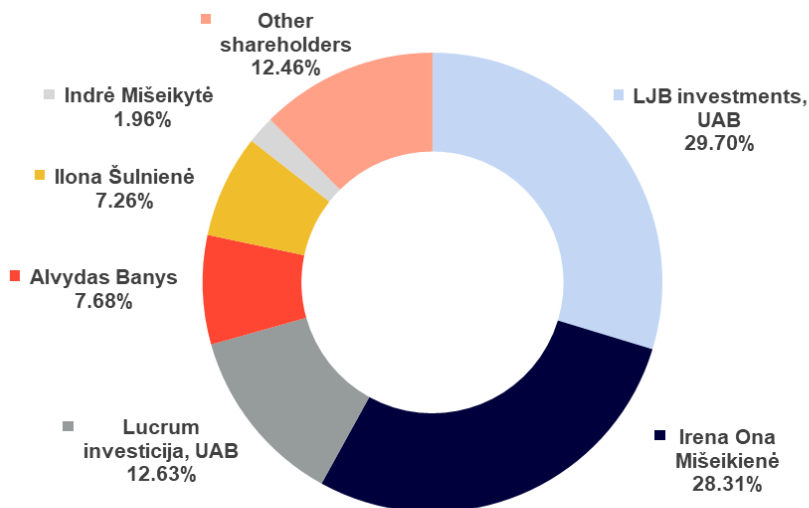


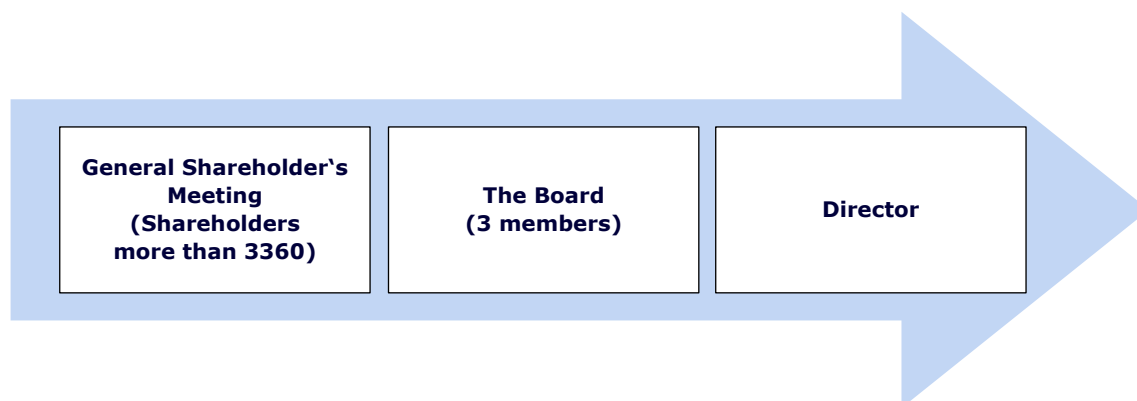
Fig. 10.1.1. Votes as of 30 June 2025

³ According to Paragraph 1 of Article 26 of the Law on Securities of the Republic of Lithuania, Alvydas Banys is deemed to hold the voting rights of LJB Investments, a company controlled by him..

⁴ According to Paragraph 1 of Article 26 of the Law on Securities of the Republic of Lithuania, Darius Šulnis is deemed to hold the voting rights of Lucrum Investicija, a company controlled by him.

III. ISSUER'S MANAGING BODIES

11. Structure, authorities, the procedure for appointment and replacement



The governing bodies of INV L Baltic Farmland, AB are: the General Shareholders' Meeting, sole governing body – the director and a collegial governing body – the Board. The Supervisory Board is not formed. The Company's Board also performs the supervisory functions.

12. Information about members of the Board, Company providing accounting services

The new Board of INV L Baltic Farmland, AB has been elected for the four-year term of office during the General Shareholders Meeting held on 27 April 2022. Mr. Banys was elected as the Chairman of the Board, Ms. Mišeikytė was elected as the Member of the Board and Mr. Bubinas was elected as independent Member of the Board. From 30 June 2015 Eglė Surplienė holds position as a director of the company.



Alvydas Banys -

Chairman of the Board

Main workplace – LJB Investments, UAB (code 300822575, A. Juozapavičiaus st. 9A, Vilnius) – Director

The term of office	From 2022 until 2026
Educational background and qualifications	Vilnius Gediminas Technical University. Faculty of Civil Engineering. Master in Engineering and Economics Junior Scientific co-worker. Economic's Institute of Lithuania's Science Academy
Work experience	Since May 2022 INV L Asset Management, UAB – Senior advisor Since July 2013 until April 2022 Invalda INV L, AB – Advisor Since 2007 LJB Investments, UAB – Director Since 2007 LJB Property, UAB – Director 1996 – 2006 Invalda, AB – Vice President 1996 – 2007 Nenuorama, UAB – President
Owned amount of shares in INV L Baltic Farmland, AB	Personally: 252,875 units of shares, 7.68 % of authorised capital, 7.68 % of votes. Together with controlled company LJB Investments: 1,230,626 units of shares, 37.38 % of authorized capital, 37.38 % of votes.
Participation in other companies	Invalda INV L, AB (code 121304349, Gynėjų str. 14, Vilnius) – Chairman of the Board Litagra, UAB (code 304564478, Savanorių pr. 173, Vilnius) – Member of the Board INV L Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) managed funds INV L Baltic Sea Growth Fund and INV L Private Equity Fund II – Member of the Investment Committee

INVL BALTIC FARMLAND		INVL BALTIC FARMLAND, AB
		SEMI-ANNUAL MANAGEMENT REPORT OF 2025 26
	<p>Indrė Mišeikytė - Member of the Board Main workplace – Invalda INVL, AB (code 121304349, Gynėjų str. 14, Vilnius) – Adviser, Member of the Board</p>	
The term of office	From 2022 until 2026	
Educational background and qualifications	Vilnius Gedimino Technical University. Faculty of Architecture. Master in Architecture	
Work experience	Since May 2012 Invalda INVL, AB – Advisor 2013 - 2019 Invalda Privatus Kapitalas, AB – Advisor 2002- 2019 Inreal Valdymas, UAB – Architect 2000 - 2002 Gildeta, UAB – Architect	
Owned amount of shares in INVL Baltic Farmland, AB	Personally: 64,450 units of shares, 1.96 % of authorised capital and votes	
Participation in other companies	Invalda INVL, AB (code 121304349, Gynėjų str. 14, Vilnius) – Member of the Board	
	<p>Tomas Bubinas - Independent member of the Board Main workplace – individual consulting activities</p>	
The term of office	From 2022 until 2026	
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, Sicor Biotech 1999 - 2001 Senior Manager, PricewaterhouseCoopers 1994 - 1999 Senior Auditor, Manager, Coopers & Lybrand	
Owned amount of shares in INVL Baltic Farmland, AB	Personally: 0 units of shares, 0.00 % of authorised capital and votes.	
Participation in other companies	Invalda INVL, AB (code 121304349, Gynėjų st. 14, Vilnius) – Member of the Board	

**Eglė Surplienė –**

Director

Main workplace - Gerovės valdymas, UAB FPI (code 302445450, Jogailos st. 3-103, Vilnius) – Director

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

October 2009 - present – Wealth manager, UAB FPI Geroves Valdymas
 March 2009 - present – Director, UAB DIM investment
 September 2014 - June 2016 – Director, UAB Margio investicija
 August 2006 - October 2009 – Wealth manager, VIP Clients manager, AB FBC Finasta, AB bank Finasta
 June 2005 - July 2006 – Project manager, UAB Zabolis ir partneriai
 June 1999 - June 2005 – Member, Deputy Director of the Commission, Securities Commission of Lithuania
 June 1995 - June 1999 – Head of Issuer Division, UAB FMI Vilfima
 June 1993 - June 1995 - Member of Market Regulation Division, Securities Commission of Lithuania

Owned amount of shares in INVL Baltic Farmland, AB

Personally: 0 units of shares, 0.00 % of authorised capital and votes.

Participation in other companies

Atelier Investment Management, UAB (code 303335430, Jogailos g. 3-103, Vilnius) – Chairman of the Board
 Gerovės valdymas, UAB FPI (code 302445450, Jogailos g. 3-103, Vilnius) – Director
 Gerovės partneriai, KŪB (code 304746185, Jogailos g. 3-103, Vilnius) – Full member
 DIM investment, UAB (code 301145749, Pasakų str. 5, Vilnius) – Director

INVL Farmland Management, UAB provides accounting services and preparation of the documents related with bookkeeping for INVL Baltic Farmland, AB according to an agreement signed on 29 November 2024 No. 20241129/01.

13. Information about the Audit Committee of the Company

The Audit Committee consists of 3 members, 2 of whom are independent. The members of the Audit Committee are elected by the General Shareholders' Meeting. The main functions of the Committee are the following:

- provide recommendations for the general meeting of shareholders of the Company with selection, appointment, reappointment and removal of an external audit company as well as the terms and conditions of engagement with the audit company;
- to provide opinion regarding the transactions with Company related party, according to the clause 37(2), parts 1 and 5 of the Law on Companies, provide evaluation regarding transactions, indicated in clause 37 (2), parts 11 and 12 of the Law on Companies;
- monitor the process of external audit;
- to review and monitor the independence of auditors and auditors companies seeking to avoid conflict of interests;
- to monitor the financial reporting process of the Company and submit recommendations on ensuring the liability of it;
- monitor the efficiency of Company's internal control and risk management systems as well as internal audit, without prejudice to the independence of the internal audit.
- monitor if the Company's board and/or managers properly response to the audit firm's recommendations and comments.

The Member of the Audit Committee of INVL Baltic Farmland, AB may resign from his post before the expiry of term of office, notifying the Board of the company in writing at least 14 calendar days in advance. When the Board of the Company receives the notice of resignation and estimates all circumstances related to it, the Board may pass the decision either to convene the Extraordinary General Shareholders Meeting to elect the new member of the Audit Committee or to postpone the question upon the election of the new member of the Audit Committee until the nearest General Shareholders Meeting. In any case the new member is elected till the end of term of office of the operating Audit Committee.

During the General Shareholders Meeting of INVL Baltic Farmland, AB held on 14 April 2025, the decision to elect Dangutė Pranckėnienė, partner and auditor of Moore Stephens Vilnius, UAB, Tomas Bubinas and Andrius Lenickas for the Audit Committee for the 4 (four) years of office term has been adopted.



Tomas Bubinas –

Member of the Audit Committee (The independence status should be maintained in accordance with legal requirements until 23 December 2026)
Main workplace – individual consulting activities

The term of office

Since 2025 till 2029

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, Sicor Biotech
1999 - 2001 Senior Manager, PricewaterhouseCoopers
1994 - 1999 Senior Auditor, Manager, Coopers & Lybrand.

Owned amount of shares in INVL Baltic Farmland, AB

-



Dangutė Pranckėnienė –

Independent Member of the Audit Committee

The term of office

Since 2025 till 2029

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 coach 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 (previous name Moore Stephens Vilnius and Verslo auditas)
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 Farmland, AB

-



Andrius Lenickas –
Independent Member of the Audit Committee

The term of office

Since 2025 till 2029

Educational background and qualifications

Baltic Management Institute (BMI), Executive MBA
Association of Chartered Certified Accountants. ACCA. Diploma
Lithuanian Sworn Registered Auditor
Vilnius University, Msc. in Economics

Work experience

Since 2023 founder and director, UAB Lea finansai
2013 - 2022, Chief Financial Officer and Head of Administration of the Group, UAB AL holdingas
2010 - 2013 - Chief Executive Officer, UAB Euroapotheca.
2007 - 2010 Chief Financial Officer for the Baltic States, UAB Sanofi Lietuva
2002 - 2006 Chief Financial Officer and Head of Administration of Lawin Law Firm (currently Ellex Valiūnas).
1999 - 2001 Senior Auditor, Manager, PricewaterhouseCoopers UK
1996 - 1999 Auditor, Senior Auditor, Coopers & Lybrand
1993-1995 Customer manager, Balticbankas

Owned amount of shares in INVL Baltic Farmland, AB

-

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

CEO of the company is entitled only to a fixed salary. The company does not have a policy concerning payment of a variable part of remuneration to the management. INVL Baltic Farmland, AB Group and the Company for the company providing accounting services respectively paid EUR 33 thousand and EUR 2 thousand during the reporting period.

In 2025, to the Board members, which are shareholders of the Company, were paid EUR 32 thousand of dividends, net of tax. To the entities, which are controlled by Board members, were paid EUR 117 thousand of dividends, net of tax. Natural persons, who are related to the Board members of the company, were paid EUR 102 thousand 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 managers. The Members of the Board were not granted with bonuses by other companies of INVL Baltic Farmland, AB group.

IV. INFORMATION ABOUT THE ISSUER'S AND ITS GROUP COMPANIES' ACTIVITY

15. Overview of the Issuer and its group activity

15.1. Business environment

According to the data made available by the State Data Agency, the average annual inflation rate in December 2024, calculated on the basis of the Harmonised Index of Consumer Prices (HICP), was 0.9% (average annual inflation in December 2023 was 8.7%). Meanwhile, according to data from May 2025, the average annual HICP inflation had already reached about 1.9%, while the annual inflation rate (comparing May to the same period a year earlier) was 3.0%. Annual inflation was mainly driven by increases in the prices of catering services provided by restaurants, cafés, and similar establishments; thermal energy; pharmaceuticals; holiday trips; tobacco products; milk, cheese, and eggs; maintenance and repair of vehicles; other financial, medical, and dental services. Decreases in the prices of electricity, gas, solid fuels, clothing, fuels, and oil reduced inflation. The average annual inflation rate in December 2024, calculated on the basis of the consumer price index (CPI), was 0.7%, and in May 2025 – about 2.1%. The annual CPI inflation in May (compared to May 2024) was 3.4%..

In 2024, the gross domestic product (GDP) of Lithuania grew by 2.4%, according to Lietuvos bankas forecast. In the first quarter of 2024, after removing the seasonal and working day effects, GDP changed positively by 0.8% compared to the previous quarter. In terms of GDP in the production approach, in the first quarter of 2024, the largest positive impact on the change in GDP was the performance of manufacturing and wholesale and retail trade; transport and storage enterprises. In the second quarter of the year,

real GDP was 0.7% higher than in the first quarter, after adjusting for seasonal and working day effects. This was mainly due to the performance of construction and industrial enterprises, as measured by the production method. Real GDP changed positively by 1.2% in the third quarter of 2024 compared to the second quarter of 2024, after removing the seasonal and working-day effects. In terms of the production approach, in the third quarter of 2024, the largest positive impact on the change in GDP was the performance of wholesale and retail trade and industrial enterprises.

According to Lietuvos bankas, in 2024, the global economy showed signs of recovery, but its development remained uneven. With prices falling and real incomes gradually recovering, the service sector has strengthened in many regions of the world. It benefited not only from the good situation of the labour markets in various countries, which contributed to a fairly significant increase in wages, but also from the continuing increase in demand for services that were limited during the pandemic. In the euro area and some other regions, the expansion of the services sector accounts for the bulk of overall economic growth. The start of a decline in corporate inventories and the strengthening purchasing power of the population have also boosted the recovery of the manufacturing sector in some regions of the world, but euro area industry is still contracting. In the euro area group of countries, industrial production has been declining since the beginning of 2023 and is currently only at the level observed in 2019. Purchasing managers' surveys suggest that the situation in the manufacturing sector in many regions of the world will be challenging in the near future due to the increase in various international trade restrictions and the ongoing high geopolitical uncertainty. In both the euro area and other regions, manufacturing is not expected to expand in the short term. This affects international world trade and economies that are more oriented towards foreign demand, such as Lithuania. Lithuania's import forecasts from its trading partners have been downgraded in recent quarters, although imports from euro area countries, which stagnated in 2024, are expected to start rising in 2025, while imports from other countries are projected to continue to rise gradually. The European Commission's Autumn Forecast 2024 projects euro area GDP to be 0.9% higher in 2024 than that in 2023, with economic activity accelerating by 1.5% in 2025. The conditions for such growth are supported by a slight increase in demand in the European Union's domestic market, although uncertainty is also growing.

According to Lietuvos bankas, economic activity has also strengthened in Lithuania. The services sector is the main contributor to overall economic growth. For a short time now, information and communication activities have been much bigger than the economy as a whole. Having attracted increasing numbers of workers in the previous few years, this activity accounted for about a quarter of total economic growth in the first half of 2024. In the same period, value added in ICT activities was almost ten times higher than a year earlier. Other contributors to overall economic development are also quite important – professional, scientific, administrative, and service activities, which are becoming increasingly important in economic development. Domestic trade is expanding as real household incomes rise markedly. Private consumption in 2024 was much higher than a year earlier. However, all private consumption is affected not only by higher wages and other incomes, but also by population growth. Real private consumption per capita still has not returned to the historical peak observed in early 2022, before the period of higher inflation. Although manufacturing, which had contracted significantly in 2023, was less active in 2024 compared to many other sectors, it still contributed to economic growth. In 2024, stocks of manufactured output have been declining, while orders for industrial production have been increasing. In all major manufacturing industries, the situation has improved, or at least remained broadly stable, compared to the situation in 2023. The situation on the Lithuanian labour market remains good; however, there have been some unfavourable developments, including an overall decline in the number of employed people recorded for several months. This is mainly due to economic activity in transport. Excluding the latter, hiring remained roughly the same as it was in 2023. In the first quarter of 2025, the unemployment rate stood at around 6.9%, while overall employment was approximately 1% higher than a year earlier. The majority of new jobs were created in the information and communications, finance, and administrative services sectors. It is also worth noting that the unemployment rate, which began rising in 2022, continued to increase in 2024, having risen by almost 2 percentage points over the two years. Unemployment has increased across various social groups, including women and men, urban and rural populations, and different age groups. As the number of unemployed rises, the duration of unemployment increases. In 2022, the largest share of the unemployed were short-term unemployed for up to 2 months, and in 2024, the unemployed are short-term unemployed for between 3 and 11 months. With higher unemployment, continued positive net international migration and a less-than-steady recovery in various sectors of the economy, the shortage of workers is acute and wage pressures is easing. Remuneration growth slowed for the second consecutive year, especially in the private sector. In the first quarter of 2025, the pace of average wage growth slowed to approximately 8.2%. Wage growth is also being held back by the still-unrecovered labour productivity. The latter has not risen for the third consecutive year and is well behind the growth trajectory observed until 2019. Such productivity developments are apparently contributed by the sluggish development of the exporting sector, the continued higher prices of raw materials than a few years ago, and the desire to retain existing employees in the hope that demand (especially in foreign markets) will strengthen over time. The latest data show that productivity growth remains sluggish in early 2025, with productivity levels still lagging behind the pre-pandemic trajectory.

The Lietuvos bankas's Lithuania's Economic Development and Outlook forecasts that economic growth will gradually strengthen. The international economic environment is expected to be more supportive of economic development than in 2024. Imports from trading partners are expected to rise more than in recent times, boosting demand for Lithuanian exports. Growth is projected to be boosted by domestic demand. With incomes rising above consumption expenditure for some time now, there is considerable scope for households to accelerate consumption growth, even in the face of somewhat slower projected income growth. A recovery in investment should also contribute to a more significant increase in economic activity. Increasing flows of European Union assistance funds, the waning effects of previously tight monetary policy and strengthening domestic and external demand are projected to have an upward effect on investment. They are also likely to benefit from the increase in corporate profits over the past few years. Following an increase in 2024, real GDP is projected to grow by 3.1% in 2025. In the following years, the pace of economic expansion will remain similar, but will still be lower than the growth rates that prevailed in the previous decade, before the shocks of the past few years. Growth will be constrained by limited scope for even more efficient use of labour resources, poor demographics, and fewer new markets for trading partners than in the previous decade. The European Commission projects that Lithuania's real GDP will grow by 3% in 2025 and 2026. This trend is driven by rising private consumption, accelerating exports of services and renewed investment expansion. Inflation is expected to reach 1.7% in 2025, driven by rising services inflation. Lietuvos bankas forecasts

that headline inflation will be boosted by a gradually improving international economic environment, rising prices of some energy commodities (e.g., gas), and rising indirect taxes. Rising labour costs will be the main contributor to overall price increases. Their impact will be particularly pronounced in the evolution of the most labour-sensitive prices – services prices. They are rising faster than before the shocks of the last few years. Annual average headline inflation is projected at 2.3% in 2025.

According to the Chamber of Agriculture, almost €4 billion of EU support is foreseen for Lithuania's agriculture and rural development for the period 2023–2027, and around €276.5 million will come from the national budget. €3.02 billion of EU funds and around €2.8 million of national funding are planned for direct support, eco-schemes for the climate, environment, and animal welfare, and sectoral programmes. €977.5 million of EU funding and €273.7 million of national funding are earmarked for investment, cooperation, environmental, climate, and other rural development measures. The average annual amount of direct payments increased by around 28% compared to the previous financial period. According to the Ministry of Agriculture, as of 2023, a 100% cap on base payments will be applied to amounts above €100 thousand, with the possibility to withhold salaries and related taxes.

According to preliminary estimates by the State Data Agency, the index of gross agricultural production for the fourth quarter of 2024 decreased by 2.4% compared to the fourth quarter of 2023, with total agricultural production in the fourth quarter of 2024 amounting to 417.1 million euros at current prices. Farm-gate prices in December 2024 increased by 10.1% compared to the same period in 2023. Purchase prices for crop products increased by 2.3%, while those for livestock and livestock products rose by 17.7%. According to preliminary data from the European Union's statistical office, oilseed rape yields are expected to increase by 17.3% in 2024, (both in terms of area and yield), barley yields increased by 29.9% (with an increase in both area and yield), while wheat yields fell by 5% as a result of the decrease in area.

Looking at longer-term trends, the situation in the agricultural sector continues to improve, and operational efficiency in the country is rising. Grain crop yields have nearly doubled over the past 10 years. There has been a significant increase in the sector's added value. This is driven by investments in agricultural machinery, farm consolidation, deepening and applying knowledge, and new technologies aimed at modernising agriculture. Over the past decade, substantial European Union structural fund support has been allocated to agriculture and rural development. The increase in support typically leads to higher land prices and rising land rental costs.

Recent years have seen significant influence on the growth of agricultural land prices due to increasing market participants' incomes and their activity in more expensive areas with developed communications, road, and service infrastructure. The value of agricultural land is also determined by adequate profitability of agricultural activities, supported by EU agricultural subsidies, and the consolidation of farms, where farms acquiring or leasing additional agricultural land can achieve economies of scale. The supply of agricultural land in Lithuania is quite active, but the reserve of attractive farming plots is dwindling. Large-scale farmers are expanding their holdings by purchasing smaller plots, but fewer are offered each year. More fertile plots are sold very quickly.

Restrictions on the acquisition of agricultural land in Lithuania and the continually rising cost of purchasing agricultural land increase the demand for and prices of land rentals. Young and large-scale farmers and agricultural companies are actively seeking land rentals, as leasing agricultural land increases the likelihood of purchasing it if the owners wish to sell their land.

In May 2014, amendments to the temporary law on the acquisition of agricultural land came into force, which prevented related persons from acquiring more than 500 hectares of land from the state or other individuals. On 1 January 2018, a new version of the Law on the Acquisition of Agricultural Land came into effect. Under the version of the law in force until 2018, only individuals with professional skills and competence – i.e., those meeting the qualification requirements set by the law – could acquire agricultural land. The new version of the law, effective from 1 January 2018, removed these qualification requirements. The Law on the Acquisition of Agricultural Land has adjusted the list of persons with a priority right to acquire private agricultural land. The wording of the law ensures the right to acquire land to persons who are engaged in agricultural activities. The new wording of the law prohibits the owner of a land plot from imposing a condition on the sale of the land plot, which stipulates that the person with the right of first refusal may only exercise the right of first refusal in the event of acquiring the land plot together with the other land plots being sold. This provision does not apply when the plots being sold are adjacent to each other. The version of the Law on the Acquisition of Agricultural Land that came into effect on 1 January 2018, stipulates that land purchase and sale transactions can only be conducted through bank transfers. The new version of the law also stipulates that related persons who own more agricultural land in Lithuania than specified by the law (300 hectares, or 500 hectares in certain cases) may enter into agricultural land transfer transactions among themselves, provided that the total area of agricultural land acquired by the related persons does not increase as a consequence of the conclusion of the transactions, and that the area of land owned by each of the persons concerned does not become larger than 500 hectares.

The Company INVL Baltic Farmland, AB owns 100% of the shares in 18 private joint-stock companies, which collectively hold approximately 3,000 hectares of agricultural land in Lithuania.

Since 30 June 2015, when a basic administration agreement was signed with INVL Farmland Management, a company managed by one of the largest asset management groups in the Baltic States, Invalda INVL the management of the land plots has been transferred to this company. On 28 December 2020, an amendment to the Basic Property Administration Agreement No. 20150630/01 was signed, extending the term of the administration agreement until 31 December 2025.

The existing restrictions on land acquisition mean that INVL Baltic Farmland, AB group companies can no longer directly invest in agricultural land in Lithuania, nor can they take control of companies holding agricultural land.

INVL Baltic Farmland is seeking to earn in the long run from the increase in land rent and from the growth of the value of land. According to the data of the property valuation conducted in Q4 2024, the value of the land plots has increased in the course of the year by 9.5% and reached EUR 22.736 million. One hectare is valued on average at EUR 7.38 thousand (divided by the total amount).

The following graph shows the difference of prices of agricultural land in Lithuania by region:

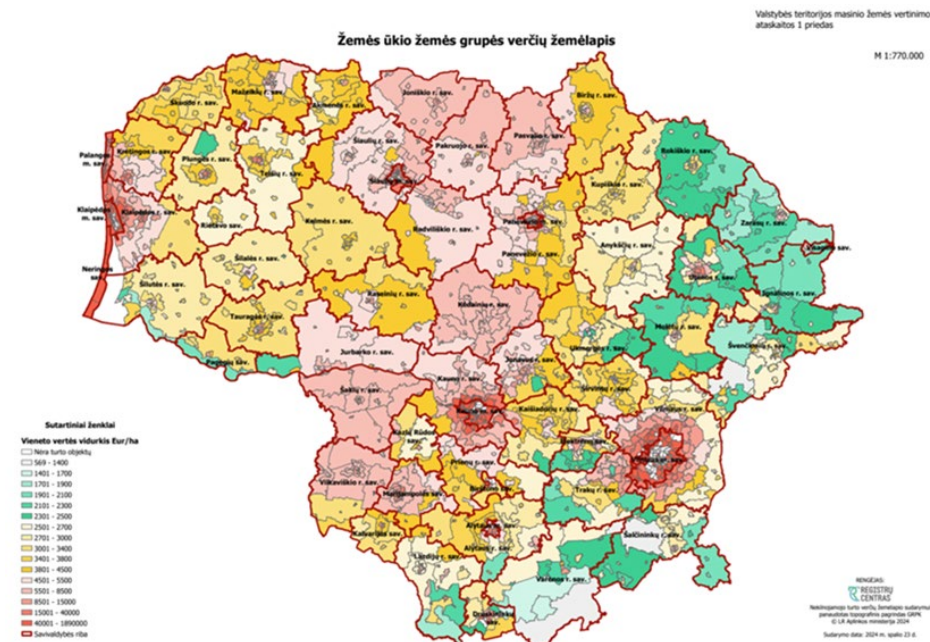


Fig. 15.1.1. Map on values of land qualified as agricultural land in Lithuania.

Source: the Centre of Registers (data as of 23 October 2024)

https://www.registrucentras.lt/bylos/dokumentai/ntr/masvert/zem_zu202410.pdf

Group key figures

	30 June 2023	30 June 2024	30 June 2025
Controlled cultivated cropland area, ha	2,963	2,963	2,963
Book value of land*, EUR thousand	18,092	20,756	22,736
Average rental income per hectare, EUR (not included the variable part of the rent, equal to the land lease payment payable to the state)	256	272	288
Consolidated equity, EUR thousand	15,869	18,132	19,599
Book value of one share, EUR	4.92	5.62	6.07

*Investment properties are stated at fair value and are valued by accredited valuer UAB korporacija Matinkai using sales comparison method. The valuation was performed in December 2022, 2023 and 2024.

The balance sheet and profit (loss) summary reports

Balance sheet, thousand EUR	Group		
	30 June 2023	30 June 2024	30 June 2025
Investment property	18,092	20,756	22,736
Trade and other receivables	298	355	361
Cash	140	100	120
Other assets	3	1	5
Deferred income tax liabilities	2,012	2,425	2,904
Deferred revenues	379	402	426
Other liabilities	273	253	293
Consolidated equity	15,869	18,132	19,599



Profit (loss)	01.01.2023- 30.06.2023	01.01.2024- 30.06.2024	01.01.2025- 30.06.2025
Revenue	379	402	427
Reversal of impairment (impairment) of trade receivable	2	(7)	-
Income before tax	238	266	290
Net profit	218	226	244

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

Significant Issuer's events

Financial results and information related to the dividends

- On 28 February 2025, the audited 2024 results of INVL Baltic Farmland AB were published. The audited consolidated and Company net profit of INVL Baltic Farmland, AB Group for 2024 amounts to EUR 1,836,000 and the Group's revenue to EUR 835,000.
- On 21 March 2025, INVL Baltic Farmland, AB announced that it expects to generate revenues of EUR 890,000 and consolidated net profit of EUR 460,000 in 2025.
- On 13 May 2025, the Company, implementing the decision of the shareholders' meeting on the distribution of the Company's profit, and announced the dividend payment procedure for 2024. The Ordinary General Meeting of Shareholders of INVL Baltic Farmland, AB decided to distribute dividends of EUR 0.12 per share. Dividends were received by those persons who were shareholders of the Company on 29 April 2025. The Company announced that it would pay out dividends starting from 14 May 2025.
- On 20 May 2025, the Company announced that the unaudited consolidated net profit of the INVL Baltic Farmland, AB Group for the 3 months amounted to EUR 124,000 and revenue to EUR 213,000.

General Shareholders Meeting

- On 21 March 2025, the Company announced that it would convene an Ordinary General Meeting of Shareholders on 14 April 2025 and informed shareholders of the agenda and draft resolutions of the General Meeting. On 14 April 2025, INVL Baltic Farmland, AB announced the decisions of the shareholders' meeting: the meeting took note of the Company's consolidated annual management report, the independent auditor's report on the Company's financial statements and the consolidated annual management report, approved the consolidated and the Company's financial statements for 2024, the remuneration report and resolved to distribute the Company's profit (with dividends of EUR 0.12 per share). It also adopted the decisions to elect Company's Audit Committee members, determine the remuneration of the Audit Committee members, to approve new version of the regulations of the Audit Committee and a decision on the repurchase of the Company's own shares and the Audit Committee's report.

Significant changes in the information disclosed in the consolidated annual management report and significant events of the group

During the six months of 2025 there were no other significant changes rather than disclosed in the latest Consolidated annual management report of the Company and above. The companies during the reporting period rented agricultural land for farmers and agricultural companies and performed usual.

16. A description of the principal advantages, uncertainties encountered, risks and uncertainties

During the six months of 2025 there were no material changes from the information about the principal risks and uncertainties disclosed in the latest annual management 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 management report of the Company.

Principal risk and uncertainties of the Company are published in the web page of INVL Baltic Farmland, AB (all the information is disclosed in the Company's web site section „Investor relations“ → „Investment Risks“. The link is provided:

<https://invlbalticfarmland.com/en/investor-relations/investment-risks/>

17. Significant investments made during the reporting period

During the reporting period INVL Baltic Farmland, AB has not made any acquisitions.

18. Information on the related parties' transactions

Information on the related parties' transactions is disclosed in 8 point of explanatory notes of consolidated interim condensed financial statements for the six months ended 30 June 2025.



19. Estimation of Issuer's and Group's activity plans and forecasts

Taking into consideration the lease agreements, total income of INVL Baltic Farmland, AB should be around EUR 890 thousand in 2025. Net profit for the year is expected to be around EUR 460 thousand. As regards the Company's operating forecasts for this year, which assume no change in the value of the company's land holdings, no land purchase or sale transactions, and no changes in provisions for receivables, INVL Baltic Farmland's, AB first-half revenue was 48% of the full-year forecast (EUR 427 thousand), while net profit was 53% of the amount forecast for the year (EUR 244 thousand).

20. Information related to the compliance with the Governance Code

During the six months of 2025 there were no significant changes in principles and recommendations contained in the Governance Code rather than disclosed in the latest Consolidated annual management report of the Company.

21. Information about the Company's management and remuneration

During the six months of 2025 there were no significant changes related to the information about the Company's management and remuneration rather than disclosed in the latest Consolidated annual management report of the Company.

Director

Eglė Surplienė