



INVL

TECHNOLOGY

SPECIAL CLOSED-END TYPE PRIVATE CAPITAL INVESTMENT COMPANY'S

INVL TECHNOLOGY

ANNUAL REPORT, COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021 PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

<p>Kazimieras Tonkūnas</p> <p>Chairman of the Investment Committee of INVL Technology, signs the Company's financial statements for the year 2021, also Annual Report for the year 2021 and Confirmation of responsible persons with a qualified electronic signature.</p>	<p>Agnė Vainauskienė</p> <p>Chief financier of the Management Company of INVL Technology, signs the Company's financial statements for the year 2021 and Confirmation of responsible persons with a qualified electronic signature.</p>
--	---

CONFIRMATION OF RESPONSIBLE PERSONS

6 April 2022

Following the Information Disclosure Rules of the Bank of Lithuania and the Law on Securities (Article 12) of the Republic of Lithuania, management of INVL Technology hereby confirms that, to the best of our knowledge, the attached Company's financial statements for the year 2021 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give true and fair view of the assets, liabilities, financial position and profit or loss of INVL Technology.

Presented Annual Report for the year 2021 includes a fair review of the development and performance of the business and position of the company and its companies' group in relation to the description of the main risks and contingencies faced thereby.

ENCLOSED:

1. Company's financial statements for 2021.
2. Annual Report for 2021.

Chairman of the Investment Committee
of INVL Technology

Kazimieras Tonkūnas

Chief Financier of the Management Company
INVL Asset Management

Agnė Vainauskienė

Translation note:

This version of the financial statements has been prepared in Lithuanian and English languages. In all matters of interpretation of information, views or opinions, the Lithuanian language version of the financial statements takes precedence over the English language version.

TABLE OF CONTENTS

COMPANY'S FINANCIAL STATEMENTS:

BASIC DETAILS	4
STATEMENT OF COMPREHENSIVE INCOME	5
STATEMENT OF FINANCIAL POSITION.....	6
STATEMENT OF CASH FLOWS	7
STATEMENT OF CHANGES IN EQUITY	8
NOTES TO THE FINANCIAL STATEMENTS	9
1 General information	9
2 Basis of preparation and accounting policies.....	10
3 Accounting estimates and judgements	15
4 Financial assets at fair value through profit or loss.....	16
5 Cash and cash equivalents	20
6 Other receivables	20
7 Bonds and loans.....	21
8 Reserves	21
9 Provisions.....	22
10 Other current liabilities.....	22
11 Net Asset Value (a non-IFRS measure)	22
12 Dividends and interest income.....	23
13 Other expenses	23
14 Income tax.....	23
15 Earnings per share	23
16 Related-party transactions.....	24
17 Segment reporting	25
18 Financial instruments by category	25
19 Financial risk management.....	26
20 Covid - 19.....	29
21 Events after the reporting period	29
ANNUAL REPORT	30

BASIC DETAILS

Management

Supervisory Board

Audrius Matikiūnas
Indrė Mišeikytė
Gintaras Rutkauskas

Management Company

INVL Asset Management UAB

Investment committee

Mr Kazimieras Tonkūnas (Chairman)
Mrs Vida Tonkūnė
Mr Vytautas Plunksnis
Mr Nerijus Drobavičius

Depository

AB SEB bank

Address of registered office and company code

Registered office address:
Gynėjų g. 14,
Vilnius,
Lithuania

Company code 300893533

Banks

AB SEB bank

These financial statements were authorised for issue by the Management Company and signed on 6 April 2022.

Kazimieras Tonkūnas
Chairman of the Investment Committee
INVL Technology

Agnė Vainauskienė
Chief financier at INVL Asset
Management UAB

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021	2020
Income			
Net change in fair value of financial assets	4	2,713	6,740
Dividend income		1,415	-
Interest income	12	25	150
Total net income		4,153	6,890
Management fee	2.8	(603)	(471)
Success fee	9	(804)	(1,535)
Other expenses	2.8, 13	(125)	(117)
Total operating expenses		(1,532)	(2,123)
Operating profit (loss)		2,621	4,767
Finance costs		-	-
Profit (loss) before tax for the reporting period		2,621	4,767
Income tax expense		-	-
Profit (loss) for the reporting period		2,621	4,767
Other comprehensive income for the reporting period, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		2,621	4,767
Basic and diluted earnings (deficit) per share (in EUR)	15	0,22	0.39

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2021	As at 31 December 2020
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	4	35,365	32,652
Loans	7	1,189	-
Total non-current assets		36,554	32,652
Current assets			
Other receivables	6	-	2
Bonds	7	-	408
Loans	7	-	151
Cash and cash equivalents	5	2,097	2,191
Total current assets		2,097	2,752
Total assets		38,651	35,404
EQUITY AND LIABILITIES			
Equity			
Share capital	1	3,531	3,531
Share premium		8,268	8,268
Own shares		(296)	-
Reserves	8	10,229	10,154
Retained earnings		14,393	11,772
Total equity		36,125	33,725
Liabilities			
Provisions for success and accrued management fees	9	2,339	1,535
Total long term liabilities		2,339	1,535
Current liabilities			
Trade payables		-	1
Other current liabilities	10	187	143
Total current liabilities		187	144
Total liabilities		2,526	1,679
Total equity and liabilities		38,651	35,404

STATEMENT OF CASH FLOWS

	Notes	2021	2020
Cash flows from operating activities			
Net profit for the reporting period		2,621	4,767
Adjustments for:			
Dividend income		(1,415)	-
Interest income	12	(25)	(150)
Net change in fair value of financial assets	4	(2,713)	(6,740)
Provisions for success and accrued management fees	9	804	1,535
		(728)	(588)
Changes in working capital:			
Decrease (increase) in other current assets		1	(1)
Dividends received	12	1,415	39
Increase (decrease) in other current liabilities	10	44	22
Cash flows from (used in) operating activities		1,460	60
Income tax paid		-	-
Net cash flows from (used in) operating activities		732	(528)
Cash flows from investing activities			
Interest received	16	15	114
Loans (granted)	16	(1,675)	(375)
Loan repayments received	16	650	1,109
Bonds redemption	16	405	470
Net cash flows from (used in) investing activities		(605)	1,318
Cash flows from financing activities			
Repurchase of own shares		(296)	-
Received payments for share based awards		75	-
Net cash flows from (used in) financing activities		(221)	-
Foreign exchange effect on the balance of cash and cash equivalents			
		-	-
Net increase (decrease) in cash and cash equivalents		(94)	790
Cash and cash equivalents in the beginning of the		2,191	1,401
Cash and cash equivalents at the end of the period	5	2,097	2,191

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Own shares	Legal reserve	Reserve for acquisition of own shares	Reserves for share-based payments	Retained earnings	Total
Balance at 31 December 2019	3,531	8,268	-	354	9,800	-	7,005	28,958
Redistribution of retained earnings to the reserves	-	-	-	-	-	-	-	-
Total transactions with owners of the Company, recognised directly in equity	-	-	-	-	-	-	-	-
Net profit (loss) for 2020	-	-	-	-	-	-	4,767	4,767
Total comprehensive income for 2020	-	-	-	-	-	-	4,767	4,767
Balance at 31 December 2020	3,531	8,268	-	354	9,800	-	11,772	33,725
Purchase of own shares	-	-	(296)	-	-	-	-	(296)
Share based payments	-	-	-	-	-	75	-	75
Redistribution of retained earnings to the reserves	-	-	-	-	-	-	-	-
Total transactions with owners of the Company, recognised directly in equity	-	-	(296)	-	-	75	-	(221)
Net profit (loss) for 2021	-	-	-	-	-	-	2,621	2,621
Total comprehensive income for 2021	-	-	-	-	-	-	2,621	2,621
Balance at 31 December 2021	3,531	8,268	(296)	354	9,800	75	14,393	36,125

NOTES TO THE FINANCIAL STATEMENTS

1 General information

INVL Technology UTIB (company code 300893533, hereinafter “the Company”) is a closed-ended type investment company registered in the Republic of Lithuania. The Company’s registered office address is Gynėjų g. 14, Vilnius, Lithuania.

On 14 July 2016 the Company has been issued a closed-ended type investment company (UTIB) license by the Bank of Lithuania. Under the company’s Articles of Association, INVL Technology UTIB will operate until 14 July 2026, with extension possible for further two years. With the status of an investment entity, the Company’s activities are supervised by the Bank of Lithuania, thereby providing additional security to the investors.

INVL Technology strategy is to invest in national-level European IT businesses with high globalisation potential and grow them into global players by utilizing the sales channels and intellectual capital of the managed companies.

Based on the Management Company’s INVL Asset Management Board decision the Investment Committee was formed in order to ensure efficiency and control of investments. The Investment Committee consists of 4 (four) representatives of the Management Company (employees, members of management bodies of the Management Company, other persons appointed by a decision of the Board of the Management Company). The purpose of the Investment Committee is to ensure the Managed Company’s objectives, its investment strategy and the adoption of prudent decisions for the investment and management of the Managed Company’s assets, to supervise the adopted decisions. On 29 April 2021, the Company approved the establishment of the Supervisory Board of the Company which replaced the Advisory Committee, formed back in April 2017. The purpose of the Supervisory Board is to ensure the representation of the interests of the Company’s shareholders, the accountability of this body to the shareholders and the objective and impartial supervision of the Company’s activities. The Supervisory Board consists of three members who are appointed and removed by the Board of the Managing Company.

The Company operates as a cluster of IT businesses working with large corporate and public entities. The entities managed by the Company are classified into 3 functional groups: business climate improvement and e-government, IT services and software, and cyber security. NRD Group companies belong to the business climate improvement and e-government group, the cyber security group covers NRD CS, whereas the IT services and software group is formed by joining the areas of IT infrastructure and IT intensive industries’ solutions. At the end of 2021 INVL Technology portfolio consists of 18 operating companies. At the end of 2020 INVL Technology portfolio consisted of 17 operating companies. The major investments of INVL Technology are currently in businesses based in Lithuania, Estonia, Norway, Moldova, Tanzania, Rwanda, Uganda and Bangladesh.

The Company has an agreement on depository services with SEB Bankas which acts as depository of the Company’s assets.

The Management Company manages the portfolio of investment instruments of the Company following principles of diversification set in the Articles of Association (the conformity of the portfolio of investment instruments of the Company to those principles shall be achieved within four years from the date the Bank of Lithuania issued a permission to certify Company’s incorporation documents and to choose the Depository). The Company cannot invest more than 30% of net asset value of the Company into any single issuer of the instrument. The indicator may be exceeded up to 4 years after the date the Company became a closed-ended investment company. More detailed requirements are lined out in the Articles of Association of the Company and in Note 19.1.

As at 31 December 2021 and 2020, the Company’s authorised share capital was divided into 12,175,321 ordinary registered shares with par value of EUR 0.29 each. All the shares of the Company have been fully paid. The Company’s subsidiaries hold no shares of the Company. The shareholders holding ownership to or otherwise controlling over 5% of the Company’s authorised share capital (by number of votes held) are as follows as of 31 December 2021 and 31 December 2020:

	Number of shares held as at 2021.12.31	Percentage share of share capital 2021.12.31	Number of shares held as at 2020.12.31	Percentage share of share capital 2020.12.31
LJB Investments UAB	2,424,152	19,91%	2,424,152	19.91%
Invalda INVL AB	1,873,678	15,39%	1,830,947	15.04%
Ms Irena Ona Mišeikienė	1,466,421	12,04%	1,466,421	12.04%
Lietuvos Draudimas AB	909,090	7,47%	909,090	7.47%
Mr Kazimieras Tonkūnas	675,452	5,55%	675,452	5.55%
Mr Alvydas Banys	618,745	5,08%	618,745	5.08%
Company (own shares)	107,686	0,88%	-	-
Other minor shareholders	4,100,097	33,68%	4,250,514	34.91%
Total	12,175,321	100,00%	12,175,321	100.00%

The Company’s shares are traded in the Baltic Secondary List of NASDAQ Vilnius stock exchange.

In 2021 and 2020 the Company did not have own employees.

2 Basis of preparation and accounting policies

2.1 Basis of preparation

Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Company meets the definition criteria of an investment entity under IFRS 10. The Company has no subsidiaries that provide services related to the Company's investment activities – therefore no subsidiaries to be consolidated – and the Company does not prepare consolidated financial statements.

These financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value through profit or loss (portfolio companies). The financial statements are presented in EUR thousands, and all the amounts have been rounded to the nearest thousand unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3. Although these estimates are based on management's best knowledge of current circumstances, events or actions, actual results may ultimately differ from these estimates.

Amendments to standards and their interpretations

Adoption of new and/or changed IFRSs and International Financial Reporting Interpretations Committee (IFRIC) interpretations.

a) *The following IFRSs, amendments thereto were adopted by the Company for the first time in the financial year ended 31 December 2021:*

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest rate benchmark (IBOR) reform – phase 2 (effective for annual periods beginning on or after 1 January 2021)

The Phase 2 amendments address issues that arise from the implementation of the reforms (among which - accounting for changes in the basis for determining contractual cash flows as a result of IBOR reform, end date for Phase 1 relief for non-contractually specified risk components in hedging relationships, additional temporary exceptions from applying specific hedge accounting requirements, additional IFRS 7 disclosures related to IBOR reform) including the replacement of one benchmark with an alternative one. In the opinion of the Company, these amendments had no significant impact on the Company's financial statements (Note 19.1).

- Amendments to IFRS 16 Covid-19-Related Rent Concessions – (effective for annual periods beginning on or after 1 January 2021)

The amendments provided lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. In the opinion of the Company, these amendments had no significant impact on the Company's financial statements.

b) *Standards, interpretations and amendments thereto that are not yet effective and have not been early adopted by the Company:*

- Covid-19-related rent concessions – Amendments to IFRS 16

In May 2020 an amendment to IFRS 16 was issued that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19, resulting in a reduction in lease payments due on or before 30 June 2021, was a lease modification. An amendment issued on 31 March 2021 extended the date of the practical expedient from 30 June 2021 to 30 June 2022. In the opinion of the Company, these amendments will have no significant impact on the Company's financial statements.

c) *Standards, interpretations and amendments that have not been adopted by the European Union and that have not been early adopted by the Group and the Company:*

- Classification of liabilities as current or non-current – Amendments to IAS 1
- Classification of liabilities as current or non-current, deferral of the effective date – Amendments to IAS 1
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies
- Amendments to IAS 8: Definition of Accounting Estimates

The Company is currently assessing the impact of these amendments on the Company's financial statements.

There are no other new standards, amendments to the existing standards or interpretations that are not yet effective and that could have a material impact on the Company.

2 Basis of preparation and accounting policies (cont'd)

2.2 Investment entity and consolidated financial statements

Investment entity

The Company has multiple unrelated investors. The Company has multiple investments. Ownership interests in the Company are in the form of equity securities issued by the Company – ordinary registered shares. In accordance with IFRS, the Company meets all the requirements for an investment entity:

- (i) The Company obtains funds from investors for the purpose of providing them with investment management services.
- (ii) The Company commits to investors that its business purpose is to invest for capital appreciation, investment income or both;
- (iii) The management measures and evaluates its investments and makes investment decisions on a fair value basis as a key criterion.

Subsidiaries

The Company meets the definition of an investment entity as defined by IFRS 10 and is required to account for the investments in its subsidiaries at fair value through profit and loss. The fair value of subsidiary investments is determined on a consistent basis as described in the Note 4.

Where the Company is deemed to control an underlying portfolio company, whereby the control is exercised via voting rights or indirectly through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are also not consolidated and are instead reflected at fair value through profit or loss.

2.3 Functional and presentation currency

The financial statements are prepared in euros (EUR), which is the Company's functional and presentation currency. Amounts are rounded to the nearest thousand (EUR thousand) unless otherwise stated. Due to the rounding effects, the totals in the tables may not add up.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rates prevailing at the year end. All translation differences are accounted for in profit or loss. All non-monetary items carried at historical cost and denominated in foreign currency are translated using the exchange rates prevailing at the dates of original transactions. All non-monetary items carried at fair value and denominated in foreign currency are translated using the exchange rates prevailing at the dates of fair value measurement.

2.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investments that are not traded in active markets is determined by using valuation techniques. Such valuation techniques may include the most recent transactions in the market, the market price for similar transactions, discounted cash flow analysis or any other valuation models.

At the end of each reporting period fair values for unlisted equity securities are determined by the external qualified valuer using valuation techniques. Such valuation techniques may include earnings multiples (based on the budget earnings or historical earnings of the issuer and earnings multiples of comparable listed companies) and discounted cash flows (based on the expected future cash flows discounted at an appropriate discount rate). The Company adjusts the valuation model as deemed necessary for factors such as non-maintainable earnings, seasonality of earnings, market risk differences in operations relative to the peer multiples etc. The valuation techniques also consider the original transaction price and take into account the relevant developments since the acquisition of the investments and other factors pertinent to the valuation of the investments, with reference to such rights in connection with realisation, recent third-party transactions of comparable types of instruments, and reliable indicative offers from potential buyers. In determining fair value, the Company may rely on the financial data of investee portfolio companies and on estimates by the management of the investee portfolio companies as to the effect of future developments. Although the external qualified valuer uses its best judgement, and cross-references results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques. Whilst the fair value estimates presented herein attempt to present the amount the Company could realise in a current transaction, the final realisation may be different as future events will also affect the current estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

Where portfolio investments are held through subsidiary holding companies, the net assets of the holding company are added to the value of the portfolio investment being assessed to produce the fair value of the holding company held by the Company.

2 Basis of preparation and accounting policies (cont'd)

2.5 Financial assets

Financial assets within the scope of IFRS 9 are classified as:

- financial assets at fair value through profit or loss,
- financial assets at fair value, recognizing the change in fair value as other comprehensive income,
- or financial assets measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies its investments in equity securities as financial assets measured at fair value through profit or loss.

Gains or losses arising from changes in the fair value of financial assets at fair value through profit or loss are recognized in the income statement under "Net change in fair value of financial assets". Dividends on investments are recognized in the income statement under "Dividend income" when the right to pay dividends is established. Assets in this category are classified as current assets if the payment is settled within 12 months; otherwise, it is recorded as non-current assets.

As the business model for the Company's bonds and loans granted is held to collect contractual cash flows and they are solely payments of principal and interest, the Company classifies these financial assets as measured at amortised cost. This category also includes other receivables and cash and cash equivalents. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

The value of financial assets at amortized cost at the balance sheet date is determined using the effective interest method, less impairment.

Financial assets are recognised at fair value when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

2.6 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company follows a three-stage model for impairment for financial assets other than trade receivables:

- Stage 1 – balances, for which the credit risk has not increased significantly since initial recognition, or that have low credit risk at the reporting date. For these assets, 12-month expected credit losses ('ECL') are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months;
- Stage 2 – comprises balances for which there have been a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest revenue is still calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument. Expected credit losses are the weighted average credit losses with the probability of default ('PD') as the weight;
- Stage 3 – comprises balances with objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance).

Loans granted and bonds purchased are considered to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The financial assets are considered as credit-impaired, if objective evidence of impairment exists at the reporting date. Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in payments, the probability that they will enter bankruptcy or other financial reorganisation.

Financial assets are written off, in whole or in part, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectible.

For other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Trade receivables are classified either to Stage 2 or Stage 3:

2 Basis of preparation and accounting policies (cont'd)

2.6 Impairment of financial assets (cont'd)

- Stage 2 – comprises receivables for which the simplified approach was applied to measure the expected lifetime credit losses, except for certain trade receivables classified in Stage 3;
- Stage 3 – comprises trade receivables which are overdue more than 90 days or individually identified as impaired.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less.

2.8 Success fee and Management fee

The Management Fee is the remuneration paid to the Management Company for management of the assets of the Company, which is payable for each quarter of a calendar year and is 0,5 percent of the weighted average capitalisation of the Company, calculated according to the Articles of Association. The Management Fee during Investment Period for a full quarter is 0,625 percent (Investment Period is five years after obtaining a license for the Company (Note 1)). The Management Fee for the Investment Period is disbursed according to the following rules:

- 80 percent of the Management Fee is paid not later than 5 Business Day after the last day of the quarter of a calendar year;
- 20 percent of the Management Fee (total amount cannot exceed EUR 750 thousand) is disbursed with the first disbursement of Success Fee; if Success Fee is not disbursed, this portion of Management Fee is not payable.

After Investment Period Management Fee is payable for each quarter of a calendar year and is 0,5 percent of the weighted average capitalisation of the Company, calculated according to the Articles of Association.

The Success Fee depends on the return earned by the Company, which shall be calculated for the whole Company but not for an individual shareholder and is based on internal rate of return. The Success Fee is disbursed after annual internal rate return of disbursements reaches annual rate of 8 percent during lifetime of the Company. The basis of calculation of annual internal rate of return is initial net assets value of the Company as of 13 July 2016 and is equal to EUR 23,906,150.

After internal rate of return reaches 8 percent, excess return earned is allocated as the Success Fee until total return on investment is distributed according to the proportion of 80/20 (20 percent of the return is the Success Fee payable to the Management Company). Any amounts exceeding aforementioned return are disbursed to the shareholders after 20 percent deduction as the Success Fee payable to the Management Company.

The Success Fee shall be disbursed to the Management Company only after the Shareholders are paid their initial investment with average annual return of 8 percent. Until then, the Success Fee shall be accumulated and reflected in financial statements as a liability to the Management Company according to the accounting policy. The Success Fee shall be disbursed to the Management Company each time when funds are disbursed to Shareholders if the condition provided above is satisfied.

2.9 Financial liabilities

The Company recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at fair value through profit or loss) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost using the effective interest method. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Other short term liabilities

Other short term liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). These financial liabilities are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Management fee

Non-contingent Management Fee payable quarterly is recorded as a financial liability and is measured at amortised cost.

Success fee

The Success Fee is accounted as a provision on a quarterly basis until the conditions, as described in note 2.8, for the payment of the Performance Fee are satisfied, when payable part of the Success Fee is recorded as financial liability and is further accounted for at amortised cost.

2 Basis of preparation and accounting policies (cont'd)

2.10 Borrowing costs

Borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Revenue recognition

The Company recognizes revenue when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow and certain criteria are met for each of the Company's activities as described below.

The following criteria also apply to income recognition:

Profit from investment transfer

Investment gains / losses are recognized when the significant portion of the risks and rewards of ownership of the investment is transferred to the buyer. Gains / losses on investments are disclosed in conjunction with changes in the fair value of investments.

Interest Income

Interest income is recognized on an accrual basis using the effective interest rate that is used to discount accurately the estimated future cash inflows over the expected useful life of the financial instruments to their net carrying amount.

Dividend income

Dividend income is recognized in the period in which the Company's right to receive payment is established.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognised in equity as a deduction, net of tax, from share premium.

The financial instrument (shares of the Company) include legal obligation for the issuing entity to deliver pro rata share of its net assets upon liquidation, which is certain to occur as the Company has finite life (Note 1). However, the shares of the Company meet the following conditions, thus shares of the Company are treated as equity:

- It entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its asset;
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.

2.13 Share-based payments

As at 31 December 2021, the Company's subsidiaries maintained a share-based payment scheme for the Subsidiaries' employees remuneration. According to this program part of employee remuneration is settled in equity. Grant date is the date at which the Company, Subsidiary and the employee agree to a share-based payment arrangement, and requires that the entity, Subsidiary and the employee have a shared understanding of the terms and conditions of the arrangement. If the employee services is rendered before grant date, the Company estimating the fair value of the equity instruments is by assuming that grant date is at the reporting date. Once grant date has been established, the Company revises the earlier estimates so that the amounts recognised for services received are based on the grant-date fair value of the equity instruments. Options under this programme will vest notwithstanding any other conditions and is a non-optional part of remuneration. The option holder acquires the ownership right to the option shares after the agreed period (5 years). Under certain conditions ownership rights could be exercised earlier.

The fair values of options granted were determined using the purchase price of own shares as at 10 November 2021. All options granted during 2021 was for the remuneration related to 2020 and are fully vested.

In total, EUR 75 thousand of employee remuneration was levied by the Company to its subsidiaries has been paid by the Subsidiaries and included in reserve for share-based payments. When the options are exercised, the Company sells own shares.

In its separate financial statements the grant by the Company of options over its equity instruments to the employees of subsidiary undertakings is treated as a reserve for share-based payments. The fair value of employee services received, measured by reference to the grant date fair value is recognized as a change in the investment in the subsidiary by adjusting for the change in the value of the investment.

2.14 Net Asset Value

Net asset value is a non-IFRS financial measure disclosed by the Company and means the difference between the carrying amount of the total assets owned by the Company reduced by the long-term and current liabilities of the Company, i.e. residual interest in the entity by the shareholders and equals to the total equity of the Company.

2 Basis of preparation and accounting policies (cont'd)

2.15 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Management Company that makes strategic decisions. All financial information, including the measure of profit, total assets and total liabilities, is analysed as a single operating segment – investments in information technology businesses, therefore, it is not further disclosed in these financial statements.

2.16 Current and deferred income tax

Following the provisions of the Lithuanian Law on Corporate Income Tax, investment income of closed-end investment companies operating in accordance with the Lithuanian Law on Collective Investment Undertakings shall not be subject to income tax.

2.17 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the profit or loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for success fee and part of management fee

The Company is obliged to pay success fee and part of the management fee to the management company under certain circumstances (note 2.8).

As management services are provided during the period, provision for success and part of management fee should be recognised when the Company has a present obligation (legal or constructive) as a result of a past event (the annual return of the Company exceeds hurdle rate of 8%). The amount to be recognized equals the best estimate of economic resources needed to cover the obligation.

3 Accounting estimates and judgements

3.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in these financial statements:

Investment entity status

The management periodically reviews whether the Company meets all the definition criteria of an investment entity. In addition, the management assesses the Company's business objective (Note 1), investment strategy, origin of income and fair value valuation techniques. According to the management, the Company met all the definition criteria of an investment entity throughout all the periods presented in these financial statements.

3.2 Accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The significant areas of estimation used in the preparation of these financial statements are discussed below.

Fair value of investments that are not traded in an active market

Fair values of investments in subsidiaries that are not traded in an active market are determined by using valuation techniques, primarily discounted cash flows, income multipliers and last comparable transactions. The valuation techniques used to determine fair values are periodically reviewed and compared against historical results to ensure their reliability. Details of the inputs and valuation models used to determine Level 3 fair value are provided in Note 4.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
(All amounts are in EUR thousands unless otherwise stated)

3 Accounting estimates and judgements (cont'd)

3.2 Accounting estimates and assumptions (cont'd)

Provision for success fee and accrued part of management fee

As described in Notes 2.9 and 2.17, if the conditions provided for in the Company's Articles of Association are met, the Company has an obligation to pay a success fee and a cumulative part of the management fee to the Management Company. Since the Company's estimated return as at 31 December 2021 exceeded the minimum return barrier over the entire Company's period, i.e. a binding past event occurred, the Company calculated a provision for success and accrued management fees. The Company estimates that the best estimate of the provision for the performance fee and the accrued management fee is the excess of the actual earnings as at 31 December 2021 over the minimum return barrier that would have been paid to the Management Company if the Company had sold all its investments at the balance sheet date at the fair value of the investments determined in the balance sheet. This method of calculation is based on the assumption that the fair value of the investment presented in the balance sheet is the best estimate of the possible selling price of the investment at the balance sheet date. If the actual selling price of the investment were 5 % higher, the amount of the provision would increase by EUR 1,768 thousand, and if the selling price were 5% lower, provision would decrease by EUR 1,768 thousand.

4 Financial assets at fair value through profit or loss

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Company's financial assets at fair value through profit or loss included assets attributed to Level 3 in the fair value hierarchy. The Company has no Level 1 or Level 2 instruments.

The table below presents the Company's direct and indirect investments in unconsolidated subsidiaries as at **31 December 2021**:

Name	Country of incorporation	Shares (voting rights) held directly/indirectly by the Company, (%)	Profile of activities
Novian UAB	Lithuania	100	Investing in IT companies
Novian Technologies UAB* **	Lithuania	100	Information technology solutions
NRD Companies AS	Norway	100	Information technology solutions
Norway Registers Development AS*	Norway	100	Information technology solutions
NRD Systems UAB*	Lithuania	95.91	Information technology solutions
Etronika UAB*	Lithuania	90	Information technology solutions
Norway Registers Development Rwanda Ltd*	Rwanda	100	Information technology solutions
Infobank Uganda Ltd*	Uganda	30	Information technology solutions
NRD CS UAB	Lithuania	100	Information technology solutions
Novian Systems UAB* **	Lithuania	100	Information technology solutions
Andmevara SRL*	Moldova	100	Information technology solutions
Andmevara Services OU*	Estonia	100	Information technology solutions
Andmevara AS*	Estonia	100	Information technology solutions
FINtime UAB	Lithuania	100	Business process outsourcing
NRD Bangladesh Ltd*	Bangladesh	100	Information technology solutions
NRD AS Lithuania*	Lithuania	100	Information technology solutions
Zissor AS*	Norway	100	Information technology solutions
Elsis PRO UAB*	Lithuania	100	Information technology solutions

* These entities were indirectly controlled by the Company as at 31 December 2021.

** As of 8 December 2020, BAIP and Algoritmu Sistemas have changed their names to Novian Technologies and Novian Systems respectively.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
(All amounts are in EUR thousands unless otherwise stated)

4 Financial assets at fair value through profit or loss (cont'd)

The table below presents the Company's direct and indirect investments in unconsolidated subsidiaries as at **31 December 2020**:

Name	Country of incorporation	Shares (voting rights) held directly/indirectly by the Company, (%)	Profile of activities
Novian UAB	Lithuania	100	Investing in IT companies
Novian Technologies UAB* **	Lithuania	100	Information technology solutions
NRD Companies AS	Norway	100	Information technology solutions
Norway Registers Development AS*	Norway	100	Information technology solutions
NRD Systems UAB*	Lithuania	95.91	Information technology solutions
Etronika UAB*	Lithuania	90	Information technology solutions
Norway Registers Development Rwanda Ltd*	Rwanda	100	Information technology solutions
Infobank Uganda Ltd*	Uganda	30	Information technology solutions
NRD CS UAB	Lithuania	100	Information technology solutions
Novian Systems UAB* **	Lithuania	100	Information technology solutions
Andmevara SRL*	Moldova	100	Information technology solutions
Andmevara Services OU*	Estonia	100	Information technology solutions
Andmevara AS*	Estonia	100	Information technology solutions
FINtime UAB	Lithuania	100	Business process outsourcing
NRD Bangladesh Ltd*	Bangladesh	100	Information technology solutions
NRD AS Lithuania	Lithuania	100	Information technology solutions
Zissor AS*	Norway	100	Information technology solutions

* These entities were indirectly controlled by the Company as at 31 December 2020.

** As of 8 December 2020, BAIP and Algoritmu Sistemas have changed their names to Novian Technologies and Novian Systems respectively

The Company conducts an independent valuation of its investments in subsidiaries when preparing the annual financial statements. As at 31 December 2021 and 31 December 2020, the valuation was carried out by Deloitte Verslo Konsultacijos UAB using the income approach. In the opinion of the management, the fair value of investments was determined appropriately using the inputs and ratios properly selected and reasonably reflecting the investments. The fair value of investments was determined in compliance with the International Valuation Standards approved by the International Valuation Standards Council. For the income approach, the discounted cash flow method was used. It was based on free cash flow forecasts made by management for the period of 5 years.

The fair values of the Company's unconsolidated subsidiaries were as follows:

Name	At 31 December 2021	At 31 December 2020
Novian UAB Group*	19,599	19,740
NRD Group**	6,561	7,144
NRD CS UAB	8,971	5,535
FINtime UAB	234	233
Total	35,365	32,652

* Novian UAB group consisted of Novian UAB together with the entities controlled by it – Novian technologies UAB, , Anmevara Services OU, Andmevara AS, Andmevara SRL, Zissor AS, Novian systems UAB.

** Includes all NRD Group companies

The subsidiaries of the Company as at 31 December 2021 did not have any significant restrictions on the repayment of dividends to the Company from non-consolidated subsidiaries or the Company's loans to unconsolidated subsidiaries with the exception of Novian UAB subordination agreement which has been signed between the Company, Novian UAB and Citadele Bank regarding the loan agreement that was signed on 18 October 2021. The repayment term of Citadele bank credit is 30 September 2022 whereas the loan repayment to The Company is 31 October 2023.

Due to changes in the fair value of subsidiaries of the Company, the Company may incur losses.

Information about dividends is presented in Note 12.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

4 Financial assets at fair value through profit or loss (cont'd)

The table below presents movements in Level 3 financial instruments during 2021:

Opening balance at 1 January 2021	32,652
Increase the authorized capital of portfolio companies in cash	-
Increase of the authorized capital of portfolio companies by contributing directly managed portfolio companies	-
Sale of directly managed portfolio companies to other portfolio companies	-
Transfer of directly managed portfolio companies to other portfolio companies by increasing their share capital	-
Unrealized gains and losses for the reporting period recognized in the income statement for assets managed at the end of the reporting period	2,713
Closing balance at 31 December 2021	35,365

The table below shows the fair value (Level 3) valuation methods of the investments in subsidiaries, the input data used and the sensitivity analysis for changes in input data:

Name	Fair value, EUR '000	Valuation technique	Inputs	Input value	Reasonable possible shift - /+	Change in valuation +/-
Novian Group	19,599	Discounted cash flow	Weighted average cost of capital	7.4%	-/+ 0.5 %	1,783 / (1,480)
			Long-term growth rate	2.0%	-/+ 0.5 %	(1,137) / 1,369
			Free cash flows	-	-/+ 10 %	(1,683) / 1,683
			Discount for lack of marketability	13.3%	-/+ 2 %	372 / (372)
			5y revenue growth rate	-	-/+ 0.5 %	(535) / 545
NRD Group	6,561	Discounted cash flow	Weighted average cost of capital	9.5%	-/+ 0.5 %	441 / (386)
			Long-term growth rate	2.0%	-/+ 0.5 %	(280) / 321
			Free cash flows	-	-/+ 10 %	(448) / 449
			Discount for lack of marketability	14.9%	-/+ 2 %	241 / (225)
			5y revenue growth rate	-	-/+ 0.5 %	(265) / 267
NRD CS UAB	8,971	Discounted cash flow	Weighted average cost of capital	8.8%	-/+ 0.5 %	671 / (578)
			Long-term growth rate	2.0%	-/+ 0.5 %	(429) / 497
			Free cash flows	-	-/+ 10 %	(833) / 833
			Discount for lack of marketability	14.5%	-/+ 2 %	209 / (209)
			5y revenue growth rate	-	-/+ 0.5 %	(195) / 198
FINtime UAB	234	Net assets value	N/A	N/A	N/A	N/A
Total:	35,365					

The fair value was based on discounted cash flow method, which was selected by the external valuator as the best representation of the company specific development potential, except for FINtime UAB where net assets value method was used. Different method was selected as at the current moment the entity is not expected to generate significant free cash flows. Due to the limited number of comparable companies and transactions, lack of reliability of the market data and limited comparability of peers, the results of the guideline public companies and transaction methods were used as a supplementary analysis and were provided only for illustrative purposes in valuation report.

Cash flow projections made by Company's management for the period of 5 years (2022-2026) were used as a basis in the income method. Free cash flows were calculated as net profit plus depreciation/amortisation of property, plant and equipment and intangible assets, plus or minus changes in working capital and minus capital expenditure. The resulting value was adjusted by discount for lack of marketability and the amount of surplus assets/liabilities. As part of the valuation process, valuator had analysed items presented on the balance sheet of each company and had identified assets and liabilities, which can be treated as surplus assets (e.g. net working capital above normalised level, non-operating cash balances, loans to related parties) and debt/debt-like items; all of which were adjusted when arriving at equity value of the company.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

4 Financial assets at fair value through profit or loss (cont'd)

As at 31 December 2020

The table below presents movements in Level 3 financial instruments during 2020:

Opening balance at 1 January 2020	25,912
Increase the authorized capital of portfolio companies in cash	-
Increase of the authorized capital of portfolio companies by contributing directly managed portfolio companies	-
Sale of directly managed portfolio companies to other portfolio companies	-
Transfer of directly managed portfolio companies to other portfolio companies by increasing their share capital	-
Unrealized gains and losses for the reporting period recognized in the income statement for assets managed at the end of the reporting period	6,740
Closing balance at 31 December 2020	32,652

The table below shows the fair value (Level 3) valuation methods of the investments in subsidiaries, the input data used and the sensitivity analysis for changes in input data:

Name	Fair value, EUR '000	Valuation technique	Inputs	Input value	Reasonable possible shift - /+	Change in valuation +/-
Novian Group	19,740	Discounted cash flow	Weighted average cost of capital	8.5%	-/+ 0,5 %	1.410 / (1.208)
			Long-term growth rate	2.0%	-/+ 0,5 %	(906) / 1.057
			Free cash flows	-	-/+ 10 %	(1.687) / 1.687
			Discount for lack of marketability	16.0%	-/+ 2 %	458 / (458)
			5y revenue growth rate	-	-/+ 0,5 %	(373) / 379
NRD Group	7,144	Discounted cash flow	Weighted average cost of capital	9.4%	-/+ 0,5 %	491 / (428)
			Long-term growth rate	2.0%	-/+ 0,5 %	(307) / 351
			Free cash flows	-	-/+ 10 %	(527) / 528
			Discount for lack of marketability	17.1%	-/+ 2 %	255 / (238)
			5y revenue growth rate	-	-/+ 0,5 %	(273) / 275
NRD CS UAB	5,535	Discounted cash flow	Weighted average cost of capital	9.9%	-/+ 0,5 %	350 / (308)
			Long-term growth rate	2.0%	-/+ 0,5 %	(219) / 249
			Free cash flows	-	-/+ 10 %	(489) / 489
			Discount for lack of marketability	16.4%	-/+ 2 %	132 / (132)
			5y revenue growth rate	-	-/+ 0,5 %	(102) / 103
FINtime UAB	233	Net assets value	N/A	N/A	N/A	N/A
Total:	32,652					

The fair value was based on discounted cash flow method, which was selected by the external valuator as the best representation of the company specific development potential, except for FINtime UAB where net assets value method was used. Different method was selected as at the current moment the entity is not expected to generate significant free cash flows. Due to the limited number of comparable companies and transactions, lack of reliability of the market data and limited comparability of peers, the results of the guideline public companies and transaction methods were used as a supplementary analysis and were provided only for illustrative purposes in valuation report.

Cash flow projections made by Company management for the period of 5 years (2021-2025) were used as a basis in the income method. Free cash flows were calculated as operating profit after tax plus depreciation/amortisation of property, plant and equipment and intangible assets, plus or minus changes in working capital and minus capital expenditure. The resulting value was adjusted by discount for lack of marketability and the amount of surplus assets/liabilities. As part of the valuation process, valuator had analysed items presented on the balance sheet of each company and had identified assets and liabilities, which can be treated as surplus assets (e.g. net working capital above normalised level, non-operating cash balances, loans to related parties) and debt/debt-like items; all of which were adjusted when arriving at equity value of the company.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

5 Cash and cash equivalents

	<u>At 31 December 2021</u>	<u>At 31 December 2020</u>
Cash in bank accounts	2,097	2,191
Total cash and cash equivalents	2,097	2,191

All Company's cash and cash equivalents comprised funds in the bank's current accounts, all cash is held in euros and no restrictions are put on cash balance as at 31 December 2021 and 2020.

6 Other receivables

	<u>At 31 December 2021</u>	<u>At 31 December 2020</u>
Prepayments and other receivables	-	2
Total value of other receivables	-	2
Subtracted: impairment of trade receivables and other receivables	-	-
Trade value of other receivables less expected credit losses	-	2

The credit quality of the Company's receivables can be estimated from the aging analysis below:

	Receivables not past due					Receivables impaired	Total
	and not impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days		
As at 31 December 2021							
Dividends receivable	-	-	-	-	-	-	-
Prepayments and other receivables	-	-	-	-	-	-	-
Expected credit losses	-	-	-	-	-	-	-
Other receivables less expected credit losses	-	-	-	-	-	-	-
As at 31 December 2020							
Dividends receivable	-	-	-	-	-	-	-
Prepayments and other receivables	2	-	-	-	-	-	2
Expected credit losses	-	-	-	-	-	-	-
Other receivables less expected credit losses	2	-	-	-	-	-	2

Credit quality of receivables neither past due nor impaired

As at 31 December 2021, the Company did not have any receivables.

As at 31 December 2020, the Company did not have receivables that were due. As at the reporting date, for receivables neither past due nor impaired there were no indications that the debtors will fail to fulfil their liabilities in due time. The maximum exposure to credit risk as at the reporting date is equal to the carrying amount of each group of receivables indicated in the table above. No expected credit losses were recognised in 2020 as estimated impairment of other receivables is not considered as significant.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
(All amounts are in EUR thousands unless otherwise stated)

7 Bonds and loans

Bonds

	At 31 December 2021	At 31 December 2020
Classified as current asset	-	408
<i>Bonds</i>	-	405
<i>Accrued interest</i>	-	3
Total value of bonds	-	408

On 31 December 2021, the Company did not have any bonds.

On 31 December 2020, the Company had bonds in FINtime UAB. Bonds were accounted for at amortized cost as they were considered to be held for cash flow interest payments and principal repayments only. The bonds and accrued interests were repaid in full on 28 February 2021.

As at 31 December 2021 and 2020, the expected credit loss was estimated not to be material and was, therefore, not recognized in these financial statements.

Loans

	At 31 December 2021	At 31 December 2020
Classified as non - current asset	1,189	-
<i>Loans</i>	1,175	-
<i>Accrued interest</i>	14	-
Classified as current asset	-	151
<i>Loans</i>	-	150
<i>Accrued interest</i>	-	1
Total value of loans	1,189	151

As at 31 December 2021, the Company has granted a loan to Novian UAB. Loans are accounted for at amortized cost as they are considered to be held for cash flow interest payments and principal repayments only. The loans and accrued interests shall be repaid in full no later than 31 October 2023.

As at 31 December 2020, the Company has granted a loan to the NRD Systems. Loans were accounted for at amortized cost as they were considered to be held for cash flow interest payments and principal repayments only. The loans and accrued interests shall be repaid in full no later than 31 January 2021.

As at 31 December 2021 and 2020, the expected credit loss was estimated not to be material and was, therefore, not recognized in these financial statements.

8 Reserves

As at 31 December 2021, the Company's reserves consisted of the reserve for acquisition of own shares amounting to EUR 9,800 thousand, share based payment reserve amounting to EUR 75 thousand, and legal reserve amounting to EUR 354 thousand (EUR 9,800 thousand, nil, and EUR 354 thousand as at 31 December 2020, respectively). The reserves were formed upon appropriation of the Company's result in the past, except for share based payment reserve which was formed according to share options agreements.

Legal reserve

Legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfers of not less than 5 % of net profit, calculated in accordance with the statutory financial statements, are compulsory until the reserve reaches 10 % of the share capital. The reserve can be used only to cover the accumulated losses. As at 31 December 2021 and 2020 legal reserve was fully formed.

Reserve for acquisition of own shares

Reserve for acquisition of own shares is formed for the purpose of acquiring own shares in order to keep their liquidity and manage price fluctuations. It is formed from profit for appropriation. The reserve cannot be used to increase the share capital. The reserve is reduced upon annulment of own shares. During the ordinary general meeting of shareholders, the shareholder may decide to transfer the amounts not used for acquisition of own shares to the retained earnings. The Company's management did not have a formally approved programme for buy-up of its own shares as at the reporting date.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
(All amounts are in EUR thousands unless otherwise stated)

8 Reserves (cont'd)

Share-based payments reserve

In December 2021 the Company entered into agreements with three of its subsidiaries to grant share options to its employees for the consideration paid by the appropriate subsidiary. As at 31 December 2021 all payments for the reserved shares have been received by the Company.

Share options and exercise prices are as follows for the reporting periods presented:

	Number of shares	Exercise price per share
Outstanding at 31 December 2019	-	-
Granted	-	-
Forfeited	-	-
Exercised	-	-
Outstanding at 31 December 2020	-	-
Granted	27,340	2.74
Forfeited	-	-
Exercised	-	-
Outstanding at 31 December 2021	27,340	2.74
Exercisable at 31 December 2020	-	-
Exercisable at 31 December 2021	-	-

9 Provisions

Since the Company's estimated return as at 31 December 2021 exceeded the minimum return barrier over the entire Company's period, the Company calculated a provision for success and accrued management fees:

	At 31 December 2021	At 31 December 2020
Success fee	1,805	1,075
Accrued management fee	534	460
	2,339	1,535

Movements of success fee and accrued management fee were recorded during the year.

Opening balance at 1 January 2021	1,535
Increase of success fee	730
Increase of accrued management fee	74
Closing balance at 31 December 2021	2,339

10 Other current liabilities

	At 31 December 2021	At 31 December 2020
Management fee	165	124
Accrued audit expenses	10	10
Payable depository fee	10	9
Trade payables	2	1
Total other current liabilities	187	144

11 Net Asset Value (a non-IFRS measure)

	At 31 December 2021	At 31 December 2020
Net asset value, total, EUR	36,125,378	33,725,239
Net asset value per share, EUR	2.9936	2.7700

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

12 Dividends and interest income

During the year of 2021 and 2020 there were no declared dividends by the Company.

During the year of 2021 EUR 1,415 thousand of dividends were received in cash by the Company (2020: EUR 39 thousand) from portfolio entities.

	2021	2020
Interest income	25	150
Dividend income	1,415	-
Total	1,440	150

13 Other expenses

	2021	2020
Depository fees	40	34
Professional services	37	39
Stock exchange and securities fees	24	23
Audit services	13	12
Other expenses	11	9
Other expenses (total)	125	117

14 Income tax

Since 2017 according to the provisions of the Lithuanian Law on Corporate Income Tax, investment income of a closed-ended investment companies operating in accordance with the Lithuanian Law on Collective Investment Undertakings are not subject to income tax. From 1 January 2018 all income of Collective Investment Undertakings are not subject to income tax.

15 Earnings per share

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

The weighted average number of shares for 12 months of reporting period was as follows:

Calculation of weighted average for the year 2021	Number of shares (thousand)	Par value (EUR)	Issued/365 (days)	Weighted average (thousand)
Shares outstanding as at 31 December 2020	12,175	0.29	366/366	12,175
Own shares acquired as at 11 November 2021	(108)	0.29	314/365	(15)
Shares outstanding as at 31 December 2021	12,067	0.29	-	12,160

Calculation of weighted average for 12 months of 2020	Number of shares (thousand)	Par value (EUR)	Issued/365 (days)	Weighted average (thousand)
Shares outstanding as at 31 December 2020	12,175	0.29	366/366	12,175

The following table reflects data on profit and shares used in the basic earnings per share computations:

	2021	2020
Net profit attributable to the equity holders of the parent entity (EUR '000)	2,621	4,767
Weighted average number of ordinary shares (thousand)	12,160	12,175
Basic earnings per share (EUR)	0.22	0.39

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

16 Related-party transactions

The related parties of the Company were directly and indirectly managed subsidiaries (note 4) and management company.

The Company's transactions with other related parties during 2021 and outstanding balances as at 31 December 2021 were as follows:

	Revenue and income from related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
UTIB „INVL Technology“ subsidiaries				
Bonds	-	-	-	-
Interest on bonds	7	-	-	-
Loans	-	-	1,175	-
Interest on loans	18	-	14	-
Management company UAB “INVL Asset management”				
Success fee	-	804	-	804
Management fee	-	603	-	165
Other amounts	-	-	-	-
	25	1,407	1,189	969

The Company's transactions with other related parties during 2020 and outstanding balances as at 31 December 2020 were as follows:

	Revenue and income from related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
UTIB „INVL Technology“ subsidiaries				
Bonds	-	-	405	-
Interest on bonds	90	-	3	-
Loans	-	-	150	-
Interest on loans	60	-	1	-
Management company UAB “INVL Asset management”				
Success fee	-	1,535	-	1,535
Management fee	-	471	-	124
Other amounts	-	-	1	-
	150	2,006	560	1,659

Changes in loans and bonds granted to subsidiaries:

	2021	2020
Outstanding as at 1 January	559	1,728
Interest charged	25	150
Bonds repayments received	(405)	(470)
Interest received	(15)	(184)
Loans granted	1,675	445
Loans repaid	(650)	(1,110)
Outstanding as at 31 December	1,189	559

All transactions with related parties are subject to the same terms and conditions that are applicable to third parties.

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

17 Segment reporting

The Company has defined its operating segments in a manner consistent with the internal reporting provided to the Investment committee of the Management company that is responsible for making strategic decisions.

The Investment committee is responsible for the Company's entire portfolio and considers the business to have a single operating segment. The Investment committee's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the Investment committee for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of IFRS.

The Company has its headquarters in Lithuania. The Company's dividend income is disclosed in Note 12. The Company has no significant fixed assets.

18 Financial instruments by category

The Company's financial assets at fair value through profit or loss consisted of assets in Level 3. The Company has no instruments in Level 1 and 2.

	At amortised cost	At fair value through profit or loss	Total
At 31 December 2021			
Financial assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	35,365	35,365
Other receivables	-	-	-
Bonds	-	-	-
Loans	1,189	-	1,189
Cash and cash equivalents	2,097	-	2,097
Total	3,286	35,365	38,651

	At amortised cost	At fair value through profit or loss	Total
At 31 December 2020			
Financial assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	32,652	32,652
Other receivables	2	-	-
Bonds	408	-	408
Loans	151	-	151
Cash and cash equivalents	2,191	-	2,191
Total	2,752	32,652	35,404

	At amortised cost
At 31 December 2021	
Financial liabilities as per statement of financial position	
Trade payables	2
Other current liabilities	185
Total	187

	At amortised cost
At 31 December 2020	
Financial liabilities as per statement of financial position	
Trade payables	1
Other current liabilities	143
Total	144

19 Financial risk management

19.1 Financial risk factors

The risk management function within the Company is carried out by the Management Company in respect of financial risks (credit, liquidity, market, foreign exchange and interest rate risks), operational risk and legal risk. The primary objective of the financial risk management function is to establish the risk limits, and then make sure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of the internal policies and procedures necessary to mitigate the operational and legal risks.

The Company's financial liabilities consist of trade and other payables. The Company has various categories of financial assets, however, the major items of its financial assets were financial assets at fair value through profit loss (consisting of the investments in unconsolidated subsidiaries) and cash and cash equivalents.

The Company is being managed in a way that its portfolio companies are operating independently from each other. This helps to diversify the operational risk and to create conditions for selling any controlled business without exposing the Company to any risks.

The Company's business objective is to achieve medium to long-term return on investments in carefully selected unlisted private companies operating in information technology sector.

The main risks arising from the financial instruments are market risk (including foreign exchange risk, interest rate risk and price risk), liquidity risk, concentration risk and credit risk. The risks are described below.

Market risk

Foreign exchange risk

The Company has no material exposures or transactions in currencies other than euro, therefore it is not exposed to foreign currency risk.

Interest rate risk

In 2021 the Company did not have bonds and had a loan in total EUR 1.175 thousand. Loan interests is 6,1%, calculated each month on a last day. As interest rates on bonds and loans are fixed and bonds and loans are accounted at amortised cost, the company did not have interest rate risk related to acquired bonds.

In 2020 the Company had bonds in total EUR 405 thousand and loans in total EUR 150 thousand. Bonds and loans interests were within the range of 10,5% - 12% , calculated each month on a last day. As interest rates on bonds and loans were fixed and bonds and loans were accounted at amortised cost, the company did not have interest rate risk related to acquired bonds.

IBOR reform had no impact for the Company, as no lendings are EURIBOR linked, therefore there was no need to transition to alternative benchmark interest rates. Changes in how EURIBOR is determined (determination has shifted from a quotes-based to a transactions-based methodology) had no impact on interest rates applied, as for all EURIBOR linked borrowings three months EURIBOR is subject to a 0% floor. Before and after the changes in how EURIBOR is determined EURIBOR was negative, therefore 0% floor was applicable to arrive at interest rate and therefore those changes had no impact on interest rate itself and no effect on future cash flows.

Price risk

The Company's investments are susceptible to price risk arising from uncertainties about future values of the investments that are not traded in an active market. To manage the price risk, the Investment committee reviews the performance of the portfolio companies on a quarterly basis, and keep regular contact with the management of the portfolio companies for business development and day-to-day operation matters.

The information technology business and the information technology market are changing rapidly. Therefore, there is a risk that unforeseen market changes may reduce the value of the Company's investments or the investment return of the Company's investment objects. The realization price of the Company's investments may be higher or lower than the value of the assets determined by the property appraiser (please refer to Note 4 for more details).

As at 31 December 2021, the fair value of the Company's investments exposed to price risk was EUR 35,365 thousand (31 December 2020: EUR 32,652 thousand).

INVL TECHNOLOGY UTIB
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
 (All amounts are in EUR thousands unless otherwise stated)

19. Financial risk management (cont'd)

19.1 Financial risk factors (cont'd)

Liquidity risk

The Company's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with the strategic plans.

Liquidity risk of the Company is managed by the Management company. The liquidity risk management is divided into long-term and short-term risk management.

The aim of the short-term liquidity risk management is to meet the day-to-day needs for funds. Each subsidiary is independently planning its internal cash flows. Short-term liquidity of the Company is managed through monthly monitoring of the liquidity status at the Company.

Long-term liquidity risk is managed by analysing the cash flow projections by taking into account the potential sources of financing. Before approving a new investment project, the Company evaluates the possibilities to attract the required funding. Based on monthly reports, the Company makes projections of monetary income and expenses over the next one year, thereby ensuring an effective planning of the Company's funding.

The Company's liquidity ratio (total current assets / total current liabilities) as at 31 December 2021 and 2020 was approximately 11.21 and 19.11, respectively.

As at 31 December 2021 the current assets of the Company were higher than current liabilities by EUR 1,910 thousand. The management of the Company forecasted the cash flows of the Company for 2022 and indicates that the Company will have sufficient funds to cover liabilities, which fall due in 2022.

The Company's financial liabilities based on undiscounted contractual payments consisted of:

	Up to 3 months	4 - 12 months	2 to 5 years	Over 5 years	Total
Other current liabilities	187	-	2,339	-	2,526
At 31 December 2021	187	-	2,339	-	2,526
	Up to 3 months	4 - 12 months	2 to 5 years	Over 5 years	Total
Other current liabilities	144	-	-	1,535	1,679
At 31 December 2020	144	-	-	1,535	1,679

The company has no liquidity problems and there are no expectations that they will arise in the foreseeable future.

Concentration risk

Through investment diversification and risk management the Company seeks to reduce the risk and prevent potential reduction in the value of investments and create value by selecting investment objects and relying on the experience of other market participants.

The Company manages the Company's portfolio of investment instruments in compliance with the following main principles of diversification:

- investments into Operational Companies which are registered or carry out their activities in the European Union (European Economic Area) Member States, in the Organisation for Economic Cooperation and Development (OECD) member countries and Israel.
- at least 70 per cent of the Net Asset Value is invested directly or through a SPV into the stakes of Operational Companies in order to control or to make a significant impact on such companies.
- the total amount of investments into transferable securities issued by a single person, money market instruments, deposits and liabilities arising out of financial derivatives transactions with that person may not exceed 30 per cent of the Net Asset Value.
- no more than 30 per cent of the Net Asset Value can be invested in:
 - o deposits for a term no longer than 12 months which can be collected upon demand in a credit institution, domiciled in an EU Member State or in another state where risk limiting supervision is no less strict than in the European Union
 - o financial derivatives which are admitted to trading on the multi-lateral trading facility but not admitted to trading on regulated markets and in which the counterparty in the transactions concluded beyond these markets conform to the criteria established by the Supervisory Authority and is subject to risk limiting supervision and which can be checked and reliably and accurately assessed on a daily basis and sold or otherwise realised for a consideration at any time at their fair value.

19. Financial risk management (cont'd)

19.1 Financial risk factors (cont'd)

Concentration risk (cont'd)

Upon the establishment of the Company, its investment portfolio may not meet the set diversification requirements for 4 years after the date on which the Supervisory Authority issued a permit to approve its incorporation documents and to choose the Depository. In the event that, upon the expiration of the set term, the investment requirements shall be violated due to the reasons beyond the control of the Management Company, such non-conformity must be eliminated as soon as possible but no later than within 1 year from the date on which the Management Company became aware of this situation.

If the diversification requirements are not complied with for reasons beyond the control of the management company, the requirement must be reinstated within 1 year. In exceptional cases, the time limit may be extended, provided that the supervisory authority is duly informed. In July 2021, the supervisory authority (the Bank of Lithuania) extended this deadline until 2024.

Credit risk

Credit risk arises from cash and cash equivalents, outstanding balances of trade and other receivables, and outstanding balances of loans granted and bonds purchased.

With respect to trade and other receivables neither past due nor impaired, there were no indications as at the reporting date that the debtors will fail to fulfil their liabilities in due time, since the Company constantly reviews the balances of receivables. The Company has no significant transactions in a country other than the countries of domicile of the subsidiaries and their investments. All material receivables of the Company are from subsidiaries, and their settlement terms are set by the Company itself with no history of uncollected accounts.

With respect to credit risk arising from other financial assets of the Company (consisting of cash and cash equivalents), the Company's exposure to credit risk arises from default of the counterparty. The maximum exposure to credit risk was equal to the carrying amount of these instruments:

Assets with no credit rating assigned

	<u>At 31 December 2021</u>	<u>At 31 December 2020</u>
Other receivables	-	2
Bonds	-	408
Loans	1,189	151
Cash and cash equivalents	2,097	2,191
Total current assets	3,286	2,752

The Company accepts the services from the banks and the financial institutions which (or the controlling financial institutions of which) have been assigned a high credit rating by an independent rating agency. As at 31 December 2021 and 2020 the Company's cash balances were held in the financial institutions which have not been assigned individual credit ratings, but the controlling financial institutions of which have been assigned "Prime-1" rating by Moody's agency.

19.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company carries investments in subsidiaries at fair value (please refer to Note 4 for more details).

The Company's principal financial instruments that are not carried at fair value in the statement of financial position are cash and cash equivalents, trade and other receivables, as well as trade and other payables.

The carrying amount of the cash and cash equivalents, trade and other receivables, as well as trade and other payables of the Company as at 31 December 2021 and 2020 approximated their fair value because they are short-term and the impact of discounting is immaterial.

19. Financial risk management (cont'd)

19.3 Capital management

The Company's primary objective when managing capital is to safeguard that the Company will be able to maintain a strong credit health and healthy capital ratios in order to support its business and maximise returns for shareholders. The Company's capital management is conducted through supervision of activities of individual subsidiaries to ensure that their capital is sufficient to continue as a going concern. Management of entities oversees to ensure that the subsidiaries are in compliance with the capital requirements defined in relevant legal acts and loan contracts, and that they provide the Company's management with the necessary information.

The Company's capital comprises share capital, share premium, reserves and retained earnings. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risks specific to its activity. To maintain or adjust the capital structure, the Company may issue new shares, reduce share capital, and adjust the dividend payment to shareholders.

During 2021, no changes were introduced in the objectives of capital management, policies or processes.

The Company is obliged to keep its equity ratio at not less than 50 % of its share capital, as imposed by the Lithuanian Law on Companies. As at 31 December 2021 and 2020 the Company complied with this requirement.

20 Covid - 19

The Company was not significantly affected by the COVID-19 virus pandemic. Due to the quarantine announced in Lithuania, which lasted from 16 March 2020 to 16 June 2020 and from 7 November 2020 to 30 June 2021, Company's operations were not disrupted as the Company and its portfolio companies can perform all the daily business operations remotely. The Company did not request or receive any financial support due to the COVID-19 virus pandemic, as this was not relevant taking into account the nature of Company's operations.

21 Events after the reporting period

On 6 January 2022 the Company has transferred own shares it held to the subsidiary's employees 210 shares of the Company were transferred.

On 14 January the Company received a notification on the acquisition and on the disposal of voting rights. AB Invalda INVL controlling 15.39% of the Company's share capital transferred the Company's shares to its subsidiary INVL Life UAB. INVL Life UAB directly controls 15.39% issued share, AB Invalda INVL directly controls nil and indirectly – 15.39% of Company's shares

On 4 March 2022 the Company has transferred own shares it held to the subsidiary's employees 116 shares of the Company were transferred.

The background of the cover is a photograph of a modern, multi-story building with a mix of light and dark grey concrete panels. The building is viewed from a low angle, looking up towards a clear blue sky with some light, wispy clouds. The overall aesthetic is clean and architectural.

INVL

TECHNOLOGY

SPECIAL CLOSED-END TYPE PRIVATE CAPITAL INVESTMENT COMPANY'S

INVL TECHNOLOGY

ANNUAL REPORT FOR 2021

Translation note:

This version of the Annual Report of for 2021 is a translation from of the original, which was prepared in the 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.

CONTENT

FOREWORD BY THE MANAGING PARTNER OF INVL TECHNOLOGY	32
I. GENERAL INFORMATION	33
1. Reporting period for which the report is prepared.....	33
2. General information about the Issuer and other companies comprising the Issuer's group.....	33
II. INFORMATION ABOUT THE ACTIVITY OF THE ISSUER AND ITS GROUP COMPANIES	37
3. Key figures for INVL Technology	37
4. Significant Issuer's events in the reporting period, their effect on the financial statements	40
5. Significant events of portfolio companies during reporting period	42
6. Issuer's assessment of the last year	60
III. INFORMATION ABOUT SECURITIES	61
7. The order of amendment of Issuer's Articles of Association	61
9. Trading in Issuer's securities as well as securities, which are deemed to be a significant financial investment to the Issuer on a regulated market	61
10. Dividends	63
11. Shareholders	64
IV. ISSUER'S MANAGEMENT BODIES	67
12. Structure, authorities, the procedure for appointment and replacement	67
13. Information about members of the Board of the Management Company, general manager, members of the Investment Committee and member of the Supervisory Board of the Company	70
14. Information about the Audit Committee of the company	75
15. Information on the Issuer's payable management fee, the amounts calculated by the Issuer, other assets transferred and guarantees granted to the Company's bodies and company providing accounting services.....	77
16. References to and additional explanations of the data presented in the annual financial statements	78
17. Membership in associations	78
18. Agreements with intermediaries on public trading in securities.....	78
19. Information on Issuer's branches and representative offices	78
20. Information about agreements of the Company and the members of the Board, or the employees' agreements providing for compensation in case of the resignation or in case they are dismissed without a due reason or their employment is terminated in view of the change of the control of the Company	78
21. Description of principle advantages, risks and uncertainties	78
22. The main indications about internal control and risk management systems related to the preparation of financial statements	83
23. Description of principal investments made during the reporting.....	83
24. Information about significant agreements to which the issuer is a party, which would come into force, be amended or cease to be valid if there was a change in issuer's controlling shareholder.....	83
25. Information on the related parties' transaction	83
26. Information on harmful transactions in which the issuer is a party.....	84
27. Issuer's and its group companies' non – financial results. Information related to social responsibility. environment and employees	84
28. Data on the publicly disclosed information	85
29. Information about the audit company	90
APPENDIX 1. INFORMATION ABOUT INVL TECHNOLOGY PORTFOLIO COMPANIES, THEIR CONTACT DETAILS	91
APPENDIX 2. CORPORATE GOVERNANCE REPORTING FORM	94
APPENDIX 3. COMPANY'S MANAGEMENT REPORT	109
APPENDIX 4. COMPANY'S OPERATING AND FINANCIAL INDICATOR FORMULAS AND DEFINITIONS	112
APPENDIX 5. REMUNERATION REPORT	114

FOREWORD BY THE MANAGING PARTNER OF INVL TECHNOLOGY

INVL Technology's net profit in January-June was EUR 2.621 million.



There has been no lack of change in recent years: the coronavirus pandemic brought greater interest in digitalization and rapid IT solutions, and this year's war in Ukraine has increased market concerns about cybersecurity, IT resilience and business continuity.

Through our work in these areas, we aim to help businesses and public sector organisations grow by means of modern and effective solutions, thus also strengthening the businesses we own and manage.

That increases the value of INVL Technology's businesses – a goal that, following the end of INVL Technology's investment period in July 2021, will now be a top priority for us.

The results achieved during the investment period are shown by INVL Technology's equity per share.

From 14 July 2016, when we started operating as a closed-end investment company, to the end of 2021, also taking own-share purchases into account, the indicator rose from EUR 1.96 to EUR 2.99 per share, or 52.46%.

The compound annual growth rate of equity per share over the period was 8.01%.

The value of assets under management also increased in the past year. INVL Technology had equity of EUR 36.125 million at the end of 2021, or 7.1% more than a year earlier. Equity per share at the end of 2021 was EUR 2.9936 and, taking the buy-back of own shares into account, grew 8.1% in the year. INVL Technology's net profit last year was EUR 2.6 million, compared to EUR 4.8 million in 2020.

Factors contributing to the results were the growth of the cyber security company NRD Cyber Security and the good performance of the Novian software and IT infrastructure services group. There were also challenges from reduced demand for IT services in more remote markets of the world, the US dollar exchange rate, and increased demand for IT professionals and higher wage costs.

The aggregated revenues of the company's business holdings –which operate in the three areas of cyber security, software and IT infrastructure services, and business climate improvement and e-governance– increased 10% in 2021 to EUR 40.3 million, according to unaudited figures.

The business holdings' gross profit rose 16.8% in 2021 compared to a year earlier, to EUR 11.98 million. As operating costs increased more than that, their aggregated EBITDA fell 1.3% to EUR 2.93 million.

Kazimieras Tonkūnas

Managing Partner at INVL Technology

I. GENERAL INFORMATION

1. Reporting period for which the report is prepared

This Annual Report is prepared for the period from 1 January 2021 until 31 December 2021. The report also includes important events of the company and group occurring after the end of the reporting period. The report was reviewed by the auditor.

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

2.1. Information about the issuer

Name of the Issuer	Special closed-ended type private capital investment company INVL Technology
Code	300893533
Address	Gynėjų Str. 14, LT01109 Vilnius, Lithuania
Telephone	+370 5 279 0601
E-mail	info@invltechnology.lt
Website	www.invltechnology.lt
LEI code	5299006UHD9X339RUR46
Legal form	Public joint-stock company
Type of company	Closed-ended type investment company
Date and place of registration	27 June 2007. Register of Legal Entities
Date on which the supervisory authority approved the documents on the formation of the collective investment undertaking	14 July 2016
Period of activity of the Company	Till 14 July 2026 (+2 years)
Register in which data about the Company are accumulated and stored	Register of Legal Entities
Management company	INVL Asset Management UAB, code 126263073, licence No. VĮK-005
The depository	SEB Bank AB, code 112021238, bank licence No. 2

2.2. Information on the Company's goals, philosophy, and strategy

INVL Technology is a specialized company which invests in IT businesses. By investing in and developing information technology businesses, INVL Technology contributes to innovations in countries, sectors and companies, as well as the advancement of the society.

INVL Technology is managed by INVL Asset Management, a company which adheres to the Principles for Responsible Investment. The PRI, created in 2006 and supported by the UN, aim to address the investment implications of environmental, social and governance (ESG) factors.

The strategy of INVL Technology is to invest in national-level European IT businesses with high globalization potential and to grow them into global players by utilizing the sales channels and intellectual capital of the managed companies.

INVL Technology's management aims to reduce constraints on the value growth of the managed companies by lowering entry barriers to new markets, accelerating product development, and shortening the learning curve.

INVL Technology finances, controls and supports the responsible development of intangible assets in the companies it owns and manages. It sees companies' products, experience, research and development projects, project companies' knowledge, expertise in fast growing markets and customer relationships as strategically important for the growth of the value of financial assets.

Intellectual capital is the property of the managed companies. Its commercialization is a principal part of the companies' transformation strategy. They need to operate efficiently and grow faster than the sector. Cooperation between the companies is based on market relations, though they have priority access to each other's know-how and experience.

2.3. Information about the Issuer's group of companies

INVL Technology operates as a cluster of IT companies focused on the large business and government segments. The companies that make up the INVL Technology portfolio are divided into 3 main functional groups:



NRD Companies, specializing in governance and the development of economic digital infrastructure, combines the legal, consulting and technological expertise needed to effectively implement public sector and economic reforms. The group's competencies include the development of national registries, digital and mobile signature solutions, digital platforms for the financial and retail sectors, and solutions for tax collection, the information business, digital licenses, documents and other digital economy infrastructure.

Companies:

- NRD Companies: Norway Registers Development AS, NRD Systems, NRD Rwanda, ETRONIKA, Infobank Uganda.



The companies of the Novian software services and critical IT infrastructure group provide both stand-alone and integrated solutions and services relevant to the context of digital transformation in the areas of software, IT infrastructure and digitization. Combining the capabilities of its companies in the Baltic and Nordic countries, the Novian group acts as an integrator, ensuring clients get a package of services tailored to their needs.

Companies:

- Novian UAB;
- In the technologies area: Novian Technologies UAB with subsidiary Andmevara Services OÜ and its subsidiary Andmevara SLR ;
- In the software services area: Novian Systems UAB with subsidiary Elsis PRO and Andmevara AS;
- In the area of media monitoring and digitization services: Zissor AS.



NRD CS (NRD Cyber Security) companies, acting in the field of cyber security, provide technology consulting, incident response services and assistance in creating national Computer Incident Response Teams (CIRTs/SOCs). They focus on services for law enforcement, national communication regulators, CERTs, and corporate information security departments.

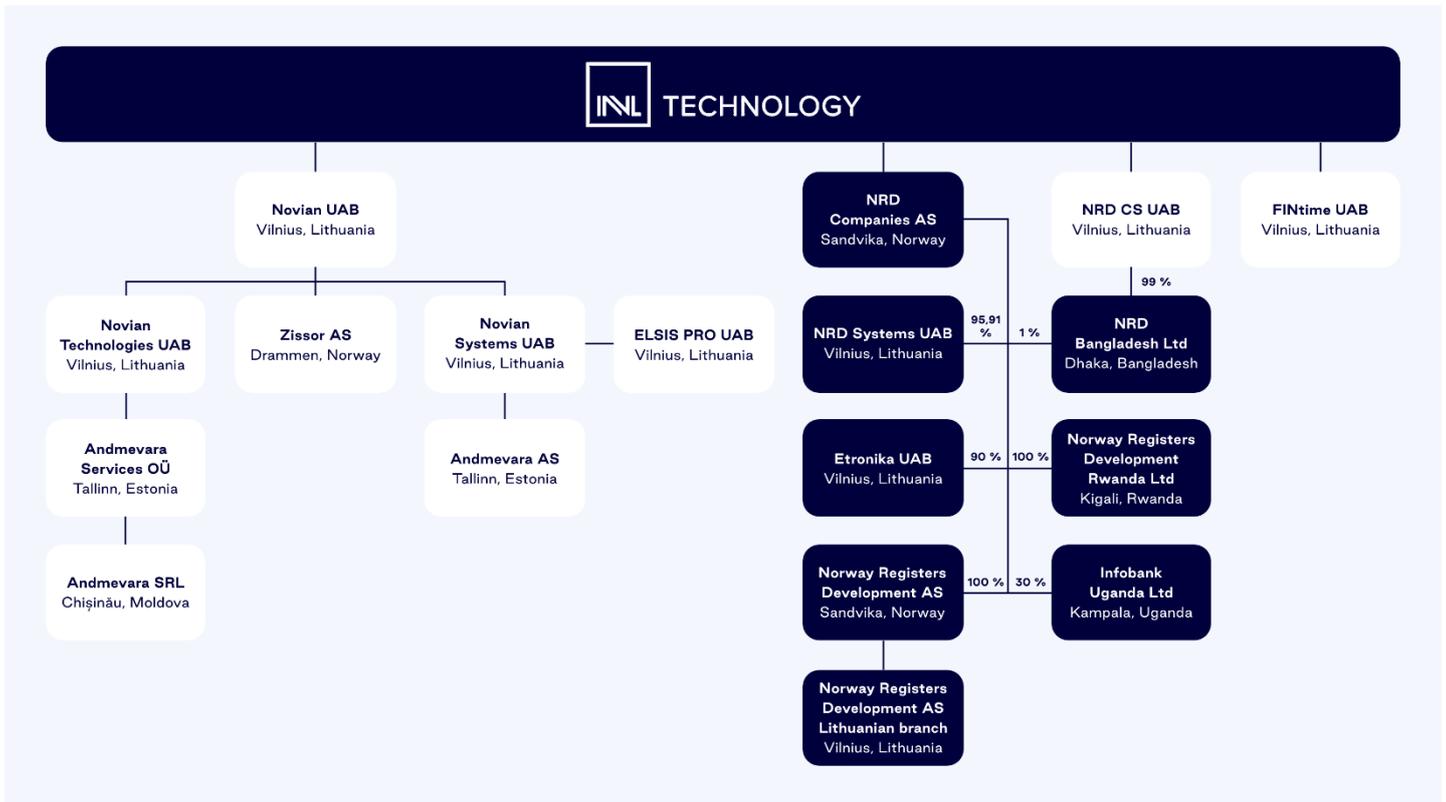
Companies:

- NRD CS UAB;
- NRD Bangladesh.

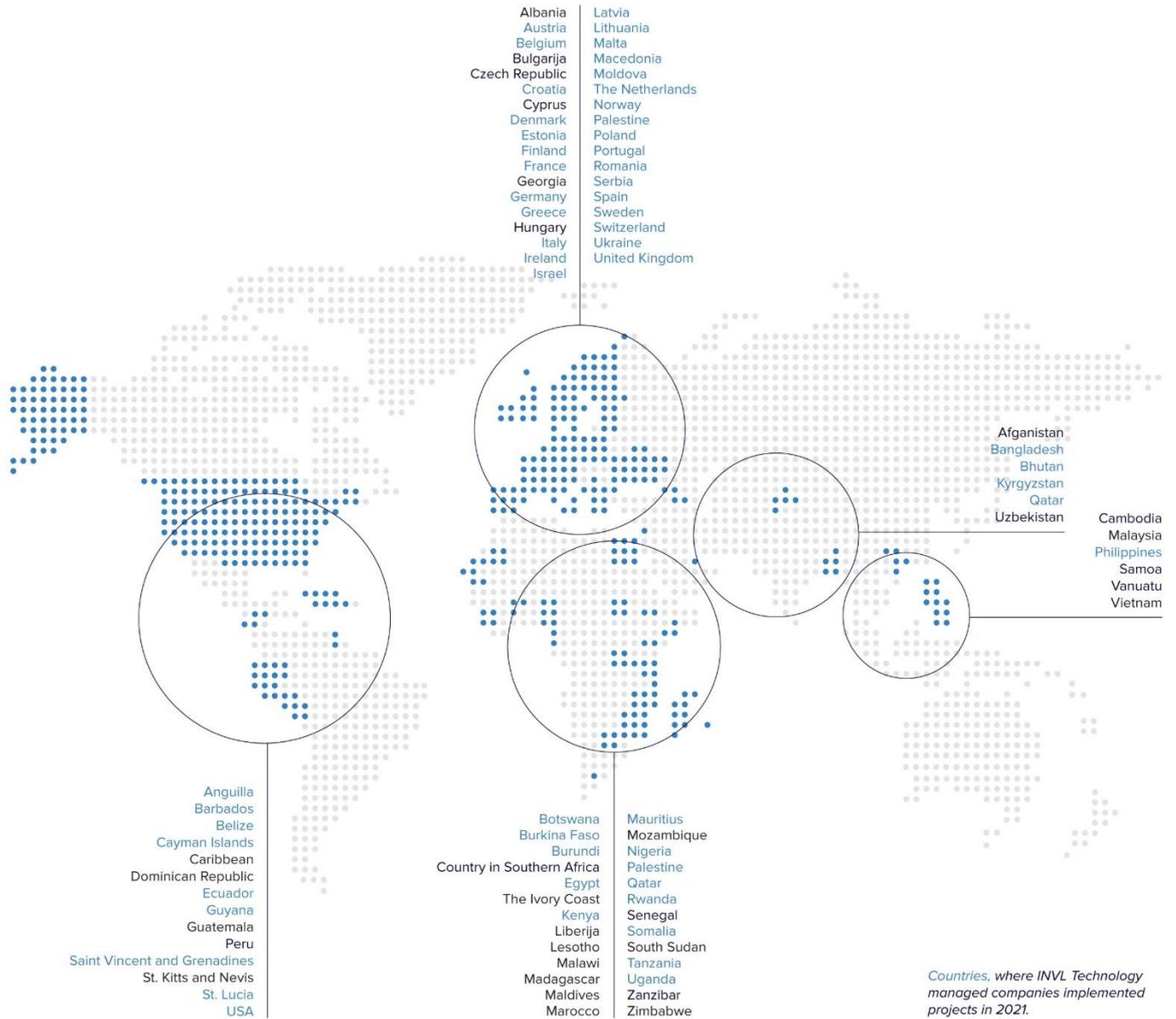


The group also owns the business process outsourcing firm FINtime UAB, which provides centralized financial management, accounting and front-office services and operates the premises of the main office of INVL Technology companies.

2.3.1. Structure of the portfolio companies of INVL Technology



2.3.2. Geography of INVL Technology’s portfolio companies



II. INFORMATION ABOUT THE ACTIVITY OF THE ISSUER AND ITS GROUP COMPANIES

3. Key figures for INVL Technology

3.1. Net Asset Value, thous. EUR

	31-12-2019	31-12-2020	31-12-2021
NAV	28 958 136	33 725 239	36 125 378
NAV per share	2.3784	2.7700	2.9936

3.2. Key figures of INVL Technology, thous. EUR

	12 months of 2019	12 months of 2020	12 months of 2021
Change in the fair value of financial assets	1 279	6 740	2 713
Dividends, interest and other incomes	185	150	1 440
Operating expenses	(531)	(2 123) ¹	(1 532)²
Net profit (loss)	933	4 767	2 621
	31-12-2019	31-12-2019	2021-12-31
Financial assets value	25 192	32 652	35 365
Cash and Cash equivalents	1 401	2 191	2 097
Bonds	920	408	-
Loans	808	151	1 189
Other assets	39	2	-
Total assets	29 080	35 404	38 651
Other liabilities	122	1 679 ¹	2 526²
Equity	28 958	33 725	36 125
Total equity and liabilities	29 080	35 404	38 651

¹ INVL Technology in the year of 2020 has calculated a provision for success and accrued management fees of EUR 1,075 thousand and EUR 460 thousand respectively.

² INVL Technology has calculated a provision for success and accrued management fees equal to EUR 1 805 thousand and EUR 534 thousand respectively as of 31 December 2021. Impact of provisions was EUR 730 thousand and EUR 74 thousand in 2021 the results.

The Company's Equity at 31 December 2021 was EUR 36.125 million or EUR 2.9936 per share (as compared to EUR 2.77 per share at the end of 2020). The Company's investments in its business holdings at the end of 2021 amounted to EUR 35.365 million.

The Company's net asset value as of 31 December 2021 was EUR 36 125 378, or EUR 2.9936 per share.

The priority for the owned and managed companies is new product development as well as increasing their capacity for international operations. Experts from the companies have also actively organized and spoken at a variety of events in Lithuania and elsewhere in Europe, East Africa and South Asia, and have worked together with a variety of international organizations to develop new products. This has reinforced the intellectual capital of the companies and laid foundations for growth in value.

3.3. Financial assets, thous. EUR

Company	2020-12-31	2021-12-31
NRD Companies (includes Norway Registers Development AS, NRD Systems, NRD Rwanda, ETRONIKA, Infobank Uganda.)	7 144	6 561
Novian (includes Novian Technologies, Novian Systems, Elsis PRO and others)*	19 740	19 599
NRD CS (includes NRD Bangladesh)**	5 535	8 971
FINtime	233	234
Total	32 652	35 365

* * The acquisition transaction of UAB Elsis PRO was completed on 22 October 2021. A part of the share price has been paid, the final share price will be determined and paid according to the audited financial statements of UAB Elsis PRO for 2021 financial results. The value of Novian as of 31 December 31, 2021 includes the projected final price payable for Elsis PRO Shares.

**NRD Companies AS transferred control of NRD Bangladesh to NRD CS in 2021, therefore the values of NRD Bangladesh were included in NRD Companies AS on 31 December 2020 and in NRD CS on 31 December 2021.

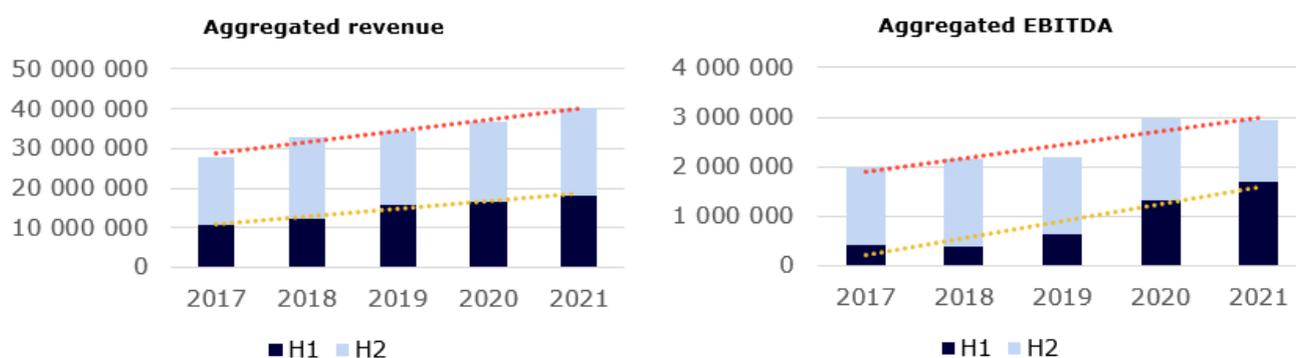
3.4. Change in fair value of financial assets, thousand EUR

Opening balance (2020-12-31)	32 652
Revaluation, excluding dividends	4 128
Dividends awarded*	- 1 415
Closing balance (2021-12-31)	35 365

* Novian UAB declared and paid 2021 dividends of EUR 915 00 in 2021; NRD CS declared and paid 2021 dividends of EUR 500 000 in 2021.

3.5. Key figures of INVL Technology portfolio companies

Aggregated indicators of INVL Technology portfolio companies, thous. EUR



Thous. Eur	2017	2018	2019	2020	2021
Revenue*	27 751	32 723	34 529	36 634	40 297
Gross profit**	NA	9 935	9 349	10 258	11 981
EBITDA***	1 974	2 152	2 181	2 969	2 929
EBIT	1 395	1 591	949	1 623	1 597
Net profit (loss)****	1 237	1 120	493	1 104	1 164

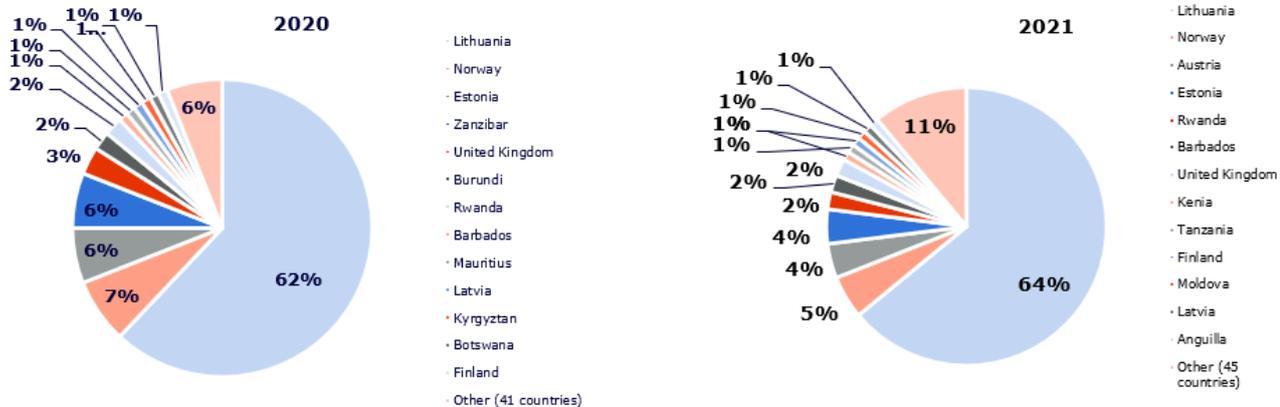
* The annual results of Elsis PRO are included in the data (revenue EUR 2, 992 thousand, EBITDA EUR 298 thousand).

** As of 2018, the method for calculating gross profit was changed to include direct labour costs in the cost of goods sold. Information of that type was not gathered prior to 2018 and thus, for lack of comparable figures, data for 2017 is not provided.

*** As of 2019, IFRS 16 was adopted, impacting the size of EBITDA. As a result, EBITDA figures for 2017-2018 and those for 2019-2021 are not directly comparable.

****Net profit (loss) is presented without including dividend income and elimination of one-off and atypical impairments of investments in subsidiaries recognized in standalone company reports..

Revenue of INVL Technology by country, thous. EUR



Thous. EUR	2020	2021	Change
Lithuania	22 615 (62%)	25 611 (64%)	2 996
Other countries	14 019 (38%)	14 686 (36%)	667
Total	36 634	40 297	3 663

During the reporting period, the companies owned and managed by INVL Technology conducted operations in more than 58 countries, with 36% of income generated by activities abroad. Operations in Lithuania accounted for 64% of revenue. In 2021 the owned and managed businesses added activities in new countries including Qatar, Palestine, Belize and others. Moreover, in 2021 the geography of operations in European Union countries expanded following the acquisition of Elsis PRO UAB during the year.

3.6. Performance indicators for INVL Technology in Indexes 2019- 2021

	2019	2020	2021
Net asset Value per share, EUR	2.3784	2.7700	2.9936
Total Net asset value (equity value), thous. EUR	28 958	33 725	36 125
Return on equity (ROE) = net profit / equity * 100	3.21%	14.13%	7.26%
Earnings per share (EPS) = net profit / number of shares	0.08	0.39	0.22
Debt ratio = liabilities/ assets	0.004	0.047	0.065
Change in fair value, thous. EUR	1 279	6 740	2 713
Net profit, thous. EUR	933	4 767	2 621
Ratio of liquid assets to total assets = cash and cash equivalents/assets	4.82%	6.19%	5.43%
Ratio of investment in one operating company to net asset value *	35.71%**	41.43%**	36.04%**

* For the convenience of investors, the Company publishes definitions and formulas for the alternative performance measures (APMs) it uses on its website as well as in Appendix 4 of this Annual Report. See the website section "For Investors" → "Financial information and reports" → "Formulas of performance indicators", which can be reached via this link <https://www.invltechnology.lt/lt/en/for-investors/reports/formulas-of-performance-indicators>.

** Diversification requirements not met for reasons beyond the control of the management company must be recovered within 1 year. In exceptional cases, the deadline may be extended if the supervisory authority is duly informed. In July 2021, the supervisory authority (the Bank of Lithuania) extended this deadline until 2024.

4. Significant Issuer's events in the reporting period, their effect on the financial statements

Significant events during the reporting period

Financial reports

- **2021-04-06** INVL Technology announced that on 31 December 2020 the net asset value of the Company was EUR 33.73 million or EUR 2.77 per share. Moreover, the audited results were announced. The audited net profit of INVL Technology for 2020, taking into account a revaluation of financial assets, was EUR 4.767 million.
- **2021-04-30** INVL Technology reported preliminary operating results for 3 months of 2021. The equity of the Company and its net asset value as at 31 March 2021 was EUR 34.37 million, or EUR 2.82 per share (at the end of 2020 it was EUR 33.73 million and EUR 2.77 respectively). The Company's investments in its business holdings amounted to EUR 32.69 million at the end of March 2021 (vs EUR 32.65 million at the end of 2020). Net profit for 3 months of 2021 was EUR 646 000 (versus a net loss of EUR 119 000 for the same period in 2020).
- **2021-08-31** INVL Technology announced preliminary results for 6 months of 2021. The equity of the Company and its net asset value as at 31 June 2021 was EUR 35.04 million or EUR 2.88 per share (at the end of 2020 it was EUR 33.73 million and EUR 2.77 respectively). The Company's investments in its business holdings amounted to EUR 31.80 million (vs EUR 26.40 million at the end of June 2020). Net profit for 6 months of 2021 was EUR 1.312 million (versus a net loss of EUR 264 000 for the same period in 2020).
- **2021-10-29** INVL Technology announced preliminary results for 9 months of 2021. The equity of the Company and its net asset value as of 30 September 2021 was EUR 35.62 million or EUR 2.90 per share (at the end of 2020 it was EUR 33.73 million and EUR 2.77 respectively). The Company's investments in its business holdings amounted to EUR 31.78 million (vs EUR 27.13 million at the end of September 2020). Net profit for 9 months of 2021 was EUR 1.539 million (versus a net loss of EUR 912 000 for the same period in 2020).

Agreements

- **2021-10-01** Due to strategic changes in the Company's structure, a majority of the shares of NRD Bangladesh's shares (98%), which were owned by the NRD Companies group, were sold to NRD Cyber Security, which previously held 1% of the shares of NRD Bangladesh. Following this transaction, NRD Companies owns 1% of NRD Bangladesh's shares.
- **2021-10-22** The transaction was completed for the merger of the information systems and software development company Elsis PRO UAB into to the IT infrastructure and software services group INVL Technology Novian.

General shareholders' meetings

- **2021-04-07** The Company announced the convocation of a General Shareholders Meeting on 29 April 2021. The meeting was held at the premises of the Company, at Gyneju St. 14 in Vilnius. The draft agenda of the General Shareholders Meeting of INVL Technology was announced including the following questions: introduction of shareholders to the Company's 2020 annual report, as well as presentation of the independent auditor's report on the Company's financial statements and annual report. The agenda of the meeting also includes issues related to the approval of the company's financial statements for 2020, profit distribution, introduction to the approval of the remuneration policy, and the establishment of the procedure for repurchasing own shares. Also regarding the formation of the Supervisory Board and the election of new members, the approval of the remuneration policy of the Supervisory Board and the determination of the remuneration of the independent member. The following questions were also included in the agenda: amendment of the company's Articles of Association, approval of the new wording of the Articles of Association and appointment of a person authorized to sign the new wording of the Articles of Association; approval of a new version of the related party transaction policy; election of members of the audit committee; termination of the agreement on the provision of depository services between INVL Technology and AB SEB bank and conclusion of a new agreement on the provision of depository services with Šiaulių Bankas AB;
- **2021-04-29** The resolutions of the General Shareholders Meeting of INVL Technology were published. The shareholders of the Company were introduced with the annual report for 2020 and an independent auditor's report on the financial statements and annual report of the Company. The shareholders also approved the approval of the Company's financial statements for 2020, the distribution of the Company's profit, as well as the remuneration policy and the establishment of the procedure for the acquisition of own shares. He also approved the formation of the Supervisory Board and the election of new members, approved the remuneration policy of the Supervisory Board and the determination of the remuneration of the independent member. During the meeting, the amendment of the company's Articles of Association was approved, the new wording of the Articles of Association was approved, and the person authorized to sign the new wording of the Articles of Association was approved; a new version of the related party transaction policy has been approved; members of the audit committee were elected and it was decided to terminate the depository services agreement between INVL Technology and AB SEB bank and to sign a new depository services agreement with Šiauliai bank AB. The decision to use the formed reserve (its part) to acquire its own shares and to acquire the shares of INVL Technology was taken in the meeting and these following conditions were set up – a) the maximum number of permitted shares - the total nominal value of own shares owned by INVL Technology may not exceed 1/10 of the authorized capital; b) term within which INVL Technology may acquire its own shares - 18 months from the date of adoption of this decision; c) maximum and minimum purchase price of shares: maximum purchase price per share - last published net asset value of INVL Technology per share, minimum purchase price per share - 0.29 euros.
- **2021-10-06** The company announced the convocation of an extraordinary General Shareholders Meeting on 28 October 2021. The agenda of the shareholders' meeting was announced including the issue of approval of the terms of share options.

- **2021-10-28** The company provided information about the resolutions of the Extraordinary General Meeting that was held 28 October 2021. The shareholders agreed that in 2021 option agreements would be concluded with the employees of the Company's subsidiaries (companies in which more than 2/3 of the shares belong to the Company).

Legal regulations

- **2021-01-04** INVL Technology (hereinafter – “the Issuer”) received a notification from Invalda INVL AB (hereinafter – “Invalda INVL”) by which the Issuer was informed about the plans of Invalda INVL for the 2021 year to conclude transactions regarding the Issuer's shares, following the guidelines for the trading in the Issuer's shares approved by the Board of Invalda INVL, which specify the main conditions for concluding transaction;
- **2021-03-25** INVL Technology (hereinafter – “the Company”) informs that taking into account provisions of the Law on Collective Investment Undertakings of the Republic of Lithuania (hereinafter – “CIU”), the Company operating under the CIU is under an obligation to have a valid prospectus (hereinafter – “the Prospectus”) prepared in accordance with the requirements of the CIU or of the Law on Securities of the Republic of Lithuania (hereinafter – “LS”). Considering that the Prospectus should be renewed annually and the fact that at the time of publication of the information there is no grounds that the Company should prepare and own a prospectus complying with the requirements of the LS, the Company in order to meet the said requirement prepared a renewed version of the Prospectus in compliance with CIU. The Company's Management company approved the Prospectus and approved its publication on 24 March 2021;
- **2021-04-29** INVL Technology (hereinafter – “the Issuer”) received a notification from Invalda INVL by which the Issuer was informed about the Board decision of Invalda INVL form 29 April to suspend permanently the execution of the guidelines for the trading in the Issuer's shares. Information about the above—mentioned guidelines was announced on 4 January 2021;
- **2021-05-17** The company informed that on 12 May 2021 a new version of the Company's Articles of Association was registered in the Register of Legal Entities. It was approved at the shareholders' meeting of the Company that was held in 29 April 2021.
- **2021-05-19** The company informed that on 18 May 2021 a request to the Financial Market a request to the Financial Market Supervisory Authority of the Bank of Lithuania to suspend the examination of the Company's application for permission to change the Company's depository until the Company's agreement with the new depository is clarified was submitted;
- **2021-05-28** The Company informed that on 25 May 2021 a notification of the Bank of Lithuania was received. It stated that t the Company was allowed to amend the Articles of Association of the Company;
- **2021-05-31** The Company informed that on 28 May 2021 a notification of the Bank of Lithuania was received. Bank of Lithuania approved the candidacies of the members of the Company's Supervisory Board.
- **2021-07-08** The Company received a letter from the Bank of Lithuania “On Implementation of Diversification Requirements” instructing the Company to provide updated information on the dynamics of INVL Technology's portfolio of investment instruments and detailed explanations on how the Company implements measures to correct non-compliance with diversification requirements by 15 July 2022.

Information about managed companies

- **2021-01-04** Novian Systems, an IT infrastructure and software services group owned and managed by the Company, strengthened its information systems development company Novian Systems with the addition of business intelligence and process automation solutions company Acena. With these changes, Novian Systems is able to provide a wider range of software services.
- **2021-10-01** Due to strategic changes in the Company's structure, the majority of NRD Bangladesh's shares – 98 percent, which belonged to the NRD Companies group, were sold to NRD Cyber Security, which has so far owned 1% of the NRD Bangladesh shares. Following this transaction, NRD Companies owns 1 percent. NRD Bangladesh shares.
- **2021-10-22** The transaction was completed for the merger of the information systems and software development company Elsis PRO UAB into the Novian group.

Significant events that occurred after the end of the reporting period

- **2022-01-06** The Company announced that it had concluded option agreements with employees of the Company's subsidiaries who thus acquired the right to receive the Company's shares. Some of the employees of the Company's subsidiaries immediately exercised their acquired right to obtain shares in the Company and submitted a request for the transfer to them of the corresponding shares of the Company. A total of 210 shares were transferred to employees.
- **2022-01-04** Company received notifications from its management and shareholders regarding the acquisition and disposal of shares. Accordingly, the structure of shareholders holding or controlling more than 5% of the Company's authorized capital and/or votes changed.
- **2022-03-04** The Company transferred 116 shares to employees of INVL Technology subsidiaries who had the right to pre-empt realization of the option right under the basis and terms of signed option agreements.

Information regarding key events during the reporting period is published on the Company's website in the section “For Investors” → “Regulated information” at <https://www.invltechnology.lt/lit/en/news-center?categories=26&years=2021&months=00>.

5. Significant events of portfolio companies during reporting period

5.1. Business climate improvement and e-governance

NRD COMPANIES AS GROUP

NRD Companies is a global group of IT and consulting companies, specializing in the development of governance and digital infrastructure solutions. Headquartered in Norway, the group unites companies working in Fintech, GovTech and practice-based consulting areas to help countries attain the UN sustainable development goals. NRD companies have a successful track record of implementing projects like e-service delivery platforms, national post digitalization, tax administration platforms and other digital solutions, on all 5 continents. The group is a recognized leader in the industry and is controlled by INVL Technology.

NRD Companies is a parent company for the following subsidiaries: Norway Registers Development AS, NRD Systems, NRD Rwanda, ETRONIKA, and Infobank Uganda. More information: www.nrdcompanies.com.

NRD Companies group companies

Norway Registers Development - is a consulting, project leadership and know-how hub for the group based in Sandvika, Norway.

NRD Systems -is an information system development and project delivery company with core competences in state tax systems and state registry modernization. It is based in Vilnius, Lithuania.

NRD Rwanda is a regional sales, project leadership, project support and maintenance company for group projects in Rwanda, Burundi and Democratic Republic of the Congo.

ETRONIKA is an award-winning financial technology and retail solutions developer, providing innovative products and solutions for banks, lending institutions, national postal services and retailers. Based in Vilnius, Lithuania.

Infobank Uganda (dormant) is a specialized company based in Kampala, Uganda which provides information on Ugandan businesses.

Strategic business directions

- To continue developing own products/platforms to enable the launch of rapid, cost-effective custom solutions for government institutions, financial services providers, retailers and national postal services all over the world, with a primary focus on developing countries.
- To provide high-quality practice-based consulting services to bringing added value to customers and ensure additional revenue streams to for stakeholders.
- To continue initiatives for the horizontal integration of group companies to support business growth.

NRD Companies products and services

Products and solutions	Services
<ul style="list-style-type: none"> • GxP – A customer-centric public e-service delivery platform. The platform is a tool for governments to proactively support citizens and businesses with e-services. It addresses issues of inter-institutional integrity and enables institutions to independently provide e-services to citizens. GxP provides data-driven insights to transform public e-services in response to citizens' evolving needs and patterns of behaviour • BUSREG – An internationally recognized platform for the electronic registration of legal entities. It is quick to deploy and can be easily adapted to the needs of different countries, boosting the accessibility and efficiency of services for businesses and investors • DIGITAL LOANS – A platform for SME and retail loans, used by banks and other financial services providers to grow their loan portfolio more quickly, keep lending management and related costs under control, and excel in their operational risk management 	<ul style="list-style-type: none"> • Consulting: <ul style="list-style-type: none"> Digitalization of public services Development of business, civil and other registers Digital ID + digital signature Digital inclusion Digital skills Digital transformation assessments/audits/roadmaps/strategies • KASU Cloud – A full-fledged cash register, software (cash register application) and sales network management solution provided to merchants as a service.

- **Banktron** – An award-winning secure and intuitive digital banking platform. It is easily integrated with the latest FinTech solutions
- **KASU RETAIL** – An omnichannel solution to manage and accelerate retail business.
- **KASU POST** – A point-of-sale counter automation and retail management solution for post offices focused on maximizing revenue from non-postal operations: financial services, delivery of public services, and delivery of integrated 3rd-party commercial offerings.
- **Virtual Fiscal Device Management System (VFDMS)** – A next-generation online cash register management solution. It addresses the latest VAT tax collection challenges that tax authorities face, improving tax collection and reducing the informal economy without putting a burden on businesses.

NRD Companies results of 2021

Key profit (loss) items, thous. EUR

	NRD Companies*							
			NRD AS**		NRD Systems**		Etronika**	
	2020	2021	2020	2021	2020	2021	2020	2021
Revenue	6 989	6 347	4 247	3 477	2 430	2 597	1 926	1 934
Gross profit	2 603	2 590	1 216	1 262	906	774	618	775
EBITDA	602	368	144	78	342	113	131	196
EBIT	324	104	136	71	235	9	6	78
Net profit (loss)	152	40	68	55	152	(25)	(26)	75

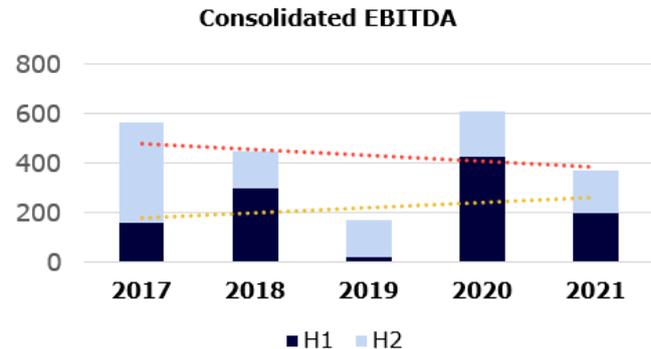
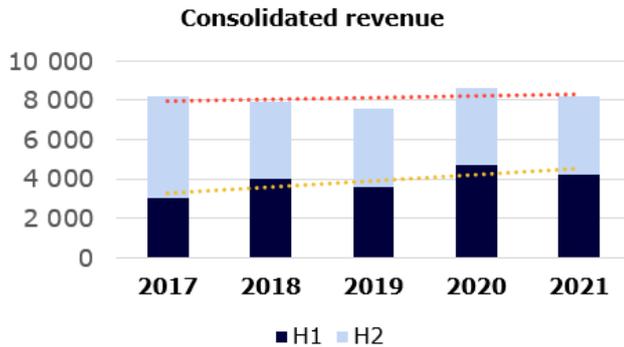
Key balance sheet items, thous. EUR

	NRD Companies*							
			NRD AS**		NRD Systems**		Etronika**	
	2020	2021	2020	2021	2020	2021	2020	2021
Tangible assets	259	233	9	4	142	164	106	66
Intangible assets	220	85	14	14	1	-	171	70
Other non-current assets	343	503	307	470	14	16	23	18
Current assets	6 293	6 274	4 107	3 911	2 075	2 357	1 175	1 326
of which cash	927	1 359	67	30	534	788	218	515
Total assets	7 115	7 095	4 437	4 399	2 232	2 537	1 475	1 480
Equity	1 635	1 704	701	796	369	344	602	677
Non-current liabilities	558	257	-	-	215	177	338	80
Of which financial debt	277	190	-	-	215	177	62	14
Current liabilities	4 922	5 134	3 736	3 603	1 648	2 016	535	723
of which financial debt	782	546	490	-	244	494	48	52
Total liabilities and equity	7 115	7 095	4 437	4 399	2 232	2 537	1 475	1 480

*Unaudited consolidated results of NRD Companies are presented, which includes the results of the companies submitted and the results of NRD Rwanda and NRD Bangladesh (before the transfer of control).

**The results of Etronika UAB and NRD Systems UAB and NRD AS are included into results of NRD Companies. The audit of standalone financial statements of these entities are in progress

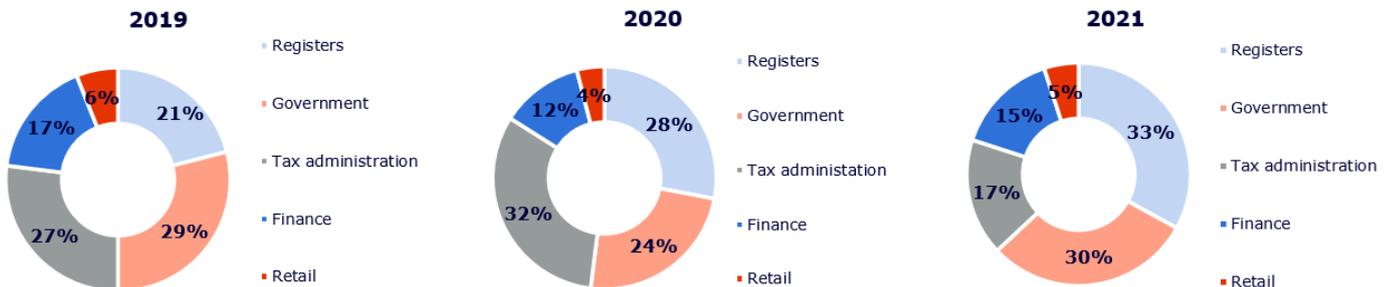
Consolidated revenue and EBITDA of NRD Companies group, thous. EUR*



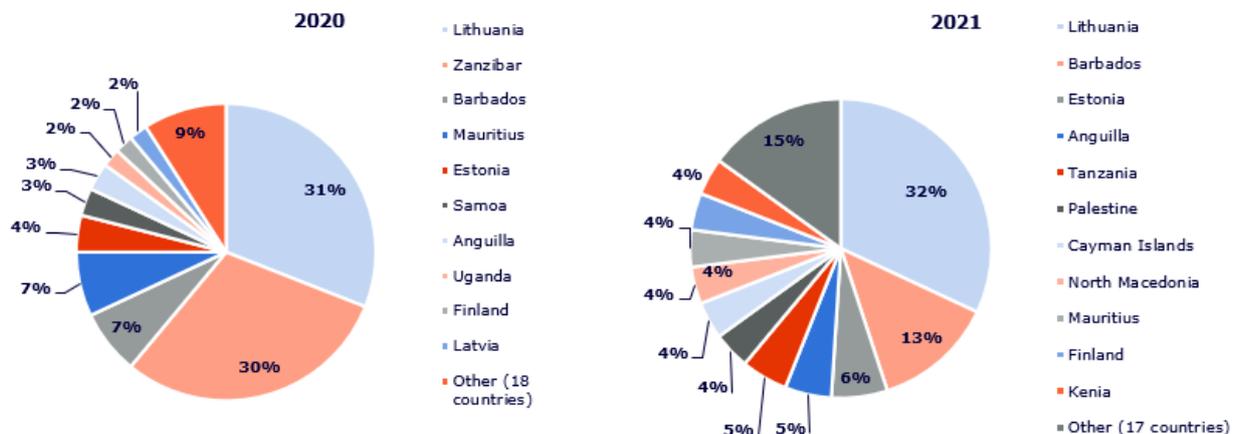
Thous. Eur	2017	2018	2019	2020	2021
Revenue	7 232	7 161	6 596	6 989	6 347
EBITDA	557	504	166	602	368

*IFRS 16 was implemented in 2019 with an impact on the size of EBITDA, thus the EBITDA indicators for 2017-2018 and 2019-2021 are not directly comparable.

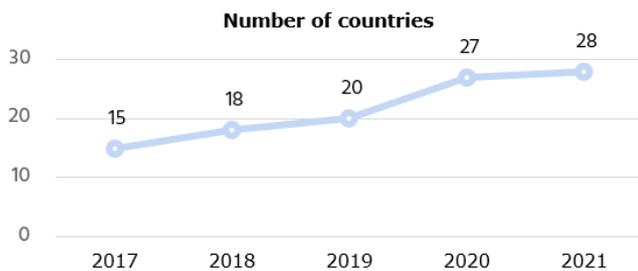
NRD Companies revenue by sector



NRD Companies revenue by countries, thous. EUR



Thous. Eur	2020	2021	Change
Lithuania	2 140 (31%)	2 020 (32%)	-120
Other countries	4 849 (69%)	4 327 (68%)	-522
Total	6 989	6 347	-642



Assessing the performance of NRD Companies during the reporting period, it should be noted that the increasing concentration of companies on their own projects is reducing the volume of resold services and goods, therefore the revenue graph does not reveal the business growth trends. The geography of the company's operations is constantly expanding, during the reporting period it covered 28 countries in Africa and Europe, the Caribbean, etc. The decline in revenue in the tax administration sector was offset by higher revenues from customers in the registries, financial sector and government sectors.

Key events and projects of 2021

- In the first half of 2021, the direction and strategy of the NRD Companies consulting business was refined and a separate business unit was formed with clearly defined performance indicators. The NRD Companies Consulting Division will develop expertise and provide advice in the following areas: Digital Identity, Civil Registration in Developing Countries, Registration of Legal Entities, e-Government and e-Services for Citizens, Improving the Business Environment in Countries ("Ease of Doing Business").
- During 2021, the go-to-market strategy was improved for achieving higher revenue goals. Hence, consolidation of sales, marketing, HR, and finance operations was completed, while integration and rationalization of back-office functions like project delivery and management, product development, support, and R&D was started. At the same time, excess capacity was eliminated. All these actions, intended to increase the interoperability of organizations, will help bring the NRD Companies strategy and create value for stakeholders.
- On 22 October 2021, NRD Companies and NRD Cyber Security signed a deal under which 98% of NRD Bangladesh shares were sold to NRD Cyber Security, which previously owned 1% of shares. After the deal, NRD Companies has a stake of 1% in NRD Bangladesh.
- Daily Finance listed NRD Companies amongst the best management consulting companies based in Norway.
- These significant projects were implemented:

NRD Companies finished developing an action plan for implementing a unique ID system in four Member States of the Organization of Eastern Caribbean States (OECs): the Commonwealth of Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines. The OECs unique ID System seeks to facilitate cross-border movement of people and goods and refine e-governance systems.

NRD Companies completed a two-part project for the Government of Cayman Islands. One part was the implementation of an Identity and Access Management system to manage access to all of the public eServices provided by the government to both businesses and citizens. The other part was the development of data management tools needed to consolidate all of the government's data on physical persons with the aim of building a trusted registry of residents of the Cayman Islands.

Using KASU, Kyrgyz Post launched a new money transfer service called "PosTransfer", enabling migrants to transfer funds back home to relatives living in remote regions with no access to financial services. The service is now provided by more than 400 post offices in Kyrgyzstan, which have been able to quickly complete arrangements with third-party payment service providers and offer customers a wide range of financial services.

NRD Companies started advising on digitization of the Palestinian Business Registry. The project was initiated by the Ministry of National Economy through its World Bank-funded Innovative Private Sector Development Project (IPSD). The aim is to improve the investment climate through a range of regulatory reforms and digitization of the existing business registry.

A new business register system was developed and implemented in Anguilla. The government of Anguilla, acting through its Ministry of Finance, Economic Development, Investment, Trade, Tourism and Information Technology, chose the NRD Companies product BUSREG for a system of business registers to improve the country's business environment.

The government of Guyana chose NRD Companies to create a strategy for modernizing the organization of state ICT infrastructure. It is expected that after implementing the recommendations, the state ICT infrastructure will become the basis for government e-services that will benefit every citizen, particularly those living in remote and underserved areas. The ability to provide online services will help the government better serve citizens in areas of social support, healthcare, education, and other critical services. In the long run, it will lay foundations for contributing to UN Sustainable Development Goals such as lower poverty, better health and well-being of the population, reduced inequalities, increased gender equality, and others.

The government of Belize and the International Financial Services Commission chose NRD Companies to develop and implement a new business registry system. The new digital business registry will ensure effortless collaboration of governmental entities and remove redundant manual paperwork in different institutions. The new registry will make Belize more attractive to foreign investors and local entrepreneurs. It will be a basis for new jobs, higher tax income, and saving of public funds.

The Philippines Securities Exchange Commission (SEC) chose NRD Companies to implement a new electronic business registry system based on the Unified Registry Platform (URP) developed by NRD Companies. The new register will make it possible to register and maintain all corporations and partnerships (foreign and domestic) via a single unified platform.

NRD Companies signed a contract with the World Bank to provide consulting services for the Somali National Bureau of Statistics. NRD Companies will create an ICT strategy to prepare the Somali National Bureau of Statistics for transformation into a world-class provider of data of high quality and reliability.

GPS Capital Markets, a US-based corporate foreign exchange company, chose NRD Companies as a partner for the creation of open banking infrastructure to expand its operations to the European Union. The out-of-the-box open banking solution will ensure access for licensed third-party providers (TPPs).

- **NRD Companies was invited to participate in the 5th Growth and Resilience Dialogue on 14-15 April 2021, where it shared experience and practice-based advice on digital credentials.** The event was organized by the Eastern Caribbean Central Bank in collaboration with partners: the OECS Commission, The World Bank and The University of the West Indies. The target audiences for the Dialogue included parliamentarians, social partners, CEOs, entrepreneurs and business owners, public and private sector officials, financial service providers, high school, college and university students, teachers and lecturers; innovators and thought leaders, and youth and community leaders from all around the world;
- **On 27 May 2021, NRD Companies together with the Lithuanian tax inspectorate and the Lithuanian IT association INFOBAL organized a free webinar for public sector decision-makers entitled "Citizen-centred services: How to pass the quality and performance test?".** More than 100 Lithuanian government decision-makers heard about our GxP product and how it can ensure an institution's services proactively reach the right people, at the right time, to the right extent.
- **At #EGOV2021, one of the world's largest E-Governance conferences, on 18-20 May 2021, NRD Companies showcased its solutions and products to more than 1000 policymakers from more than 100 countries.**
- **NRD Companies presented its URP platform to the global business registries community during the Corporate Registers Forum CRF 2021 on 9-11 November 2021.** NRD Companies contributed to the organization of the event as a platinum partner.

5.2. IT infrastructure services and software

NOVIAN GROUP

The Novian group's companies work in software services, IT infrastructure, and digitization, offering services and solutions for developing organization's digital advantage. Novian's main areas of focus are digital transformation services, data empowerment, and artificial intelligence and robotics solutions.

The Novian group's advantage is its ability to provide integrated IT services and solutions by combining the capabilities of the group's companies and thus giving clients more value.

Having united the strengths of its companies in the Baltic and Nordic countries, Novian ensures clients get a package of services that is tailored to their needs regardless of which group company they turn to and in which country. Moreover, integration of IT infrastructure and software services is extremely relevant for being able to create a needed digital solution fast.

The companies working in the group's software services area are Novian Systems and Elsis PRO in Lithuania and Andmevara AS in Estonia. Working in the technologies area are Novian Technologies in Lithuania with Andmevara Services OÜ in Estonia and its subsidiary Andmevara SRL in Moldova, which provide digitization services too.

The Norwegian company Zissor is a well-known provider of software for media monitoring and for the segmentation and digitization of printed and scanned documents.

The Novian group's companies are certified under ISO 9001, ISO 14001, ISO 20000, ISO 27000 and ISO 27001. They also use the ITIL and ISKE methodologies.

For more information see www.novian.io.

Long-term objectives of the Novian group:

- Novian is an international group of companies that prioritizes growth and development in Lithuania, Estonia and the Nordic region;
- The Novian group provides products and services that enable the changes involved in digital transformation;
- The Novian group creates added value for clients by helping them achieve their goals: increasing business revenue and improving the quality of public sector services.

Strategic business directions of the Novian group:

- Income from continuous IT services (managed services packages, SaaS);
- Digitization;
- High performance computing (HPC);
- Software services.

Novian group companies

Technologies

The Novian companies which operate in the technologies area focus heavily on high-performance computing clusters, open-source cloud technologies, document digitization, data archiving, and the provision of highly skilled continuous managed services for the maintenance and support of critical IT infrastructure.

Active in Lithuania and other countries around the world, Novian Technologies, the main company working in this field, focuses on new technological opportunities for business and the public sector, emphasizing smooth IT operations and the alignment of IT infrastructure with new technological possibilities.

Standing out as extremely promising is the field of high-performance computing device clusters, popularly known as supercomputers, whose use in diverse areas has been growing recently. Novian's technology companies are active in the areas of critical IT infrastructure services and modern digital workplaces. They also offer project management general contracting and other services.

Also working in the technologies area are the Novian Technologies subsidiary Andmevara Services OÜ in Estonia and the Moldovan company Andmevara SRL.

For more information – www.novian.io.

Software development

The Novian group companies which operate in the area of software services develop information systems as well as business analytics and process automation solutions for business and the public sector.

Novian Systems, a Lithuanian company is recognized as a reliable developer of customized information systems and IT solutions, especially for the public sector. Following the merger into Novian Systems of Acena, a provider of business analytics and process automation solutions, as of 2021 Novian Systems has expanded the range of software services it offers.

The information systems and software developer Elsis PRO, which joined the Novian group at the end of 2021, brings experience in aviation, defense, energy, and space technologies. Its activities include the development and integration of information systems, artificial intelligence applications, smart solutions for data exchange, big data analytics, the digitalization of business processes in organizations, and risk management.

Novian's software services professionals are highly experienced in developing tax administration systems and have also worked actively in e-health, environmental protection, smart cities, e-government and other areas. Their know-how from work with public sector organizations is helpful in identifying solutions for businesses as well.

The group's companies focus on developing complex customized information systems for state institutions and large and medium-sized companies as well as solutions for business process digitalization and business analytics. They also carry out integrated projects together with the Novian group's other companies.

For more information – www.novian.io.

Media monitoring and digitization

Zissor is a Norwegian company which in the space of 20 years has become a world-leading provider of media monitoring solutions and media digitization software and services. It became part of the Novian group in 2019.

Zissor's media monitoring software gives media monitoring companies a complete end-to-end solution for automatic production of press clippings with automated segmentation of articles and client searching as well as flexible distribution.

Zissor's digitization software gives libraries, archive institutions and publishers a solution for the digitization of their paper and microfilm archives, including automated segmentation and metadata extraction plus flexible export of images and XML for long-term preservation and search and retrieval. Zissor also take on digitization projects as a service for its clients.

In 2020, Zissor expanded its portfolio of services with the software and IT infrastructure services and solutions of the Novian group's other companies.

For more information – www.zissor.com.

Novian groups results of 2021

Key profit (loss) item, thous. EUR

	Novian*													
	Technologies						Software services						Media monitoring and digitization	
	Novian Technologies		Andmevara Services OU/ Andmevara SRL**		Novian Systems***		Andmevara AS		Elsis PRO		Zissor			
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Revenue	24 113	25 859	18 223	16 523	651	979	3 739	3 971	789	508	2 632	2 992	711	886
Gross profit	5 737	6 479	2 850	2 679	651	876	1 394	1 076	190	234	865	907	652	708
EBITDA	1 788	1 641	1 628	1 267	65	157	394	291	(256)	(81)	274	298	108	105
EBIT	996	834	1 065	875	49	147	264	148	(318)	(142)	76	100	88	103
Net profit(loss)****	596	476	774	593	30	117	225	145	(374)	(219)	1	86	68	102

Key balance sheet items, thous. EUR

	Novian*													
	Technologies						Software services						Media monitoring and digitization	
	Novian Technologies		Andmevara Services OU/ Andmevara SRL**		Novian Systems ⁷		Andmevara AS		Elsis PRO		Zissor			
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Tangible assets	1 006	1 419	611	1 124	19	28	233	146	138	78	34	28	3	12
Intangible assets	1 969	2 368	62	48	3	4	1 902	1 882	1	-	609	434	-	-
Other non-current assets	711	1 590	512	234	-	-	151	1 242	-	-	18	33	104	110
Current assets	9 820	9 524	7 021	5 667	134	295	2 491	2 814	248	95	1 121	1 089	426	397
Of which cash	2 344	2 643	1 323	1 440	37	111	496	424	21	36	1	357	274	259
Total assets	13 506	14 901	8 206	7 073	156	327	4 777	6 084	387	173	1 782	1 584	533	519
Equity	5 836	4 524	3 365	2 456	(19)	104	2 892	3 037	(592)	(811)	246	332	365	391
Non-current liabilities	751	3 353	175	279	-	-	450	1 389	86	27	200	483	40	-
Of which financial debt	360	2 622	147	262	-	-	87	1 158	86	27	-	-	40	-
Current liabilities	6 919	7 024	4 666	4 338	175	223	1 435	1 658	893	957	1 336	769	128	128
Of which financial debt	1 042	1 065	209	420	50	50	495	829	729	876	-	-	-	-
Total liabilities and equity⁸	13 506	14 901	8 206	7 073	156	327	4 777	6 084	387	173	1 782	1 584	533	519

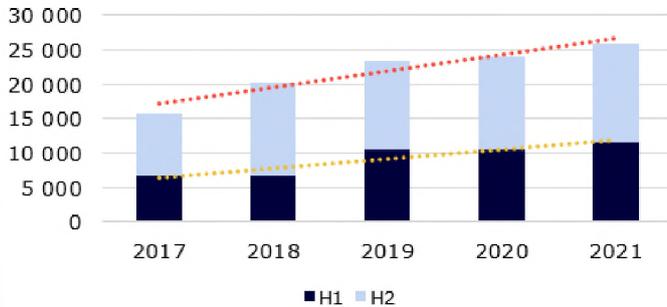
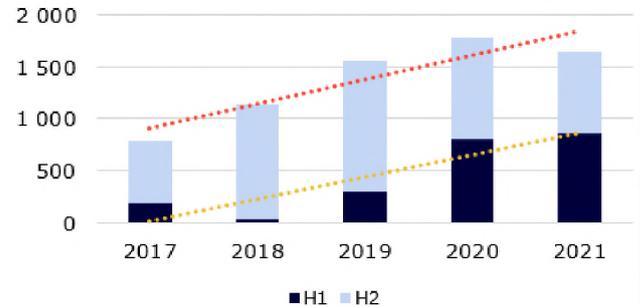
*Unaudited aggregated operating results of the Novian group are presented, which include the results of the presented companies and the results of Novian UAB. Elsis PRO UAB was acquired in 2021, therefore the results of this company are aggregated only in 2021. The value of investments in subsidiaries has been eliminated in aggregating the balance sheet items. The audit of standalone financial statements of Novian Technologies UAB, Novian Systems UAB, Elsis Pro UAB and Zissor AS are in progress.

**Includes results of Andmevara Services OU and Andmevara SRL.

***Acena, UAB was merged into Novian Systems UAB on 31 December 2020. Aggregated merged information of these two companies are shown for 2020.

****Adjusted net profit is represented after eliminating one-off impairments of investments in subsidiaries. In 2020 Novian Systems UAB eliminated the impairment of Andmevara AS EUR - 64 thousand (additional deferred income tax income EUR 10 thousand) and impairment of Acena, UAB EUR - 27 thousand (income from additional deferred income tax - EUR 4 thousand). The aggregated net profit of the Novian group was adjusted accordingly.

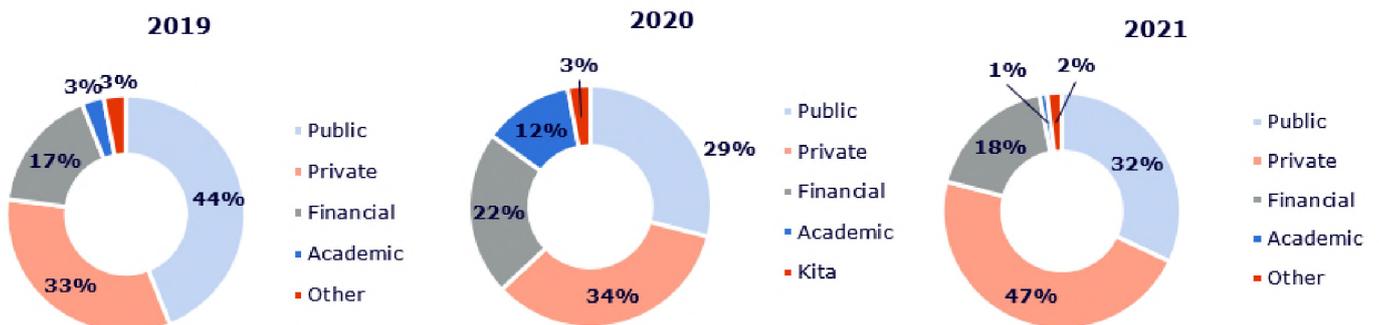
Novian group main financial figures, thous. EUR*

Aggregated revenue

Aggregated EBITDA


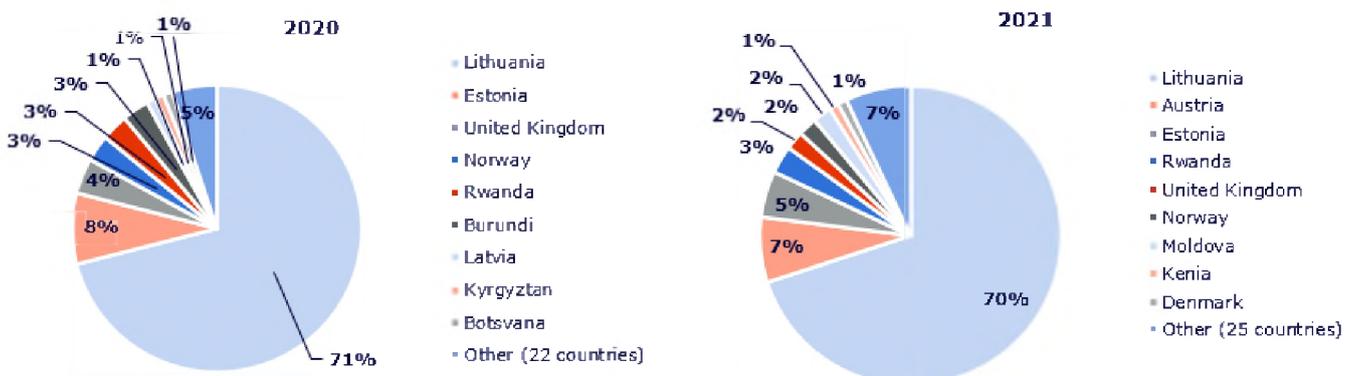
	2017	2018	2019	2020	2021
Revenue	15 776	20 317	23 492	24 113	25 859
EBITDA	791	1 138	1 556	1 788	1 641

* IFRS 16 was implemented in 2019 with an impact on the size of EBITDA, thus the EBITDA indicators for 2017-2018 and 2019-2021 are not directly comparable.

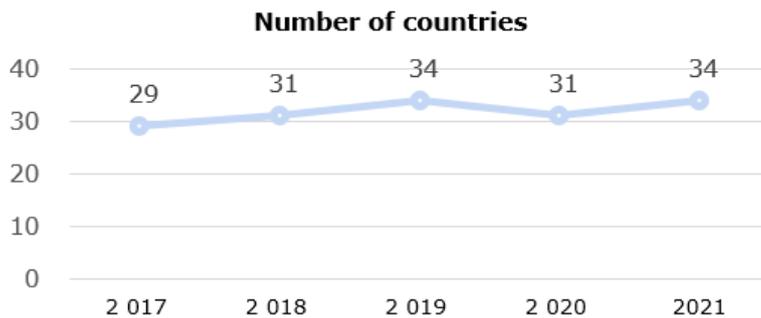
Novian group revenue by sector



Novian group revenue by country



Thous. EUR	2020	2021	Change
Lithuania	17 186 (71%)	18 068 (70%)	882
Other	6 927 (29%)	7 791 (30%)	864
Total	24 113	25 859	1 746



Revenue from the corporate sector accounted for nearly half of the Novian group's revenue in 2021, with another one-third earned in the public sector. A significant portion of revenue, about one-fifth, continues to come from clients in the financial industry. Changes in the revenue structure of the group and the software services business area were mostly due to the acquisition of Elsis PRO. A broad geography of operations has been maintained, also thanks to Elsis PRO's income from clients in European Union countries.

Key events in 2021

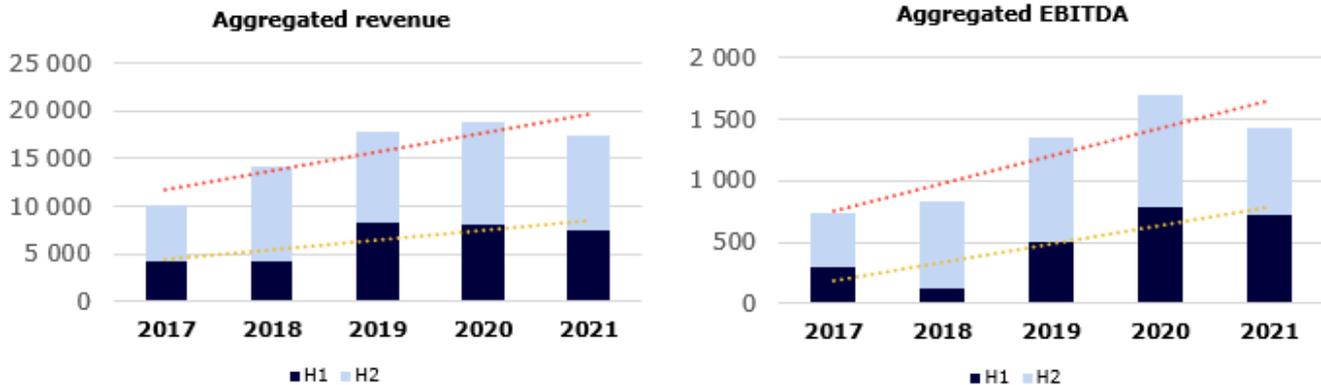
- In June 2021, Evaldas Rėkus, the CEO of Novian, assumed the role of CEO of Novian Systems and Andmevara AS from Elena Vengrienė, who stepped down temporarily for family reasons.
- On 21 October 2021, the transaction, by which Novian group was joined by information systems and software development company Elsis PRO, was completed. The agreements to buy 100% of Elsis PRO's shares was signed by the Novian group company Novian Systems. The deal expanded the Novian group's software development competencies and capabilities in the fields of aviation, transport and energy, and marked the start of a strategic partnership with the Elsis group.
- In November 2021, the Novian group joined the EnergyTech Digital group, an initiative to promote the wider use of digital technologies in the energy sector.
- In November 2021, the Lithuanian Space Technology Cluster was established. Elsis PRO was included among the founding space technology companies.
- In late 2021, Novian Technologies became a member of the Norwegian-Lithuanian Chamber of Commerce.

Products and services of Novian group

Technologies (Novian Technologies (Lithuania), Andmevara Services OU (Estonia), Andmevara SRL (Moldova))

Solutions and services	Industries where active	Technologies and methodologies
<ul style="list-style-type: none"> • Critical IT infrastructure design, deployment and maintenance • Critical IT infrastructure maintenance managed services • Cloud computing strategy and transformation implementation • Data storage, recovery and archiving solutions • Modern digital workplace strategy creation and implementation • Supply-chain and infrastructure lifecycle management • Managed printing services • Digitization of document archives 	<ul style="list-style-type: none"> • Finance and insurance • Wholesale and retail trade • Logistics and warehousing • ITT • Energy • Manufacturing • Public sector • Scientific institutions 	<ul style="list-style-type: none"> • Methodologies: CIMF v.3, Migritis, CopyPrint • Intellectual property: Andmevara Services OU x-Scan document digitization • Technology partners: Dell EMC, NVIDIA, Lenovo, IBM, Cisco, Zabbix, Prometheus, Oracle • Microsoft Azure, Google Cloud, RedHat Openshift, Commvault, Veritas, Quantum • Mobile Iron, N-Able, Kyocera, Microsoft. • Standards & Certifications: ISO 9001; ISO 14001; ISO 20000-1

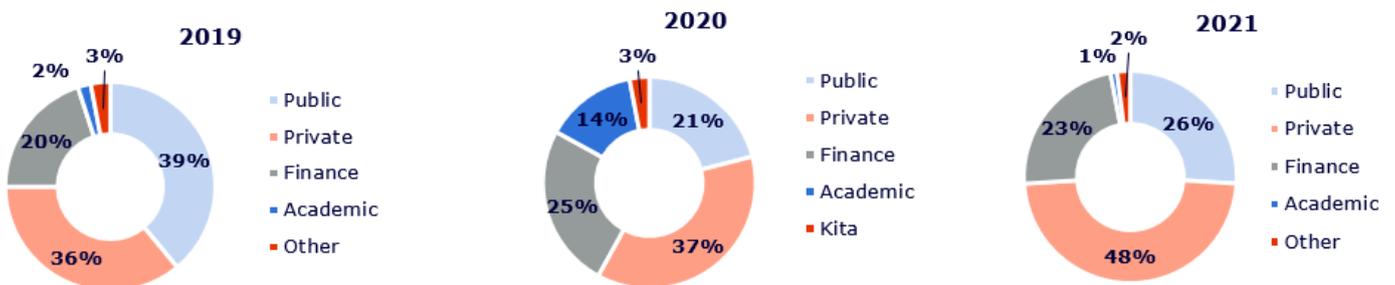
Revenue and EBITDA of Novian group technologies area, thous. EUR*



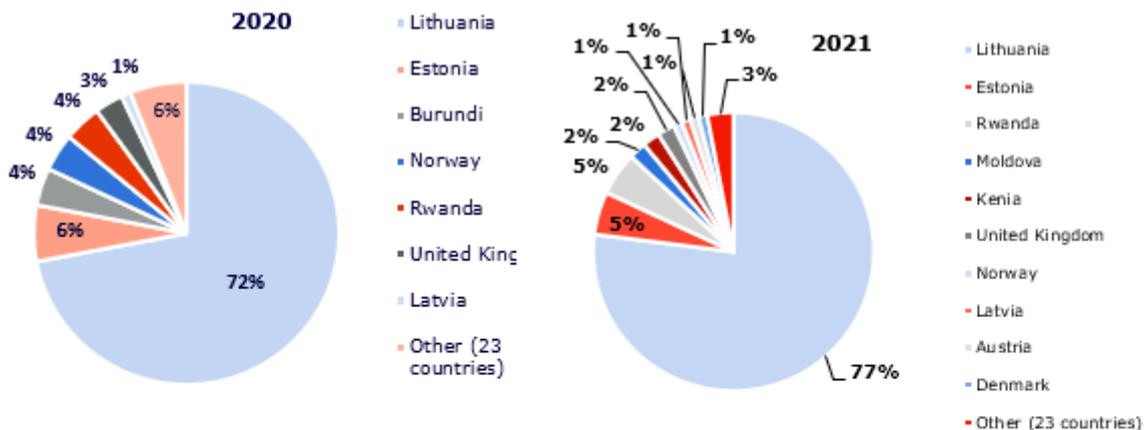
Thous. Eur	2017	2018	2019	2020	2021
Revenue	10 065	14 111	17 745	18 874	17 502
EBITDA	730	839	1 351	1 693	1 424

* From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2017-2018 and 2019-2021 are not directly comparable.

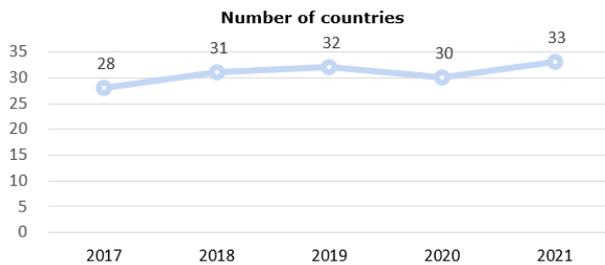
Revenue by sector



Revenue by country



Thous. EUR	2020	2021	Change
Lithuania	13 561 (72%)	13 490 (77%)	-71
Other countries	5 313 (28%)	4 012 (23%)	-1 301
Total	18 874	17 502	-1 372



Share of revenue of the Novian group technologies companies in Lithuania in 2021 increased to 77 percent (this share of revenue was 72% in 2020). In terms of revenue by sector, the share of revenues from the corporate sector reached 48% in 2021 and in 2020 it was 37 percent.

Key events and projects in 2021

- Introduction of Novian Technologies' IT infrastructure managed services in Lithuania and Norway has been ongoing since 2021 (cataloguing of the services, adaptation to the Nordic market and marketing campaigns in Norway and Lithuania).
- In 2021, Novian Technologies organized an ongoing Red Hat TechClub project for open-source professionals in Lithuania to develop technical skills and promote open-source systems. The club met monthly, with training led by Red Hat experts.
- To encourage collaboration and exports of services, teams from the relevant divisions of Novian Technologies and its subsidiaries Andmevara Services (Estonia) and Andmevara SRL (Moldova) were integrated.
- Novian Technologies launched an ESG (Environmental, Social and Governance) initiative. A steering group is in place, and short- and long-term objectives have been set.
- In May 2021, a Novian Technologies conference on "Technologies and Resilience" was held for organizations and heads of IT.
- In 2021, Novian Technologies completed HPC projects for the Kyrgyz postal service and Vilnius University.
- In the fall of 2021, Novian Technologies became a Gold Member of the Norwegian-Lithuanian Chamber of Commerce.
- In 2021, Dell "Titanium" partnership was renewed, as was the pan-Baltic Kyocera "Black Belt" service partnership.
- In 2022, the Red Hat "Premier" partnership level was achieved.
- In the spring of 2022, a modern digitization centre is planned to be opened in Estonia.
- During the reporting period, these key projects were implemented:
 - **Lithuanian Railways – critical IT infrastructure architecture design, equipment supply, installation, integration and maintenance:** hyperconverged infrastructure architecture was designed, a plan for infrastructure modernization was prepared, equipment supply, installation and systems integration was organized, migrations were carried out, and a maintenance plan for the upgraded infrastructure was prepared. In 2022, a backup and backup solution deployment agreement was signed. The upgraded critical infrastructure ensures business continuity, performance and security.
 - **Ignitis Group Service Centre – installation of computer workstations:** workstation equipment was selected to meet the specific needs of ESO AB divisions: Getac rugged laptops and accessories. The equipment was ordered and delivered to the client. This resulted in increased mobility, innovation, and improved working conditions for employees.
 - **Estonian National Archive – document digitization:** digitization of documents and creation of metadata. The project involves 4.2 million documents, with a length of 2 years. The digitized documents are hosted on a public website. The national archive's holdings can be easily and quickly accessed by all interested parties.
 - **Bank of Lithuania – Procurement of Openshift platform deployment, maintenance and development:** consulting on the deployment, maintenance and development of the Red Hat OpenShift 4 (open source) platform. Guidance by international experts enabled rapid and efficient deployment of modern technologies for the development of new applications.
 - **IT infrastructure maintenance services for the PET packaging manufacturer Retal:** maintenance services for data centres in Lithuania and the UK, monitoring of IT systems performance. SOC services foreseen: when a problem is identified, it is escalated and measures are taken to address the vulnerabilities. Computer workstation maintenance services also provided. Novian Technologies assumed full responsibility for the safe and uninterrupted operation of the client's IT infrastructure. The client can focus on developing its core business.

Software services (Novian Systems (Lithuania), Andmevara AS (Estonia), Elsis PRO (Lithuania))

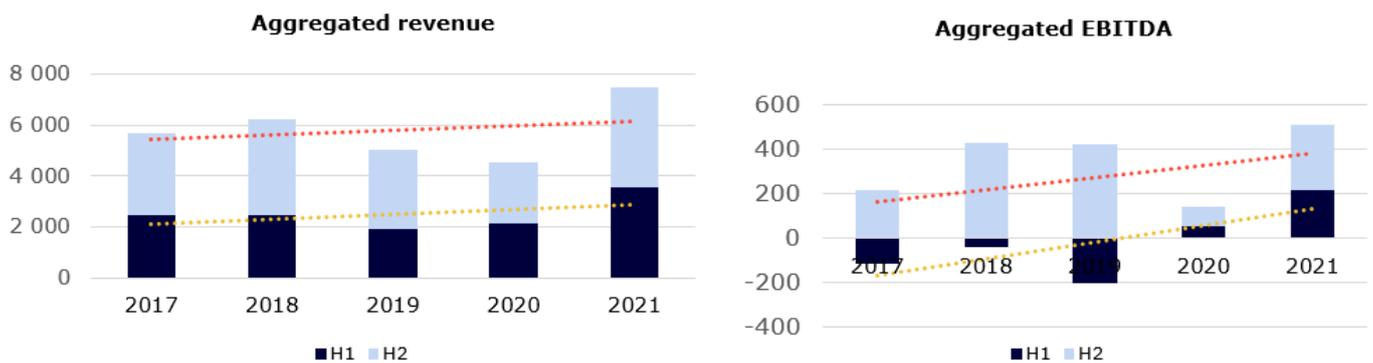
Solutions and services	Industries where active	Technologies and methodologies
<ul style="list-style-type: none"> • Development and maintenance of information systems • Information systems integration • Business process digitization • Performance analytics solutions 	<ul style="list-style-type: none"> • E-governance • E-tax • Regulatory institutions • E-health • Environmental protection 	<ul style="list-style-type: none"> • Intellectual property: Novian Systems: <ul style="list-style-type: none"> • Masis municipal tax management • Atris waste management

- Robotic process automation
 - Critical resource management solutions
 - Data distribution solutions (OMG Data Distribution Service)
 - Risk management solutions
 - Big data
 - Consulting
- Smart cities
 - Corporations
 - Scientific institutions
- Elsis PRO:**

 - PRO.Risks risk management
 - SHIFT air traffic controller scheduling software
 - Galaxy nano-satellite communication software (in development)
 - Programming in Oracle /Java and Microsoft.NET
 - Low code solutions with Microsoft Power Apps
 - Process robotization
 - Big data and performance analytics, artificial intelligence

Standards and Certifications:
 Novian Systems: ISO 9001, ISO 27001, ISO 14001;
 „Elsis PRO“: ISO 9001, ISO 27000.

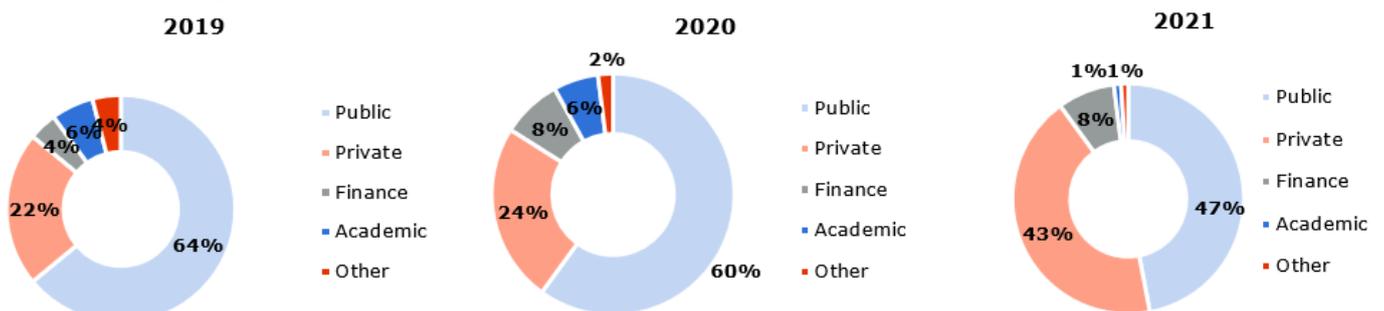
Revenue and EBITDA of Novian group software services companies, thous. EUR*



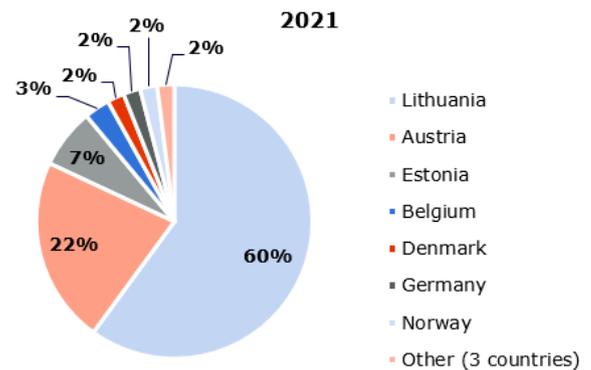
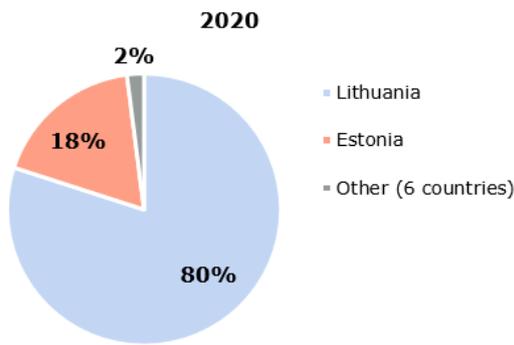
	2017	2018	2019	2020	2021
Revenue	5 711	6 206	5 039	4 528	7 471
EBITDA	103	392	219	138	508

*From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2016/2017-2018 and 2019-2020 2021 is not directly comparable. The figures of 2021 include the annual results of Elsis PRO UAB (revenue EUR 2 992 thousand, EBITDA EUR 298 thousand).

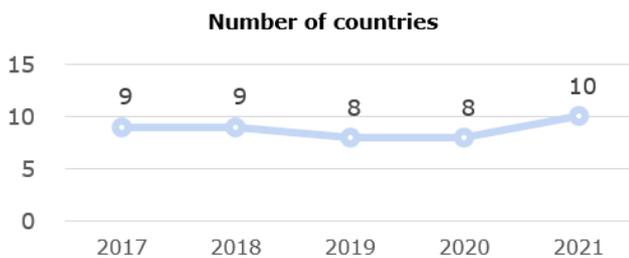
Revenue of Novian group software services area by sector



Revenue of Novian group software services companies by country



Thous. Eur	2020	2021	Change
Lithuania	3 606 (80%)	4 507 (60%)	901
Other countries	922 (20%)	2 964 (40%)	2 042
Total	4 528	7 471	2 943



The Novian group's software services companies generated a majority of their revenue (60%) from operations in Lithuania. Revenue from clients abroad increased to 40% (versus 20% in 2020). The revenue structure of the software services companies also changed in terms of client segment: the revenue share from the public sector contracted from 60% in 2020 to 47% in 2021, while the portion of revenue from the corporate sector correspondingly increased from 24% to 43%. The changes were mainly due to the acquisition of Elsis PRO, whose operations are included in the financial statements as of 2021.

Key events and projects of Novian group software services companies in 2021

- In October 2021, the transaction, by which Novian group was joined by information systems and software development company Elsis PRO, was completed. The agreements to buy 100% of Elsis PRO's shares was signed by the Novian group company Novian Systems. The deal expanded the Novian group's software development competencies and capabilities in the fields of aviation, transport and energy, and marked the start of a strategic partnership with the Elsis group.

Novian Systems:

- In the first half of 2022, Novian Systems is upgrading the municipal land rent administration system Masis SMP. It is designed for accountancy of the municipal taxes (for land and property rent, etc.), fees and licences, and management of the electronic services for individuals and businesses. Upgrade of the technological part of the system will ensure faster operation and improved usability.
- In June 2021, Evaldas Rėkus, the head of Novian, took on the role of CEO of Novian Systems and Andmevara AS, replacing Elena Vengrienė, who went on leave for family reasons.
- In 2021, Novian Systems held webinars on the use of microservice architecture in the development of information systems and software solutions for holiday requests and for participants of court processes and financial markets.
- In 2021, Novian Systems held webinars on the use of microservice architecture in the development of information systems, together with partners held a webinar entitled "Lack employees? The answer is rapid automation" to present the possibilities of low code software development solutions.

Elsis PRO:

- In March 2021, Rimvydas Jančiauskas became the CEO of Elsis PRO, replacing Arūnas Gedvila.
- In November 2021, the Lithuanian Space Technology Cluster was established. Elsis PRO was among the founding space technology companies.
- In 2021, contracts were signed with Lithuania's Financial Crime Investigation Service (FNIT) for the development of an IT system, with Oro Navigacija for the deployment of the SHIFT product, with the Lithuanian Military Academy for the second phase of development of the NAAS system, and with ESA for the second phase of development of the Galaxy product, and the FNIT's GovTechLab tender was won.

- During the reporting period these key projects were implemented

Upgrade of the ITIS_EU information system for exchange of VAT information among EU countries: Oracle technologies are used to upgrade the ITIS_EU. This will allow the implementation of provisions of legislation taking effect on 1 July 2022 according to which persons whose permanently reside outside the territory of the EU will be reimbursed VAT on goods purchased in the Republic of Lithuania and exported from EU territory. The e-services will allow smoother refunds of VAT on goods purchased in Lithuania and exported from the EU. The data collected and analysed will allow the State Tax Inspectorate to control VAT refunds more effectively.

Stansefabrikken quality control system: Novian Systems implemented Microsoft Power Apps and Microsoft Power BI technologies for quality control monitoring on a painting line. This will enable quality measurements, get product information and automatic data reading from industrial measuring tools. The measurement data will be processed and stored.

Microsoft Power BI reports for the Baltic brand development company Vilandra: during the project, Novian Systems replaced the client's SQL databases with reports based on Microsoft Power BI technologies, and installed sales, debts, and inventory modules. The new reports make it possible to see and analyse all operational data in one place and from various angles.

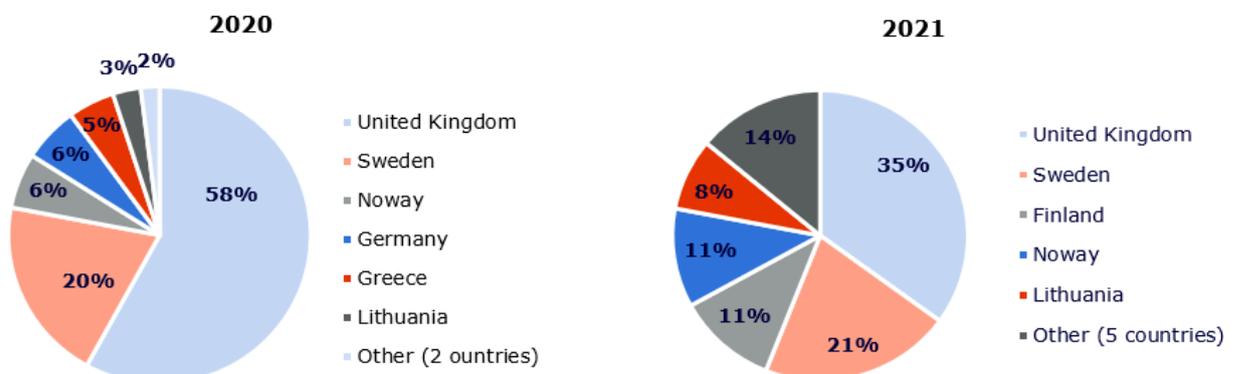
Modernization of the EU Structural Funds Management and Monitoring Information System (SFMIS): The data exchange platform which Elsis PRO substantially upgraded allows users to submit data electronically and receive feedback promptly. The work was carried out with the existing system in operation. Lithuanian institutions administering EU Structural Funds investments and the beneficiaries of those funds will be able to carry out even more processes, from application to completion reports, entirely digitally.

Development of the Integrated Airspace Transport (Flight) Analysis and Management System (IOETAVS): Elsis PRO is developing advanced software for automatic scheduling of air traffic controllers based on artificial intelligence and big data analytics solutions. The system includes airspace planning and optimisation, which will allow more air traffic to be served with the same resources, reducing aircraft delays and ensuring safe air navigation. Functionalities cover the planning and operational management cycle, ranging from forward long-term planning to tactical planning on the day of operations.

Media monitoring and digitization area (**Zissor, Norway**)

Solution and services	Industries of activity	Technologies and methodologies
<ul style="list-style-type: none"> • Media (press, online, broadcast, social network) monitoring software; • Software to segment and digitizing the content of printed and / or scanned documents; • Converting media PDF files to XML for other communication channels 	<ul style="list-style-type: none"> • Providers of media monitoring services • Magazine and newspapers publishers • National archives and libraries. 	Zissor intellectual products

Zissor revenue by country



Thous. Eur	2020	2021	Change
Lithuania	19 (3%)	70 (8%)	51
Other countries	692 (97%)	816 (92%)	124
Total	711	886	175

Key events and projects of media monitoring and digitization area in 2021

- Zissor introduced the PDF-to-XML conversion service in the Nordics, signed new contracts and began several pilot projects.
- In the second quarter of 2022, the company plans to launch new artificial intelligence functionality in the upgraded Zissor Media System.
- In Finland, Zissor introduced its archive digitization service and began a new project in the country.
- In 2021-2022, the company is introducing Novian's IT services on the Norwegian market.

These key projects were implemented during the reporting period:

Digitization of the Hordaland Folkeblad newspaper: the digitization services which have begun also include scanning, optical character recognition (OCR), article segmentation and meta-data extraction. A total of 75 000 pages of the newspaper will be digitized. Zissor will digitize the newspaper's entire archive from 1873 to 2005. The digitized material will be made available for text search and made available in electronic form to the newspaper's subscribers and journalists.

Digitization of the Norwegian newspaper Lister: digitization as well as scanning, optical character recognition (OCR), and meta-data extraction services. 200 000 pages of the newspaper will be digitized, including the issues published from 1901 to 2011.

Digitization of the archive of the Norwegian newspaper Bladet Vesterålen: Zissor digitized the newspaper's entire archive of 200 000 pages covering the years 1921-2009. A total of 200 000 pages with more than 2 million articles were digitized. All published issues of the newspaper are available for text search and can be delivered electronically.

Digitization of the Danish newspaper Ingeniøren: ongoing service is being provided with the conversion of PDF pages into articles and meta-data. Zissor's services also enable the generation of XML files and images that can be used for an e-solution. This makes it possible to use e-solutions and present articles more conveniently also on tablets and mobile phones.

PDF-to-XML conversion of the Norwegian magazine Agenda 3:16: continuing conversion service. PDF pages are converted into articles and meta-data, XML files and images are generated for electronic use. This facilitates the presentation of articles for reading on tables and mobile phones.

5.3. Cyber Security

NRD CS (CYBER SECURITY)

NRD CS is a cybersecurity consulting, incident response and technology implementation company. Through its activities, the organization seeks to create a secure digital environment for countries, governments, businesses, and citizens, and therefore conducts projects of various scale and scope around the world.

Specialists of NRD CS have extensive experience in cybersecurity incident investigation and management, law enforcement, analysis, auditing, and other fields as well as are active members of international cybersecurity organizations and contribute to the development of international good practices. The organization is managed by INVL Technology, an investment company in IT businesses listed on Nasdaq Vilnius, whose companies operate on a cluster basis and implement joint projects in more than 50 countries around the world.

Strategic business directions

- continue its mission to consistently help countries realize their visions of secure digitalization and enable different organizations to manage cybersecurity threats;
- continue cross-border cooperation in the development of cybersecurity systems in various countries around the world. It will develop its products related to the exploration of open sources and the protection of critical infrastructures. It is expected that during 2022 NRD CS will continue close cooperation with international organizations such as ITU, World Bank, GFCE and others, which aim to strengthen cyber resilience at national or regional scales.
- strengthening CyberSOC managed security service provider position in Lithuanian market, aiming to become a leader. The focus on other services and products, such as auditing, cybersecurity consulting and technology deployment will also remain.
- develop and commercialize CollectiveSight product variation dedicated to large organizations as well as CyberSET and improving CSIRT/SOC establishment projects.

NRD CS services and products

Cyber security incident management and team building	Nacionalinių kibernetinio saugumo gebėjimų stiprinimas	Organizacinių kibernetinio saugumo gebėjimų stiprinimas	Technologiniai sprendimai
<ul style="list-style-type: none"> • Security audit and cyber risk assessment • Security risk assessment • Assessment and assurance of compliance • Cyber security maturity assessment • Cloud computing security assessment • Vulnerability analysis and intrusion assessment • Performance and IT business continuity assessment 	<ul style="list-style-type: none"> • Development and oversight of national and sectoral computer security incident investigation teams (CSIRTs) and security operations centers (SOCs) • Development of a national cyber security strategy and legal framework • Development and implementation of a critical infrastructure protection program • Cyber Security Maturity Assessment (in collaboration with Oxford University) 	<ul style="list-style-type: none"> • Cyber security incident management • Digital research 	<ul style="list-style-type: none"> • Development and installation of sensors for critical infrastructure objects • Intelligence automation and data modeling tools • Open Source Intelligence (OSINT) tools • Cyber labs for digital research.

The organization is currently developing and introducing to the market the following products:

CollectiveSight: a centralized cybersecurity monitoring and threat hunting platform. The solution has been created by NRD CS R&D team as there was no technology which could combine NDR and EDR capabilities at sectorial level and enable coordinated threat monitoring. Its functionalities go beyond just visibility and offer capabilities to build and continuously refine rules for detecting threats and non-compliances. It is set-up in organization's internal network and analyses traffic data just before it is sent across the internet. The platform is intended to be deployed in sectorial or national critical infrastructures, set-up for central management and incident handling as well as threat hunting from sectorial or national CSIRT.

The platform has already been successfully commercialized – it has been deployed in the central banks of Egypt and Bangladesh as well as the national CIRT of Cyprus.

NRD CS is currently working on another variant of CollectiveSight which will be focused on large organisations rather than on sectors or national infrastructure. It is expected to introduce the solution to market during 2022.

CyberSET: a set of technologies and operational procedures, allowing the integration and automation of typical SOC functions for the security service providers (MSSPs) that manage them. The organisation has been actively developing this product for a couple of years and recently a prototype has been introduced. In 2022 the product will be deployed while establishing a National CIRT in Malawi. The main purpose of the CyberSET is to help IT companies to start providing MSSP services in the short term by offering a complete set of technological and procedural instruments at affordable prices, thus addressing the shortage of cybersecurity service providers. The product being developed will substantially reduce the entry barrier to the MSSP market and provide a technological set of software, methods, procedures and information that will allow the MSSP to be launched very quickly (within about 60 days) and several times less expensively than is currently possible with the solutions available on the market.

NRD CS results of 2021

Key profit (loss) item, thous. EUR

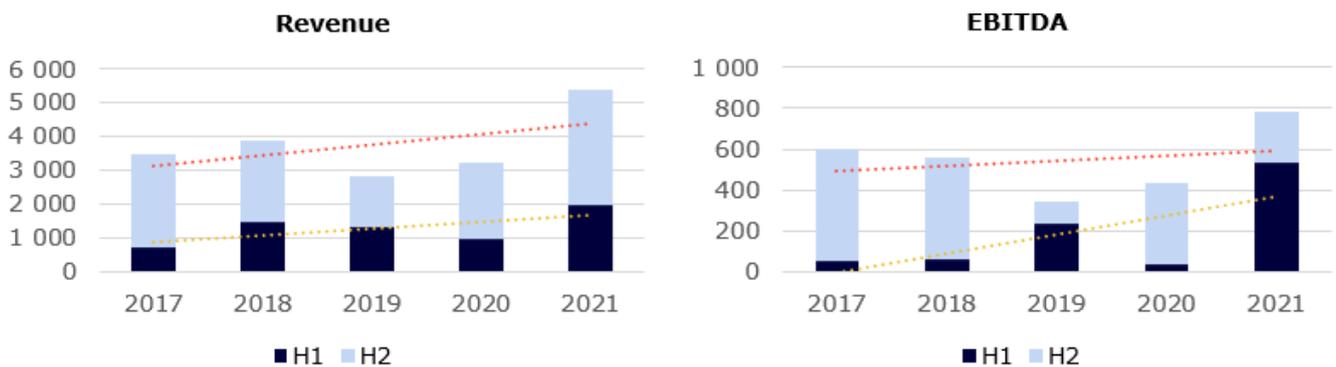
	NRD CS*	
	2020	2021
Revenue	3 229	5 365
Gross profit	1 519	2 347
EBITDA	434	784
EBIT	250	615
Net profit (loss)	321	603

Key balance sheet items, thous. EUR

	NRD CS	
	2020	2021
Tangible assets	181	122
Intangible assets	46	1
Other non-current assts	140	209
Current assets	2 079	3 007
Of which cash	654	1 618
Total assets	2 446	3 339
Equity	1 390	1 493
Non-current liabilities	57	37
Of which financial debt	57	12
Current liabilities	999	1 809
Of which financial debt	44	48
Total liabilities and equity⁹	2 446	3 339

* The audit of the financial statements of NRD CS UAB are in progress.

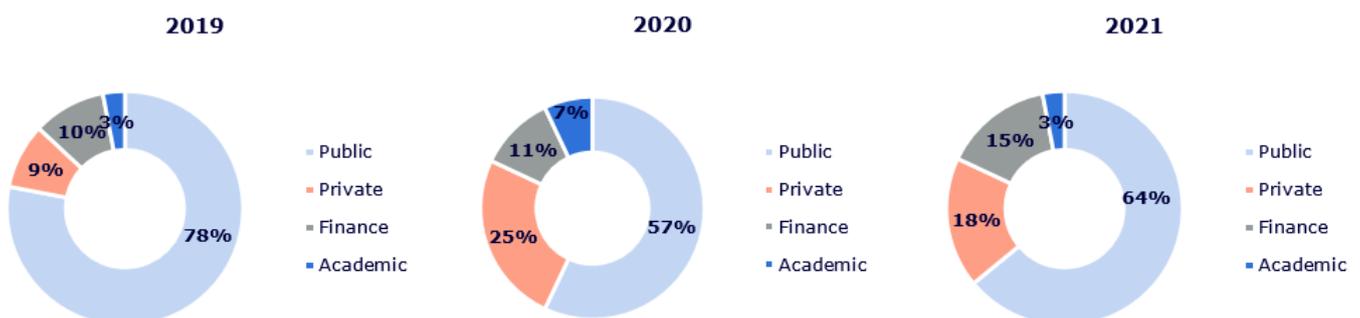
Revenue and EBITDA of NRD CS, thous. EUR



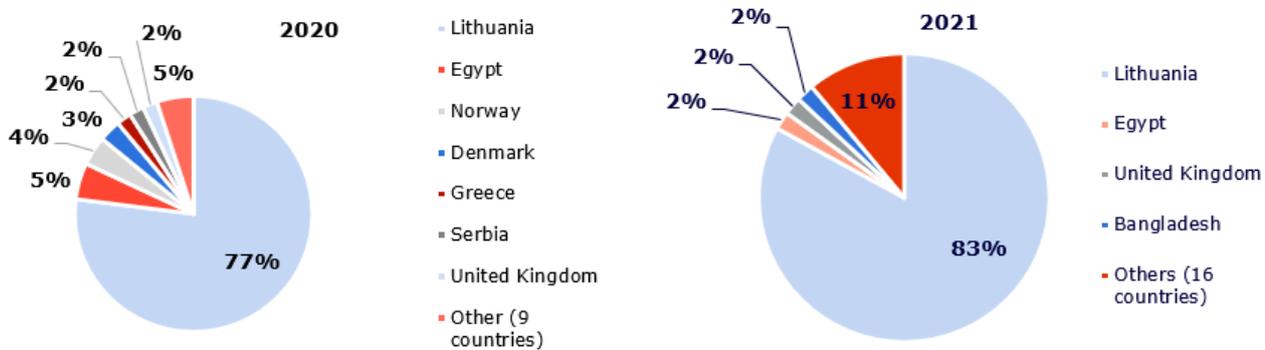
	2017	2018	2019	2020	2021
Revenue	3 493	3 876	2 836	3 229	5 365
EBITDA	603	559	341	434	784

* From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2017-2018 and 2019-2021 are not directly comparable

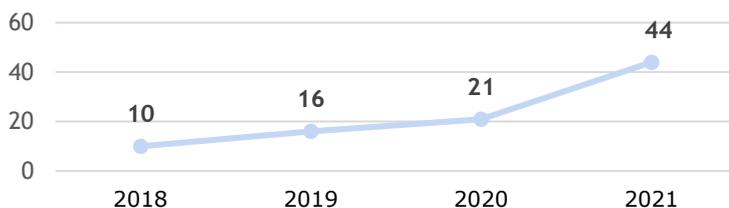
NRD CS revenue by sector



NRD CS revenue by country



Thous. Eur	2020	2021	Change
Lithuania	2 490 (77%)	4 479 (83%)	1 989
Other countries	739 (23%)	886 (17%)	147
Total	3 229	5 365	2 136

Number of countries


NRD CS 2021 not only did it earn significantly more revenue, but at the same time it was able to increase its profitability. The increase in revenue was achieved by increasing revenue in Lithuania. Although the number of countries with NRD CS projects has doubled, revenue growth from foreign clients has not been significant. Recent years have seen a decline in the share of public sector revenue; the share of public sector customer revenue increased

Key events and projects of 2021

- During 2021 NRD CS team has worked on 264 projects
- The organisation has strengthened its position in security as a service provider category and signed 7 new contracts for providing external Security Operations Centre (SOC) services called CyberSOC, bringing the total number of customers using this service to 15. CyberSOC is provided to organisations of various scope, size and nature – banks, manufacturers, international organisations and public sector institutions.
- During the second half of the year, NRD CS has started providing a new service for Lithuanian market – an independent SWIFT assessment. NRD CS has been listed as a registered provider on the Customer Security Programme (CSP) Assessment Providers directory to offer assessment services.
- NRD CS has successfully continued to work on various international projects as well as sign new contracts. Further is a list of the main international projects the company's experts have either continued, or started working on:

Egypt: One of the main continued projects, which in 2021 came close to the finish line and is expected to be completed in the first half of 2022. The project aims to assist the Central Bank of Egypt in establishing a cybersecurity incident response team, which will be coordinating other 39 banks in the country. Also, in order to centrally monitor and detect cyber threats, CollectiveSight, a threat monitoring platform developed by NRD CS, has been deployed. In addition to this, at the end of 2021, NRD CS welcomed two Egyptian delegations from cybersecurity management and technical teams. During the intense couple of weeks, the delegations have been introduced to Lithuanian efforts to strengthen cyber resilience within the financial sector. Also, important connections with the Bank of Lithuania, Lithuanian cyber police, Ministry of Defence and other institutions have been established.

Bhutan: a technical audit of currently used finance management systems has been carried out for the Ministry of Finance in Bhutan. The results along with recommendations for improvements have been presented to the management team of the Ministry.

Serbia: NRD CS, together with the United Nations Project Management Agency (UNOPS), has provided advisory services for the assessment of the cybersecurity ecosystem of the Republic of Serbia.

Nigeria: NRD CS has completed two projects for the Central Bank of Nigeria:

Creating an integrated cybersecurity center for the financial sector.

Deployment of a system dealing with cybersecurity threats, information processing and dissemination.

Guyana: During the H2 of 2021, cybersecurity assessment services were provided to the Central bank of Guyana.

Rwanda: A new contract has been signed with the United Kingdom Home Office to perform Rwanda's cybersecurity maturity assessment using Oxford CMM model. NRD CS has already performed such maturity assessments in Sakartvelo, Ecuador and Bangladesh.

Malawi: in the H2 of 2021 a contract was signed with ITU to establish National CIRT in Malawi. **EU:** A contract has been signed with ENISA (The European Union Agency for Cybersecurity) for the preparation of cybersecurity crisis management maturity methodology. The project aims to put a solid ground for cooperation among EU institutions in case of crisis at a technical or operational level.

Events and public appearance

- Despite the ongoing pandemic, during 2021 NRD CS experts have been active both in organizing virtual conferences and seminars and participating in events coordinated by other organisations.
- In the H1 several virtual conferences on technical topics were organized in partnership with Recorded Future. The events were not only popular among customers, but also brought sales of the presented technology solutions. In May an annual CyberSOC conference took place and gathered a record number of participants – 289.
- During the H2 NRD CS hosted its annual conference Cyber Defence Lithuania which has also been popular among existing and potential customers
- The company had a chance to be part of a live conference – worldwide digital security solutions provider ESET organised its annual conference ESET Security Day Lithuania. During the event, NRD CS team has been presenting CyberSOC service, while the director of the company Dr. Vilius Benetis has delivered a speech on securing various digital environments around us.
- In 2021 NRD CS experts often appeared in various media channels both in Lithuania and abroad. Throughout the whole year NRD CS has partnered up with Verslo žinios – a media channel, dedicated to business related information. The partnership included article publication, logo visibility, ad campaigns and special position in a specialized newsletter on innovation.

6. Issuer's assessment of the last year

6.1. Assessment of objectives achieved in 2021

During the reporting year, INVL Technology managed to achieve the goals set for its operations: to earn a return for the benefit of shareholders from investments in portfolio companies and to increase the value of those companies. The results are reflected in the 52.46% increase in INVL Technology's equity per share from 14 July 2016, when the Company started operating as a closed-end investment company, through the end of 2021, taking into account repurchase of own shares. Equity per share increased from EUR 1.96 to EUR 2.99 per share, for a compound annual growth rate in the period of 8.01%.

INVL Technology's equity increased by 7.1% in 2021 and reached EUR 36.125 million at the end of the year. Equity per share at the end of 2021 was EUR 2.9936 and, taking into account the repurchase of own shares, increased by 8.1% during the year.

In 2021, INVL Technology did not operate in Russia or Belarus. It is worth noting that NRD CS assessed the cyber security system in Ukraine during the reporting year. There are no current plans to develop activities in those countries in 2022.

6.2. Management comment on the impact of the coronavirus (COVID-19)

The Company and its group were not significantly affected by the COVID-19 virus pandemic. Since INVL Technology and its subsidiaries are able to conduct operations remotely, their work was not disrupted by the quarantine during the reporting year which lasted until 30 of June 2021. However, the COVID-19 pandemic has reduced the revenues of certain managed companies from work in foreign markets, since demand for IT services has declined in more remote global markets.

III. INFORMATION ABOUT SECURITIES

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

The Articles of Association of INVL Technology may be amended by resolution of the General Shareholders' Meeting, passed by more than 3/4 of votes (except in cases provided for by the Law on Companies of the Republic of Lithuania).

During the reporting period the Articles of Association were amended once.

The Articles of Association of the Company have been amended in order to comply with the relevant provisions of the legal acts regulating the activities of the Company - the Law on Companies of the Republic of Lithuania and the Law of the Republic of Lithuania on Collective Investment Undertakings. Currently actual wording of the Articles of Association of INVL Technology is dated as of 12 May 2021.

The Articles of Association is available on the Company's website. e (Section in the website For investors → Legal documents → Articles of Association. Link: <https://invltechnology.lt/lit/en/for-investors/articles-of-association>)

8. Structure of the authorized capital

Structure INVL Technology authorized capital as of 31 December 2021

Type of shares	Number of shares, units	Total voting rights granted by the issued shares, units	Nominal value, EUR	Total nominal	Nominal value, EUR
Ordinary registered shares	12 175 321	12 067 635	0.29	3 530 843.09	100

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

Information about the Issuer's treasury shares

Neither INVL Technology nor, its subsidiaries, directly or on their through persons, but acting on their behalf but in their own name, have not acquired any shares in of INVL Technology.

During the reporting period, the Company conducted a buy-back of its own shares which took place from 27 October 2021 through 10 November 2021. In this period, the Company acquired 107 686 (0.88%) of its shares from shareholders of the Company for EUR 295 059.64, with settlement made on 12 November 2021. The decision to buy back shares, the procedure and time for the purchase and sale of shares, the number and price of shares, and decisions on other matters related to the acquisition and sale of the own shares were taken at the general shareholders meeting held on 29 April 2021.

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

Main characteristics of INVL Technology shares admitted to trading

INC1L
Nasdaq Baltic Listed

Number of shares issued, units	12 175 321
Number of Shares with voting rights	12 067 635
Nominal value of one share, EUR	0.29
Total nominal value, EUR	3,530,843.09
ISIN code	LT0000128860
LEI code	5299006UHD9X339RUR46
Name	INC1L
Exchange	AB Nasdaq Vilnius, XLIT
List	Baltic Secondary list
Listing date	4 June 2014

Trading in the company's shares 2019 - 2021 (quarterly) on Nasdaq Vilnius

Reporting period	Price, EUR			Turnover, EUR			Last trading date	Total turnover	
	high	low	last	high	low	high		quantity	EUR
2019 1st Q	1,58	1,44	1,55	87 562,86	92,72	1 523,18	2019.03.29	95 698	146 843,81
2019 2st Q	2,10	1,50	1,72	84 289,91	70,97	4 629,6	2019.06.28	169 929	281 909,20
2019 3st Q	1,78	1,56	1,61	12 810,30	44,01	805	2019.09.30	87 180	142 034,35
2019 4th Q	1,80	1,57	1,76	11 613,08	1,68	777,92	2019.12.30	65 578	108 606,62
2020 1st Q	1,99	1,50	1,58	24 384,58	23,50	2 267,30	2020.03.31	74 584	139 382,05
2020 2st Q	1,95	1,60	1,94	13 953,64	1,94	999,1	2020.06.30	83 743	153 914,18
2020 3st Q	2,10	1,94	2,04	62 244	2,02	408	2020.09.25	73 659	147 174,92
2020 4st Q	2,14	1,79	2,08	2 233,8	2,02	1 664	2020.12.29	13 753	28 043,81
2021 1st Q	2,28	2,08	2,14	66 758,38	4,02	86,1	2021.03.31	137 750	294 144,84
2021 2st Q	2,74	2,1	2,52	76 256,2	2,56	252	2021.06.30	105 506	255 230
2021 3st Q	2,9	2,48	2,62	20 407,92	5,16	52,8	2021.09.30	51 749	136 702
2021 4th Q	2,78	2,6	2,74	13 600	8,22	8 912,98	2021.12.30	34 878	94 850,42

Trading in shares 2019-2021

Share price, EUR	2019	2020	2021
- Open	1.44	1.76	2.12
- High	2.10	2.14	2.90
- Low	1.44	1.50	2.06
- Medium	1.64	1.92	2.49
- Last	1.76	2.08	2.74
Turnover, shares	418 385	245 739	329 883
Turnover, EUR	679 400,88	468 515	780 926,8
Total number of trades	605	891	1576

Turnover and share price of INVL Technology

Price and revenue of INVL Technology shares



Change of share price of INVL Technology and indexes



Capitalization, 2019-2021

Last trading date	Number of shares	Last price, EUR	Capitalisation, EUR
2019.03.29	12 175 321	1.55	18 871 748
2019.06.30	12 175 321	1.72	20 941 552
2019.09.31	12 175 321	1.61	19 602 267
2019.12.30	12 175 321	1.76	21 428 565
2020.03.31	12 175 321	1.58	19 237 007
2020. 06.30	12 175 321	1.94	23 620 123
2020.09.25	12 175 321	2.04	24 837 655
2020.12.29	12 175 321	2.08	25 324 668
2021.03.31	12 175 321	2.1	25 568 174
2021.06.30	12 175 321	2.52	30 681 808
2021.09.30	12 175 321	2.66	32 386 353
2021.12.31	12 175 321	2.74	33 360 379

10. 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.

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

According to the Law on Personal Income Tax and the Law on Corporate Income Tax, a 15% tax applies for dividends as of 2014. The Company is responsible for calculating, withholding and transfer paying (to the State) the applicable taxes.

The company did not allocate dividends during the reporting period.

Indicators related to the shares*

	2019	2020	2021
Book value per share, EUR**	2.38	2.77	2.99
Price to book value (P/Bv)	0.74	0.75	0.92

*For the convenience of investors, the Company publishes definitions and formulas for the alternative performance measures (APMs) it uses on its website as well as in Appendix 4 of this Annual Report. See the website section "For Investors" → "Financial information and reports" → "Formulas of performance indicators", which can be reached via this link <https://www.invltechnology.lt/en/for-investors/reports/formulas-of-performance-indicators>.

**The nominal value per share is – EUR 0.29

11. Shareholders

11.2. Information about shareholders of the Company

Shareholders who held title to more than 5% of INVL Technology's authorized capital and/or votes as of 31 December 2021

Name of the shareholder or company	Number of shares held by the right of ownership	Share of the authorised capital held, %	Share of the votes, %		
			Share of votes given by the shares held by right of ownership, %	Indirectly held votes, %	Total, %
LJB investments, UAB, code 300822575, A. Juozapavičiaus St. 9A, Vilnius	2 424 152	19.91	19.91	-	19.91
Invalda INVL, AB, code 121304349, Gynėjų St. 14, Vilnius	1 873 678	15.39	15.39	1.83 ¹¹	17.22
Irena Ona Mišeikienė	1 466 421	12.04	12.04	-	12.04
Lietuvos draudimas, AB, code 110051834, J. Basanavičiaus St. 12, Vilnius	909 090	7.47	7.47	-	7.47
Kazimieras Tonkūnas	675 452	5.55	5.55	1.531 ²	7.08
Alvydas Banys	618 745	5.08	5.08	19.911 ³	24.99

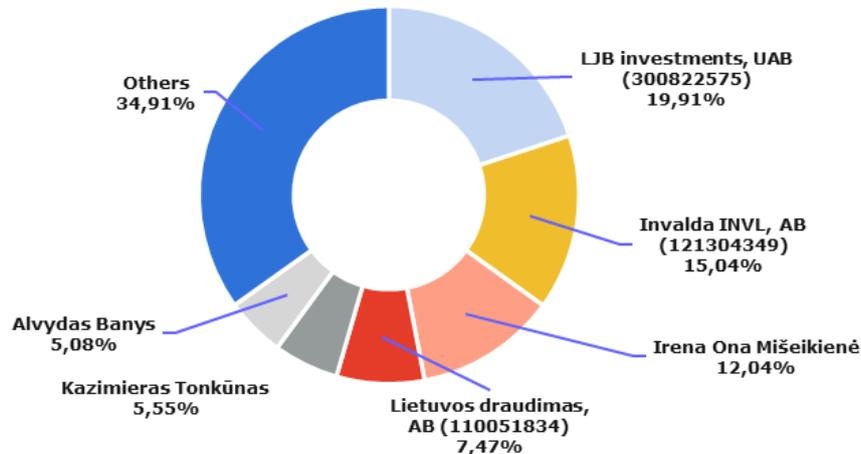
¹⁰ It is considered that Invalda INVL has the votes of the controlled company INVL Asset Management UAB.

¹¹ It is considered that Kazimieras Tonkunas has the votes of his spouse.

¹² It is considered that Alvydas Banys has votes of LJB Investments, UAB a company controlled by him.

At 31 December 2021, a total of 3 621 shareholders owned shares of INVL Technology (versus 3 438 at 31 December 2020). There are no shareholders entitled to special rights of control.

Votes as of 31 December 2021



Distribution of securities by investors' groups as of 31 December 2021

Investors	Shareholders		Votes given by the owned shares	
	Number	Portion %	Number	Share%
Private persons	3 588	46.50	5 661 417	67.00
Legal persons	32	52.62	6 406 218	33.00
Own shares	1	0.88	-	-

Distribution of securities by investors' groups as of 31 December 2021

Regions	Shareholders		Votes given by the owned shares	
	Number	Portion %	Number	Share %
Lithuania	3 493	98.07	11 940 884	98.95
Other EU countries	100	1.00	121 491	1.00
Non EU countries	27	0.05	5 260	0.05
Own shares	1	0.88	-	-
Total	3 621		12 067 635	

11.2. Rights and obligations carried by the shares

11.2.1. Rights of the shareholders

The Company's shareholders have the following property and non-property rights:

- to receive a part of the Company's profit (dividend);
- to receive the company's funds when the authorized capital of the company is reduced with a view to paying out the company's funds to the shareholders;
- to receive a part of assets of the company in liquidation;
- to receive shares without payment if the authorized capital is increased out of the Company funds, except in cases provided by the laws of the Republic of Lithuania;
- to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the General Shareholders' Meeting in the manner prescribed in the Law on Companies of the Republic of Lithuania decides to withdraw the pre-emption right in acquiring the Company's newly issued shares or convertible debentures for all the shareholders;

- to lend to the company in the manner prescribed by law; however, when borrowing from its shareholders, the company may not pledge its assets to the shareholders. When the company borrows from a shareholder, the interest may not be higher than the average interest rate offered by commercial banks of the locality where the lender has his place of residence or business, which was in effect on the day of conclusion of the loan agreement. In such a case the company and shareholders shall be prohibited from negotiating a higher interest rate;
- other property rights provided by laws;
- to attend the General Shareholders' Meetings;
- to submit to the Company in advance the questions connected with the issues on the agenda of the General Meeting of Shareholders;
- to vote at the General Shareholders' Meetings according to voting rights carried by their shares;
- to receive information on the Company specified in the Law on Companies of the Republic of Lithuania
- to appeal to the court for reparation of damage resulting from nonfeasance or malfeasance by the Company's manager and the Board members of their obligations prescribed by the Law on Companies of Republic of Lithuania and other laws of the Republic of Lithuania and the Company's Articles of Association as well as in other cases laid down by laws;
- to receive information on a public company whose shares are admitted to trading on a regulated market as specified in the Law on Companies of Financial Instruments Markets in the Republic of Lithuania;
- other non-property rights established by laws and the Company's Articles of Association.

11.2.2. Obligations of the shareholders

The shareholders have no property obligations to the Company, except for the obligation to pay up, in the established manner, all the shares subscribed for at their issue price. If the General Shareholders' Meeting takes a decision to cover the losses of the Company from additional contributions made by the shareholders, the shareholders who voted "for" shall be obligated to pay the contributions. The shareholders who did not attend the General Shareholders' Meeting or voted against such a resolution shall have the right to refrain from paying additional contributions.

The person who acquired all shares or part of shares in the company from the Company's sole shareholder must notify the company of the acquisition or transfer of shares within 5 days from the conclusion of the transaction. The notice shall indicate the number of acquired or transferred shares, including share number per class, when the different share class is acquired, the nominal share price and the particulars of the person who acquired or transferred the shares (the natural person's full name, personal number, personal code and address; the name, legal form it has taken, registration number, address of the registered office of the legal person.). A document confirming the acquisition of the shares or an acquisition extract must be added to the notice. If an acquisition extract is provided, it must include the parties to the transaction, the subject of the transaction and the date of acquisition of the shares.

Contracts between the company and holder of all its share shall be executed in a simple written form, unless the Civil Code prescribes the mandatory notarised form.

A shareholder shall repay the Company any dividend paid out in violation of the mandatory norms of the Law on Companies, if the Company proves that the shareholder knew or should have known thereof. Each shareholder shall be entitled to authorise a natural or legal person to represent him when maintaining contacts with the Company and other persons.

IV. ISSUER'S MANAGEMENT BODIES

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

The Company is managed in accordance with the Governance Code of Nasdaq Vilnius for the companies listed on the regulated market. Refer to the Appendix No 2 to the Annual Report for the compliance report.

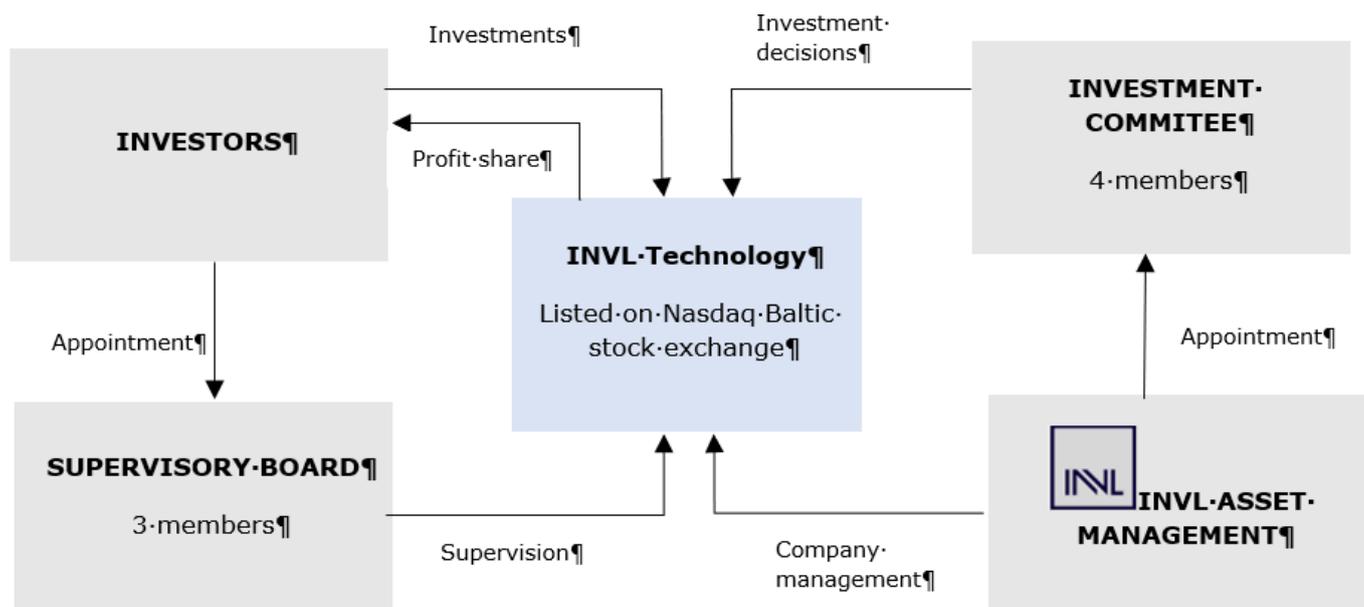
In its activities the Company follows the Law on Companies, the Law on Securities, the Law relating to collective investment undertakings, Articles of Association of the Company and other legal acts of the Republic of Lithuania.

The management of INVL Technology was assumed by the management company INVL Asset Management on 14 July 2016, when the Bank of Lithuania issued approval for the closed-ended type investment company (CEF) activities and the rights and duties of the Board and the head of the Company transferred to the Management Company.

Investment Committee was established for operational efficiency and investment control by the decision of the Board of the Management Company INVL Asset Management. Investment Committee is the collegial investment and management decision-making body responsible for adopting decisions on the management of the Company's assets and for the representation and protection of the Company's interests. By the decision of the General Meeting of Shareholders and in accordance with the Articles of Association of the Company, in 2021, a Supervisory Board was also formed.

Investment Committee consists of 4 members: Kazimieras Tonkūnas (Chairman of the IC), Vida Tonkūnė, Vytautas Plunksnis and Nerijus Drobavičius. They are appointed and can be removed by resolution of the board of the Management Company. Functions, rights and duties of the Investment Committee are detailed in the rules of the investment committee for the closed-ended investment company INVL Technology.

Structure of the management of the Company



12.1. General Shareholders' Meeting

12.1.1. Powers of the general shareholders' Meeting

Persons who were shareholders of the Company at the close of the accounting day of the General Shareholders Meeting or at a repeat General Shareholders Meeting (the 5th working day before the General Shareholders' Meeting) shall have the right to attend and vote at the General Shareholders' Meeting in person, unless otherwise provided for by laws, or may authorize other persons to vote for them as proxies or may conclude an agreement on the disposal of the voting right with third parties. The shareholder's right to attend the General Shareholders' Meeting shall also cover the right to speak and enquire.

The general meeting of Shareholders can take decisions and shall be deemed quorate irrespective of the number of votes carried by Shares held by the Shareholders present thereat. An Annual General Shareholders' Meeting must be held every year at least within 4 months from the close of the financial year. All decisions of the general meeting of Shareholders of the Company shall be taken by a 3/4 majority of votes carried by

Shares of the Shareholders present in the meeting, except for the decisions indicated below, which shall be taken by a 2/3 majority of votes carried by Shares of the Shareholders present in the meeting, i.e. decisions:

- to elect and remove a certified auditor or audit firm and establish terms of payment for audit services;
- to approve sets of annual and interim financial statements;
- on extension of the Term of Activities of the Company and making related amendments to the Articles of Association.

The below-indicated decisions of the general meeting of Shareholders of the Company can be taken only after taking into account the recommendations given by the Management Company and with regard to consequences of a relevant decision indicated by the Management Company, i.e. decisions regarding:

- amending the Articles of Association of the Company;
- redemption of Shares;
- distribution of the profit (loss) of the Company;
- formation, use, reduction and cancellation of reserves;
- increase or reduction of the authorized capital;
- approval of Transactions Having a Material Effect on the Company in accordance with the procedure established in the Company's policy for transactions with associated parties;
- reorganization, spin-off or transformation of the Company
- merger of the Company with other collective investment undertakings;
- approval of the agreement with the Depository, appointment of the person authorized to sign the approved agreement with the Depository on behalf of the Company, change of the Depository;
- liquidation of the Company or extension of the Term of Activities of the Company;
- restructuring of the Company.

The Management Company must present its recommendations on draft decisions on issues indicated in Articles of Association hereof together with the announced draft decisions proposed by the Management Company. In case draft decisions are proposed not by the Management Company but by Shareholders, the Management Company must, no later than within 5 (five) Business Days after presentation of such a draft decision to the Company, prepare a relevant recommendation and announce it in the manner in which draft decisions are announced. In any case recommendations of the Management Company regarding all draft decisions on relevant issues of the agenda must be announced no later than 3 (three) Business Days until the date of the general meeting of Shareholders. In case the general meeting of Shareholders takes a decision not following the recommendations given by the Management Company, the Management Company shall not be responsible if such decisions violate requirements for management of the Company or there are other negative consequences.

12.1.2. Convocation of the general shareholders' Meeting of INVL Technology

The right to initiate convocation of the meeting is vested in the Management Company and Shareholders, owning at least 1/10 of all the votes in the General Shareholder Meeting.

The convocation of a General Shareholders' Meeting is organised by the Management Company.

The shareholders are entitled:

(i) to propose to supplement the agenda of the General Shareholders Meeting submitting draft resolution on every additional item of agenda or, than there is no need to make a decision - explanation of the shareholder (this right is granted to shareholders who hold shares carrying at least 1/20 of all the votes). Proposal to supplement the agenda is submitted in writing sending the proposal by registered mail to the Company at Gyneju St. 14, Vilnius, Lithuania, or delivered in person to the representative of the Company on business hours or by sending proposal to the Company by email info@invltechnology.lt. The agenda is supplemented if the proposal is received no later than 14 days before the General Shareholders Meeting. In case the agenda of the Meeting is supplemented, the Company will report on it no later than 10 days before the Meeting in the same way as on convening of the Meeting;

(ii) to propose draft resolutions on the issues already included or to be included in the agenda of the General Shareholders Meeting at any time prior to the date of the General Shareholders meeting (in writing, sending the proposal by registered mail to the Company at Gyneju St. 14, Vilnius, Lithuania, or delivered in person to the representative of the Company on business hours or by sending proposal to the Company by email info@invltechnology.lt) or in writing during the General Shareholders Meeting (this right is granted to shareholders who hold shares carrying at least 1/20 of all the votes);

(iii) to submit questions to the Company related to the issues of agenda of the General Shareholders Meeting in advance but no later than 3 business days prior to the General Shareholders Meeting in writing sending the proposal by registered mail to the Company at Gyneju St. 14, Vilnius, Lithuania, or delivered in person to the representative of the Company on business hours or by sending proposal to the Company by email info@invltechnology.lt. All answers related to the agenda of the General Shareholders Meeting to questions submitted to the Company by the shareholders in advance, are submitted in the General Shareholders Meeting or simultaneously to all shareholders of the Company prior to the General Shareholders Meeting. The company reserves the right to answer to those shareholders of the Company who can be identified and whose questions are not related to the company's confidential information or commercial secrets.

The shareholder participating at the Meeting and having the right to vote, must submit the documents confirming personal identity. A person who is not a shareholder shall, in addition to this document, submit a document confirming the right to vote at the Meeting. The requirement to provide the documents confirming personal identity does not apply when voting in writing by filling in a general ballot paper.

Each shareholder may authorize either a natural or a legal person to participate and to vote on the shareholder's behalf at the Meeting. An authorised person has the same rights as his represented shareholder at the Meeting unless the authorized person's rights are limited by the power of attorney or by the law. The authorized persons must have the document confirming their personal identity and power of attorney approved in the manner specified by law which must be submitted to the Company no later than before the commencement of registration for the Meeting. The Company does not establish special form of the power of attorney.

A power of attorney issued by a natural person must be certified by a notary. A power of attorney issued in a foreign state must be translated into Lithuanian and legalized in the manner established by law. The persons with whom shareholders concluded the agreements on the disposal of voting right, also have the right to attend and vote at the Meeting.

Shareholder is entitled to issue power of attorney by means of electronic communications for legal or natural persons to participate and to vote on its behalf at the Meeting. No notarization of such authorization is required. The power of attorney issued through electronic communication means must be confirmed by the shareholder with a safe electronic signature developed by safe signature equipment and approved by a qualified certificate effective in the Republic of Lithuania. The shareholder shall inform the Company on the power of attorney issued through the means of electronic communication by email info@invltechnology.lt not later than on the last business day before the Meeting. The power of attorney and notification must be issued in writing and could be sent to the Company by electronic communication means if the transmitted information is secured and the shareholder's identity can be identified. By submitting the notification to the Company, the shareholder shall include the internet address from which it would be possible to download software to verify an electronic signature of the shareholder free of charge.

The Company is not providing the possibility to attend and vote at the Meeting through electronic means of communication. Shareholder or its representative may vote in writing by filling general voting bulletin. The form of general voting bulletin is presented at the Company's webpage www.invltechnology.com section For Investors. If shareholder requests, the Company shall send the general voting bulletin to the requesting shareholder by registered mail or shall deliver it in person against signature no later than 10 days prior to the General Shareholders Meeting free of charge. The filled general voting bulletin must be signed by the shareholder or its authorized representative. Document confirming the right to vote must be added to the general voting bulletin if an authorized person is voting. The filled general voting bulletin must be sent by the registered mail to the Company at Gyneju St. 14, Vilnius, Lithuania, or delivered in person to the representative of the Company no later than the day before of the General Shareholders Meeting. Ballots will be considered as valid if they are properly filled-in and received by the Company prior to the Meeting. For the convenience of the shareholders of INVL Technology the company provides notifications about convocation of General Shareholders Meeting, draft resolutions as well as general voting bulletins and resolutions adopted in the Meetings on the company's website section For Investors (Shareholders' Meetings).

There were 2 (two) General Shareholders Meetings of INVL Technology, UTIB during 2021.

12.2. The Management Company, Investment Committee and Supervisory board

No management bodies shall be formed in the Company.

Since the Central Bank of the Republic of Lithuania granted the license of closed-ended type investment company to INVL Technology, the management of the Company has been transferred to the Management Company, therefore, following the Law of the Republic of Lithuania on Collective Investment Undertakings, and the rights and duties of the Board and the head of the Company, as set in the Law of the Republic of Lithuania on Companies, have been transferred to the Management Company.

The Management Company is responsible for convocation and organisation of the General Shareholders Meeting of the Company, giving notices about publically not disclosed information under the procedure set by legal acts, organisation of activities of the Company, proper management of information about activities of the Company and performance of other functions assigned to the Management Company.

The Management Company shall have the right:

- to perform all actions of management bodies of the Company and other actions assigned to the competence of the Management Company according to effective legal acts and/or these Articles of Association;
- to get the Management Fee and the Success Fee, as they are defined in the Articles of Association;
- to conduct and perform transactions in connection with management of the assets of the Company at the expense and in the interests of the Company;
- to make deductions from assets of the Company provided for in these Articles of Association;
- subject to approval of the general meeting of shareholders, to instruct a company, having the right to provide relevant services, to perform some of its management functions;
- other rights established in these Articles of Association and legal acts of the Republic of Lithuania.

The Management Company must:

- act in a fair, correct and professional manner on the terms best for the Company and its Shareholders and in their interests and ensure integrity of the market;
- act carefully, professionally and prudently;
- have and use means and procedures necessary for its activities;
- have reliable administration and accounting procedures, electronic data processing control and security measures and a proper mechanism of internal control, including the rules on personal transactions in financial instruments conducted by employees of the Management Company and transactions in financial instruments conducted at the expense of the Management Company;
- ensure that documents of and information about taken investment decisions, conducted transactions would be kept for at least 10 years after the date of taking an investment decision, conduction of a transaction or performance of an operation, unless legal acts set a longer term of keeping documents;
- have such an organizational structure that would help to avoid conflicts of interest. When it is impossible to avoid conflicts of interest, the Management Company must ensure that Shareholders are treated fairly;
- ensure that persons taking decisions on management of the Company would have qualification and experience established by the Supervisory Authority, be of sufficiently good repute;
- ensure that assets of the Company would be invested according to the investment strategy set in these Articles of Association and requirements set in legal acts of the Republic of Lithuania;

- prepare the prospectus, the document of main information for investors, annual and semi-annual reports under the procedure set by legal acts;
- perform other duties set in these Articles of Association and legal acts of the Republic of Lithuania.

The Company's management agreement with the Management Company must be approved by the general meeting of shareholders. The Management Company can be replaced by a reasoned decision of the general meeting of shareholders of the Company. The Management Company can be replaced by a decision of the general meeting of shareholders in cases when:

- the Management Company is liquidated;
- the Management Company undergoes restructuring;
- bankruptcy proceedings are initiated against the Management Company;
- the Supervisory Authority takes a decision to restrict or cancel the rights provided for in the license of the Management Company related to management of investment companies;
- the Management Company commits a material breach of the respective management agreement, these Articles of Association or legal acts.

The Management Company shall be replaced after receipt of a prior permission of the Supervisory Authority.

The management company, ensuring the management of INVL Technology, has CEO, board and the Investment Committee formed by its decision.

The Board of the Management Company operates following the Civil Code of the Republic of Lithuania, the Law of the Republic of Lithuania on Companies, other legal acts, Articles of Association of the Company, the resolutions of the General Shareholders Meetings, decisions of the Board and Regulations of the Board.

Darius Šulnis (the Chairman), Nerijus Drobavičius and Vytautas Plunksnis are the members of the Board of the Management Company since 19 January 2015. On 14th January 2019 the Board of Management Company was re-elected for the new 4 years of office, after the Bank of Lithuania granted their permission. The composition of the Board remained unchanged: Darius Šulnis (the Chairman), Nerijus Drobavičius and Vytautas Plunksnis.

For the sake of efficiency of the Company's activities and control over its investments, an Investment Committee is being formed by a decision of the Board of the Management company. At the end of the reporting period there were 4 members of the Investment Committee: Kazimieras Tonkūnas (Chairman), Vytautas Plunksnis, Nerijus Drobavičius, Vida Tonkūnė.

The Investment Committee of the Management company is the collegial investment and management decision-making body responsible for adopting decisions regarding the management of the Managed company's assets and representing and protecting the Managed Company's interests. The procedure of formation, responsibilities, functions of the Investment Committee, decision-making procedure and other procedures of the Investment Committee is set in the Regulations of the Investment Committee.

During the reporting period 25 Investment Committee meetings were held.

From 28 May 2021, the Company has a collegial supervisory body – the Supervisory Board. The members of the Supervisory Board shall be elected by the General Meeting of Shareholders for a term of 4 years. The Supervisory Board shall elect the Chairperson of the Supervisory Board from among its members. The competence of the Supervisory Board is determined by laws. The responsibilities, functions, decision making practices, and procedures of the Supervisory Board shall be laid down in the Rules of Procedure adopted by the Supervisory Board.

During the reporting period 1 meeting of the Supervisory Board of the Company was held.

13. Information about members of the Board of the Management Company, general manager, members of the Investment Committee and member of the Supervisory Board of the Company

The management of INVL Technology was assumed by the management company INVL Asset Management on 14 July 2016, when the Bank of Lithuania issued approval for the closed-ended type investment company (CEF) activities and the rights and duties of the Board and the head of the Company transferred to the Management Company. The Company has a collegial supervisory body – the Supervisory Board. The Company's management bodies are not formed.

The General Manager of the Management company is Laura Križinauskienė.

Darius Šulnis (the chairman), Nerijus Drobavičius and Vytautas Plunksnis are members of the Board of the Management company since 19 January 2015. On 14th January 2019 the Board of Management Company was re-elected for the new 4 years of office, after the Bank of Lithuania granted their permission. The composition of the Board remained unchanged: Darius Šulnis (the Chairman), Nerijus Drobavičius and Vytautas Plunksnis. During the reporting period the Board of the Management company remained unchanged.

There are 4 members in the Investment Committee: Kazimieras Tonkūnas (Chairman), Vytautas Plunksnis, Nerijus Drobavičius, Vida Tonkūnė.

There are 3 (three) members in the Supervisory Board of the Company: Gintaras Rutkauskas (Chairman), Audrius Matikiūnas and Indrė Mišeikytė.


Darius Šulnis

Chairman of the Board of the Management company Main workplace – Invalda INVL, AB (code 121304349, Gynėjų St. 14, Vilnius) – President

The term of office

2018 – 2022

Educational background and qualifications

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

Work experience

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

Number of shares of INVL Technology owned

-

Participation in other companies

Invalda INVL AB (code 121304349, Gynėjų St. 14, Vilnius) – Member of the Board, the President
 Šiaulių bankas AB (code 112025254, Tilžės St. 149, Šiauliai) – Member of the Supervisory Board
 INVL Baltic Farmland, AB (code 303299781, Gynėjų St. 14, Vilnius) – Member of the Board
 Litagra UAB (code 304564478, Savanorių ave. 173, Vilnius) – Member of the Board
 INVL Asset Management UAB (code 126263073, Gynėjų St. 14, Vilnius) – Chairman of the Board
 INVL Asset Management UAB (code 126263073, Gynėjų St. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund –
 Investment Committee Member


Nerijus Drobavičius

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

Term of office

2018 – 2022

Educational background and qualifications

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

Work experience

Since 2014 works at Invalda INVL AB group

Since 2015 till August 2018 Head of Finance unit of INVL Asset Management UAB.

From August 2018 – Private Equity Partner of INVL Asset Management UAB

2012 – 2014 Independent financial expert

2007 – 2011 CFO in Sanitas Group

2001 – 2007 Sampo Bank. Head of Accounting and Reporting unit, later – CFO of the bank

Number of shares of INVL Technology owned

4 472

Participation in other companies

INVL Technology, CEF (code 300893533, Gynėjų St. 14, Vilnius) – Member of the Investment Committee

Inservis, UAB (code 126180446, A. Juozapavičiaus St. 6, Vilnius) – The Chairman of the Board

Imoniu grupė Inservis UAB (code 301673796, Gynėjų St. 14, Vilnius) – The Chairman of the Board

Jurita UAB (code 220152850, Justiniškių St. 64, Vilnius) – The Chairman of the Board

BSGF Sanus UAB (code 304924481, Gynėjų St. 14, Vilnius) – Director

„InMedica“ UAB (code 300011170, L. Asanavičiūtės St. 20-201, Vilnius) – The Chairman of the Board

INVL Asset Management UAB (code 126263073, Gynėjų St. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member

MBL A/S (CVR-no 12825242) – Member of the Board

MBL Poland Sp. z.o.o. (ul. Sulejowskiej 45d, 97-300 Piotrków Trybunalski, Polska, KRS 0000065219) – Member of the Supervisory Board


Vytautas Plunksnis

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

Term of office

2018 – 2022

Educational background and qualifications

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

Work experience

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

Number of shares of INVL Technology owned

5 259

Participation in other companies

INVL Asset Management UAB (code 126263073, Gynėjų St. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member
 Eco Baltia AS (Maskavas str. 240-3, Rīga, Latvia, 40103435432) – Chairman of the Supervisory Board
 SIA Eco Baltia vide (Ropažu nov., Stopiņu pag., Rumbula, Getliņu iela 5, Latvia, 40003309841) – member of the Supervisory Board
 Ecoservice, UAB (Minsko pl. 26A, LT-13278, Vilnius, code 123044722) – member of the Board
 BSGF Salvus UAB (Gynėjų str. 14, Vilnius, Lithuania 305160086) - Consultant
 Montuotojas, UAB (code 121520069, Granito g. 3-10, Vilnius) – member of the Board
 SIA B2Y (Maskavas iela 322A, Rīga, Latvia 40103243404) – member of the Board
 INVL Technology (code 300893533, Gynėjų St. 14, Vilnius) – Member of the Investment Committee
 Novian Systems, UAB (code 125774645, Gynėjų St. 14, Vilnius) – Chairman of the Board
 NRD Systems, UAB (code 111647812, Gynėjų St. 14, Vilnius) – Member of the Board
 NRD CS UAB (code 303115085, Gynėjų str. 14, Vilnius) – Member of the Board
 NRD Companies AS (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board (from January 2019)
 Norway Registers Development AS (code NO 985 221 405 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board
 BC „MAIB“ SA (Constantin Tănase St. 9/1, Kišiniovas, Moldova 1002600003778) – Chairman of the Supervisory Board
 Investuotoju Asociacija (code 302351517, Konstitucijos pr. 23, Vilnius) – Chairman of the Board


Laura Križinauskienė

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

Educational background and qualifications

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

Work experience

2016-2017 Danske Bank A/S Lithuanian branch – Operational manager, Head of Global Function

2012-2016 Baltpool UAB – general manager, member of the Board

2010-2012 Finasta bank AB – Director of the Capital market department

2005-2012 held various positions in Finasta FMI AB, Finasta bank AB, Finasta investicijų valdymas (currently INVL Asset Management)

Number of shares of INVL Technology owned

-

Participation in other companies

FMI Finasta UAB (code 304049332, Gynėjų St. 14, Vilnius) – Member of the Board

IPAS INVL Asset Management (code 40003605043, Smilšu iela 7-1, Riga, Latvia) – Member of the Supervisory Board

AS INVL atklātais pensiju fonds (code 40003377918, Smilšu iela 7-1, Riga, Latvia) – Member of the Supervisory Board


Kazimieras Tonkūnas

Chairman of the Investment Committee

Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų str. 14, Vilnius) INVL Technology Managing Partner

Educational background and qualifications

Vilnius University, master's degree in economics and mathematics with a specialization in systemic economic analysis.

Number of shares of INVL Technology owned

675 452

Participation in other companies

INVL Technology (code 300893533, Gynėjų St. 14, Vilnius) – Chairman of the Investment Committee

Norway Registers Development AS (code NO 985 221 405, Lokketangen 20 B, 1337 Sandvika, Norway) – Chairman of the Board;

NRD CS UAB (code 303115085, Gynėjų St. 14, Vilnius) – Chairman of the Board

NRD Companies AS UAB (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Chairman of the Board;

Zissor AS (code 986845550; Bragernes Torg 6, 3017 Drammen, Norway) – Supervisory board member;

Elsis PRO UAB (code 300064148, Baltupio St. 14, Vilnius) – Chairman of the Board;

Novian Technologies UAB (code 301318539, Gynėjų St. 14, Vilnius) – Chairman of the Board.


Vida Tonkūnė

Member of the Investment Committee

 Main workplace – INVL Asset Management, UAB (code 126263073, Gynėjų St.14, Vilnius)
 INVL Technology Partner

Educational background and qualifications

Kaunas University of Technology, bachelor's degree in business administration (1998). Baltic Management Institute (BMI), International Executive Master of Business Administration (MBA) (2019).

Owned number of shares in INVL Technology

186 270

Participation in other companies

 Norway Registers Development AS (code NO 985 221 405, Lokketangen 20 B, 1337 Sandvika, Norway) – member of the Board;
 NRD Systems UAB (code 111647812, Gynėjų St. 14., Vilnius) – member of the Board;
 Etronika, UAB (code 125224135; Gynėjų St. 14, Vilnius) – Chairman of the Board;
 Novian Systems UAB (Gynėjų St. 14, Vilnius 125774645) – member of the Board;
 NRD Companies AS UAB (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – member of the Board;
 NRD CS UAB (code 303115085 Gynėjų St. 14, Vilnius) – member of the Board.

14. Information about the Audit Committee of the company

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

The main functions of the Audit Committee are the following:

- provide recommendations to the Management company with selection, appointment, reappointment and removal of an external audit company of the Company as well as the terms and conditions of engagement with the audit company.
- monitor the process of external audit of the Company.
- monitor how the external auditor and audit company follow the principles of independence and objectivity.
- observe the process of preparation of financial reports of the Company.
- monitor the efficiency of the internal control and risk management systems of the Management company directly related to the management of the Company. Once a year review the need of the dedicated internal audit function for the Company within the Management company.
- monitor if the Management company gives due consideration to the recommendations or comments provided by the audit company regarding management of the Company.
- The Audit Committee reports its activities to the Company's ordinary General Shareholders Meeting by submitting a written report on Audit Committee activities during the last financial year.

Any member of the Audit Committee should have the right to resign upon submitting 14 (fourteen) days written notice to the Management company. When the Management company receives the notice of resignation of a member of the Audit Committee and considers all circumstances related to the resignation, it may decide - either to convene an Extraordinary General Shareholders Meeting to elect new member of the Audit Committee, or to postpone the question on the election of the new member of the Audit Committee till the next General Shareholders Meeting of the Company. The new member is elected till the end of term of office of the operating Audit Committee.

15.1. Procedure of work of the Audit committee

The Audit Committee informs about its activities to the Company's ordinary General Shareholders Meeting by submitting a written report.

The Audit Committee is a collegial body, taking decisions during meetings. The Audit Committee may take decisions and its meeting should be considered valid, when both members of the Committee participate in it. The decision should be passed when both members of the Audit Committee vote for it. The member of the Audit Committee may express his will – for or against the decision in question, with the draft of which he is familiar with – by voting in advance in writing. Voting in writing should be considered equal to voting by telecommunication end devices, provided text protection is ensured and it is possible to identify the signature.

The right of initiative of convoking the meetings of the Audit Committee is held by both members of the Audit Committee. The other member of the Audit Committee should be informed about the convoked meeting, questions that will be discussed there and the suggested drafts of decisions not later than 3 (three) business days in advance in writing (by e-mail or fax). The meetings of the Audit Committee should not be formed as a written protocol, if the taken decisions are signed by both members of the Committee. When both Audit Committee members vote in writing, the decision should be written down and signed by the secretary of the Audit Committee who should be appointed by the Management company. The decision should be written down and signed within 7 (seven) days from the day of the meeting of the Audit Committee.

The Audit Committee should have the right to invite the head of the Management company, member(s) of the Board, the chief financier, employees responsible for finance, accounting and treasury issues of the managed Company as well as external auditors of the Company to its meetings. Members of the Audit Committee may receive remuneration for their work in the committee. The remuneration for the Audit Committee members is approved by the General Shareholders Meeting fixing the maximum hourly rate.

Members of the Audit Committee may receive remuneration for their work in the committee at the maximum hourly rate approved by the General Shareholders' Meeting.

15.2. During the General Shareholders Meeting of the Company held on 29 April 2021 Dangutė Pranckėnienė, partner and auditor of Moore Stephens Vilnius, UAB and Tomas Bubinas, director of Biotechpharma, UAB were elected for the Audit Committee of the Company for the 4 (four) years of office term. Both members of the Audit Committee are independent, having submitted a notice certifying their independence.



Tomas Bubinas

Independent Member of the Audit Committee

Term of office

2021 – 2025

Educational background and qualifications

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

Work experience

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

Number of shares of INVL Technology ownedOwned

-


Dangutė Pranckėnienė

Independent Member of the Audit Committee

Term of office

2021 – 2025

Educational background and qualifications

1995 - 1996 Vilnius Gediminas Technical University, Master of Business Administration.

1976 - 1981 Vilnius University, Master of Economics.

The International Coach Union (ICU), professional coucher name, license No. E-51.

Lithuanian Ministry of Finance, the auditor's name, license No. 000345

Work experience

since 1997 the Partner at Moore Mackonis, UAB

1996 - 1997 Audit Manager, Deloitte & Touche

1995 - 1996 Lecturer, Vilnius Gediminas Technical University

1982 - 1983 Lecturer, Vilnius University

Number of shares of INVL Technology owned

-

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

Since 14 July 2016 the management of INVL Technology was assumed by INVL Asset Management. The management fee will be payable to the management company. The management fee during investment period for a full quarter shall be 0.625 percent while after its end it shall be 0.5 percent of the weighted average capitalisation of the company. In addition, a Success fee may be paid to the management company in accordance with the Articles of Association. During the reporting period EUR 471 000 management fee was calculated for the management company, Eur 1,075 million success fee and EUR 460 000 deferred management fee, which are payable only with the success fee.

The members of the Board of the Management Company and the members of the Investment Committee do not receive remuneration for these duties. They are paid the salary according to the employment contract with the Management Company. During the year 2019 company's management bodies did not receive dividends or bonuses from the company. There were no assets transferred, no guarantees granted, no bonuses paid and no special payouts made by the company to company's management. No special benefits were also provided to the management bodies of the company.

In 2020, the company paid no remuneration to the Management Company for accounting services, these services are included in the management fee.

During the year 2020, the total remuneration for the members of the Audit Committee of the Company amounted to 834,00 EUR.

V. OTHER INFORMATION

16. References to and additional explanations of the data presented in the annual financial statements

All data is presented in the explanatory notes of the company's financial statements for 6 months of 2021.

17. Membership in associations

INVL Asset Management UAB, the management company of INVL Technology, is a part of Invalda INVL, one of the leading asset management groups in the Baltics.

Invalda INVL together with INVL Asset Management in Lithuania and Latvia is a European private equity and venture capital sector companies and investors organization uniting Invest Europe full member.

Invalda INVL is a part of Lithuanian Private Equity and Venture Capital Association, which brings together private equity and venture capital market participants in Lithuania. Also in the end of 2017 Invalda INVL joined the Lithuanian Investors' Association.

Invalda INVL, together with INVL Asset Management in Lithuania and Latvia, joined the United Nations supported Principles for Responsible (PRI) Investment. PRI aims to assess the impact of investments on environmental, social and management factors. It is considered that a cost-effective, sustainable global financial system is essential for long-term value creation.

18. Agreements with intermediaries on public trading in securities

INVL Technology has the agreement with Šiaulių bankas AB (Seimyniskiu St. 1, Vilnius, Lithuania, tel. +370 5 203 2233) – on management of securities accounting and the agreement on dividends payment.

The company has the agreement with SEB Bank (Gedimino av. 12, Vilnius, Lithuania, tel. +370 5 268 2800) regarding depository services. This agreement came into force 14 July 2016.

19. Information on Issuer's branches and representative offices

INVL Technology has no branches or representative offices.

20. Information about agreements of the Company and the members of the Board, or the employees' agreements providing for compensation in case of the resignation or in case they are dismissed without a due reason or their employment is terminated in view of the change of the control of the Company

There are no agreements of the Management company and the Members of the Investment and Advisory Committees, providing for compensation in case of the resignation or in case they are dismissed without a due reason or their employment is terminated in view of the change of the control of the company.

21. Description of principle advantages, risks and uncertainties

The document provides information on risk factors related to INVL Technology activities and securities.

Information provided in this document shall not be considered complete and covering all the aspects of the risk factors associated with the activity and securities of INVL Technology.

General risk factors in the business field where the Company and its portfolio companies operate

Risk related to the change of the legal status of the Company

On obtaining the License issued by the Bank of Lithuania on 14 July 2016, the Company's operations became subject not only to the Law on Companies, the Law on Securities and other related legal acts as it was prior to obtaining the License, but also to the Law on Collective Investment Undertakings and other related legal acts, which establish certain specific obligations for protection of the interest of the Company's shareholders and certain operating restrictions, e.g. the Company is may invest the funds it manages in keeping with the requirements of the Company's investment strategy and certain limitations in applicable laws are applied to the Company with regard to its investments, their diversification, management thereof, etc. Furthermore, the Company's operating expenses might increase due to requirements that it periodically asset the value of assets, safeguard its assets at a Depository and so on. It should also be noted that investments in the shares of the Company (with the License) involve higher-than-average long-term risk. The Company cannot guarantee that shareholders will recover money that is invested. Note also that redemption of the Company's shares is restricted, i.e., shareholders cannot demand that the Company or the Management Company redeem their shares. But shareholders are able to sell the shares of the Company on the secondary market.

Risk of changes in the market of technologies

The business of information technologies and the market related to information technologies change particularly quickly. Therefore, there is a risk that due to unforeseen changes in the market the value of investments of the Company or the investment return from investment objects of the Company can decrease, the development of companies acquired by the Company will take longer and/or will cost more than planned, therefore, the Company's investments will not be profitable and/or their value will decrease.

Risk of inflation and deflation

There is a risk that in case of inflation the value of a Share will grow slower than the inflation, which would result in the return lower than inflation. In such a case, the real return earned by persons who sold the Shares of the Company in the market from increase in the value of the Shares can be smaller than expected. In case of deflation, there would be a risk that the value of the Company's investments will decrease by reason of the drop of the general price level.

Geopolitical risk

There is a risk that geopolitical changes can have an effect on activities of the Company and for this reason the investment value of the Company can decrease or it may be impossible to sell the Company's investments at the desired time for the desired price.

Risk factors characteristic of Company and its portfolio companies**General risk**

The value of investments into the Company can fluctuate significantly in the short term, depending on the situation in the market. Investments into the Company should be made for a long term in order that the shareholder could avoid the risk of short-term price fluctuations.

Redemption of the Shares of the Company is limited, i.e. a shareholder cannot demand that the Company or the Management Company, which took over its management, would redeem the Shares. But a shareholder of the Company has a possibility to sell Shares of the Company in the secondary market as it is indicated in Articles 82 – 84 of the Articles of Association, incorporated by reference to this Prospectus.

Risk of the management and human resources

The success of the Company's investments will largely depend on heads of companies managed by the Company (directly or indirectly), also on decisions taken by persons in the Management Company who are responsible for management of the Company and on experience and capabilities of the said persons. There is no guarantee that the same employees will continue managing companies managed by the Company (directly or indirectly), as well as the Management Company throughout the whole Term of Activities of the Company.

Transactions with related parties

There are quite a few transactions with related parties among the Company and its Portfolio Companies.. Following applicable taxation legislation, transactions with related parties must be conducted at arm's length (i.e. independent and on an equal footing). In spite of the fact that the Management uses all efforts in order to ensure the conformity with the above-mentioned standard, a theoretical taxation risk remains here, i.e. the risk that applicable taxes will be calculated according to prices applicable at arm's length in case it was determined that certain transactions were conducted disregarding this principle, also the risk that relevant fines and default interest will be imposed. Besides, neither the Company nor its Portfolio Companies have approved their pricing policy.

Success of former, current and future investment projects

The Company carried out investment projects of large scope in the past and can carry them out in the future. Though the Management Company and its employees, as well as the employees of companies managed by the Company (directly or indirectly), when forecasting investments, rely on all the information and analytical resources they have, there is no guarantee that all the information, which was relied on when planning investments, was full and correct. Besides, there is no guarantee that investment plans and investments will earn the expected or planned return or that the investment will not cost more than planned. If the investment projects which are being carried out or planned investment projects turn out to be worse than expected, if the return on these projects is less than planned or if their price turns out to be more than planned, this can have a significant adverse effect on the Issuer's activities, its financial situation and performance.

Also, there is no guarantee that the current investment projects related to increase of the Portfolio companies' capacities, introduction of new products and/or technologies will meet the needs of the Portfolio companies' customers.

Issuer's business can be adversely affected by loss of major customers

Though the Company is not dependent on any one major customer or their group, still loss of one or several of them and inability to substitute other similar customers for the lost ones can have an adverse effect on the Issuer's controlled Portfolio Companies' business, financial situation or performance.

Interest rate risk

There is a risk that in case of fast recovery of the global economy or increase in inflation, central banks will increase interest rates and it will be more expensive to service loans in connection with the Company's investments, therefore, the value of the Company's investments can decrease.

Currency risk

The Operational Companies enter into a large portion of non-EUR denominated agreements in foreign markets, whereas some of their performance costs are incurred in EUR, therefore a drop in the rate of respective currencies can have a negative effect on profitability of the managed companies. A large part of computers and other equipment is purchased from foreign manufactures where payments are also made in non-EUR currencies. Besides, having in mind that the Operational Companies operates in many states, there is a risk that the attractiveness or profitability of the Company's investments will decrease also due to fluctuations in rates of other currencies.

Credit risk

There is a risk that buyers of products and services of companies (directly or indirectly) owned by the Company will fail to fulfil their obligations in time – this would have a negative effect on the profit of the Company and/or companies (directly or indirectly) managed by it. In case of late performance of a large part of obligations, the ordinary business of the Company and/or companies (directly or indirectly) owned by it may be disrupted, it may be necessary to search for additional sources of financing, which may be not always available. The Company also incurs the risk of keeping funds in bank accounts or investing into short-term financial instruments.

Risk of liquidity of investments

There is a risk that investments into Operational Companies will be relatively illiquid and finding buyers for such companies can take some time. Furthermore, financing conditions can become worse due to deteriorating economic condition of the world, a region or a country, where the Operational Company is acting. Therefore, sale of the Company's investments can take longer than planned or their return may be less than planned. When investing into Operational Companies, securities issued by which (shares, bonds and other financial instruments) are not admitted to trading on regulated markets, there is a probability of facing a situation when sale of securities, due to absence of demand or other conditions in the market, can take longer than planned or not be as profitable as planned or may even cause losses.

Liquidity risk

There is a risk that due to deteriorating economic condition of the world, a region or a country it will become difficult/expensive for the Company (managed by the Management Company) to obtain new loans for acquisition of investment objects or to refinance old loans, therefore the value of the Company's investments can decrease. In order to reduce this risk, the Management Company will seek to maintain a sufficient level of liquidity in the Company or will seek to organize timely financing from financial institutions or other parties.

Acquiring Shares of the Company, the shareholders assume the risk of securities liquidity – in case of a drop in demand for Shares or delisting them from the stock exchange, investors would find it difficult to sell them. In case of deterioration of the Company's financial situation, the demand for Shares of the Company, as well as their price may decrease.

Risk of investments by Operational Companies

Operational Companies can control/acquire companies in countries other than those indicated in Article 18 of the Articles of Association and that shall not be considered as performance of the Company's activities beyond the limits of the countries indicated in Article 18 of the Articles of Association. However, there is a risk that companies acquired/controlled by Operational Companies will be relatively illiquid and finding buyers for such companies can take some time.

Furthermore, financing conditions can become worse due to deteriorating economic condition of the world, a region or a country. Therefore, there is a probability of facing a situation when, due to activities of companies managed by an Operational Company or sale of companies managed by an Operational Company, the Operational Company will suffer losses, which will be reflected in the Net Asset Value of the Company.

The Portfolio Companies are party to public sector contracts, which may be affected by political and administrative decisions, and the success and profitability of such contracts may be influenced by political considerations

Public sector customers account for a significant portion of revenues of the Portfolio Companies. The extent and profitability of public sector business of the Portfolio Companies may be influenced by political considerations. It may also be affected by political and administrative decisions concerning levels of public spending. In certain cases, due to applicable regulations, such as European Union tender rules, certain terms of public sector contracts, such as pricing terms, contract period, use of business partners and ability to transfer receivables under contract, provide the Portfolio Companies with less flexibility than comparable private sector contracts do. Moreover, decisions to decrease public spending may result in the termination or downscaling of public sector contracts, which could have a material adverse effect on business, results of operations, financial condition and prospects of the Portfolio Companies.

Contracts in the public sector are also subject to review and monitoring by authorities to ensure compliance with applicable laws and regulations, including those prohibiting anti-competitive practices. The Management believes that it complies with these laws and regulations. However, regulatory authorities may nevertheless deem a Portfolio Company to be in violation of such laws or regulations, and the relevant Portfolio Company could be subject to fines, penalties and other sanctions, including exclusion from participation in tenders for public contracts. Any such event would have a material adverse impact on the business, results of operations, financial condition, prospects and reputation of the Portfolio Company or some of them.

The Company could be subject to information technology theft or misuse, which could result in third party claims and harm its business, reputation, results and financial condition

The Company could face attempts by other persons to gain unauthorised access to the Company's information technology systems, which could threaten the security of the Company's information and stability of its systems. These attempts could arise from industrial or other espionage or actions by hackers that may harm the Company or its customers. The Company may be not successful in detecting and preventing such theft and attacks. Theft, unauthorised access and use of trade secrets or other confidential business information as a result of such an incident could disrupt the Company's business and adversely affect its reputation and competitive position, which could materially adversely affect the Company's business, results of operation or financial condition.

Risk of insolvency of Operational Companies

Operational Companies, in performance of their activities, can face insolvency problems (go bankrupt, undergo restructuring, etc.). Accordingly, such situations can have a negative effect on the price of the Shares or result in insolvency of the Company itself.

Risk of insolvency of the Company

In case of realisation of one or several of the risks, which would have a negative effect on the value and/or liquidity of Operational Companies, this can result in the Company's solvency problems, when the Company will be incapable of fulfilling its obligations. In such a case, shareholders of the Company can lose all their funds invested into the Company.

Risk factors related to the Company's shares (investments thereto)

Past performance risk

The past performance of the Company and its investments is not a reliable indication of the future performance of the investments held by the Company.

No guarantee of return

The shareholders and investors of the Company should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

Market risk

Acquisition of Shares of the Company entails the risk to incur losses due to unfavourable changes in the Share price in the market. A drop in the price of the Shares can be caused by negative changes in the value of assets and profitability of the Company, general share market trends in the region and in the world. Trade in Shares of the Company can depend on comments of financial brokers and analysts and announced independent analyses about the Company and its activities. If the analysts give an adverse opinion about prospects of the Shares of the Company, this can also have a negative effect on the price of Shares in the market. In assessing shares, non-professional investors are advised to address intermediaries of public trading or other specialists in this field for help.

Turmoil in emerging markets could cause the value of the Shares to suffer

Financial or other turmoil in emerging markets has in the recent past adversely affected market prices in the world's securities markets for companies operating in the affected developing economies. There can be no assurance that renewed volatility stemming from future financial turmoil, or other factors, such as political unrests that may arise in other emerging markets or otherwise, will not adversely affect the value of the Shares even if the Lithuanian economy remains relatively stable.

The market value of Shares may be adversely affected by future sales or issues of substantial amounts of Shares

All the Shares of the Company may be provided for sale without any restrictions (except for certain limited restrictions, described in Section 5.9 of the Prospectus) and there can be no assurance as to whether or not they will be sold on the market.

The Company cannot predict what affect such future sales or offerings of Shares, if any, may have on the market price of the Shares. However, such transactions may have a material adverse effect, even if temporary, on the market price of the Shares. Therefore, there can be no assurance that the market price of the Shares will not decrease due to subsequent sales of the Shares held by the existing shareholders of the Company or a new Share issue by the Company.

The marketability of the Shares may decline and the market price of the Shares may fluctuate disproportionately in response to adverse developments that are unrelated to the Company's operating performance

The Company cannot assure that the marketability of the Shares will improve or remain consistent. Shares listed on regulated markets, such as Nasdaq, have from time to time experienced, and may experience in the future, significant price fluctuations in response to developments that are unrelated to the operating performance of particular companies. The market price of the Shares may fluctuate widely, depending on many factors beyond the Company's control. These factors include, amongst other things, actual or anticipated variations in operating results and earnings by the Company and the Portfolio Companies and/or their competitors, changes in financial estimates by securities analysts, market conditions in the industry and in general the status of the securities market, governmental legislation and regulations, as well as general economic and general market conditions, such as recession. These and other factors may cause the market price and demand for the Shares to fluctuate substantially and any such development, if adverse, may have an adverse effect on the market price of the Shares which may decline disproportionately to the operating performance of the Company and/or the Portfolio Companies. The market price of the Shares is also subject to fluctuations in response to further issuance of Shares by the Company, sales of Shares by the Company's existing shareholders, the liquidity of trading in the Shares and capital reduction or purchases of Shares by the Company as well as investor perception.

Dividend payment risk

There is a risk that the Company will not pay dividend. A decision on payment of dividend will depend on profitability of activities, cash flows, investments plans and the general financial situation and other circumstances.

Liquidity of the Issuer's Shares is not guaranteed

It may be possible that in case an investor wants to urgently sell the Issuer's securities (especially a large number of them), demand for them on the exchange will not be sufficient. Therefore, sale of shares can take some more time or the investor may be forced to sell shares at a lower price. Analogous consequences could appear after the exclusion of the Company's Shares from the Secondary List of Nasdaq. Besides, in case of deterioration of the Company's financial situation, demand for the Shares of the Company and, at the same time, their price may decrease.

Risk of conflicts of interest

There is a risk that there will be situations when interests of the Management Company (or persons related to it) and the Company or shareholders will differ or interests of individual shareholders will differ, i.e. there will be a conflict of interest. When it is impossible

to avoid a conflict of interest, the Management Company must ensure that shareholders are treated fairly. Employees of the Management Company and other persons related to the Management Company and persons, directly or indirectly related to the Management Company by relationship of control, must immediately, as soon as they become aware of such information, notify the Investment Committee about a potential or existing conflict of interest. The Investment Committee, approving of investment decisions, shall take into account the information presented to it about potential or existing conflicts of interest. The Investment Committee shall immediately inform the head and the Board of the Management Company about conflicts of interest it is aware of.

Following legal acts regulating organisation of activities of collective investment undertakings, the Management Company has implemented appropriate measures for avoiding conflicts of interest, which enable to perform the activities of managing the risk of conflicts of interest and managing conflicts of interest independently, in order to avoid/reduce the risk of conflicts of interest or properly manage a conflict of interest when it occurs.

Risk related to forward looking statements (statements in the future tense)

The Prospectus includes some forward looking statements, are based on estimate, opinion, expectations and forecasts regarding future events and financial trends that will possibly have an effect on the activities of the Company. Forward looking statements include information about possible or presumable results of the Company's activities, investment strategy, contractual relationships, borrowing plans, investment conditions, effect of future regulation and other information. The Company cannot assure that the forward looking statements will reflect future events and circumstances fully and correctly. The Company, the Management Company and their employees do not undertake to adjust or modify the forward looking statements, except to the extent required by laws and the Articles of Association.

Risk of valuation of the Company's assets

The assets of the Company will be evaluated according to the main rules set in the Articles of Association, incorporated by reference to this Prospectus and the accounting policy of the Management Company. Valuation of individual assets held by the Company shall be performed by a property appraiser, however, such valuation of assets shall be only determining the value of the assets, which does not automatically mean the exact sale price of an investment held by the Company, which depends on many circumstances, for example, economic and other conditions, which cannot be controlled. Thus, the sale price of investments held by the Company can be higher or lower than the value of assets determined by a property appraiser.

Competition risk

The Company, investing into Operational Companies, competes with other investors, including, without limitation, with other investment companies or private capital investment funds. Thus, there is a risk that competition with other investors will demand that the Company would conduct transactions at less favourable conditions than it would be possible in other cases.

Risk related to the duty to redeem shares of the Company

Legal acts provide for a duty of the Company in certain circumstances to redeem its Shares from the shareholders that requested such redemption (for more information please see Article 90 of the Articles of Association). Accordingly, if the Company becomes subject to the duty to offer to the shareholders redemption of its own Shares and if such a redemption is requested by the shareholders holding a significant number of Shares, the Company can be forced to sell its investments urgently, which can significantly reduce the return earned by the Company from sale of its investments. This risk is planned to be managed by means stipulated in Article 97 of the Articles of Association.

Legal and taxation risk factors

Risk of changes in laws and regulations

There is a risk that upon changes in legal acts of the Republic of Lithuania or the states where assets of the Company are invested or where Operational Companies, into which the Company invests, operate, such changes in legal acts can have a negative effect on the protection of the Company's investments, the activities, profitability and value of the Operational Companies or such changes in legal acts can have a negative effect on rights and interests of the Company otherwise.

Risk related to possible liability of the Company

There is a risk that the activities of the Company and the general performance results of the Company can be negatively affected by demands and claims regarding non-disclosed or non-identified obligations and/or violations in connection with investments acquired by the Company, which may result in the Company's liability for such obligations and/or violations and for this reason the value of the Company's investments and, at the same time, the price of the Shares can significantly decrease.

It should be also noted that, the Company after the reorganization – the merger of Former parent company with the Company (previous name – BAIP grupe AB), which continues its activities after the reorganization, took over all the assets, equity and liabilities of the Former parent company. For any and all the obligations of the Former parent company after the reorganization, the Company took responsibility.

Tax risk

Lithuanian tax legislation which was enacted or substantively enacted at the end of the reporting period may be subject to varying interpretations. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be successfully challenged by relevant authorities. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Management is not aware of any circumstances that could lead to significant tax charges and penalties in the future that have not been provided for or disclosed in these financial statements. Uncertain tax positions of the Company and of the Portfolio Companies are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being

levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognized based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

There is also a risk that upon changes in economic conditions, political situation in the country or due to any other reasons, new taxes on shareholders of the Company, the Company or the Operational Companies will appear or the rates of current taxes will increase, therefore the price, liquidity and/or attractiveness of the Shares or the value of investments of the Company may decrease.

22. The main indications about internal control and risk management systems related to the preparation of financial statements

The Audit Committee supervises preparation of the financial statements, systems of internal control and financial risk management and how the company follows legal acts that regulate preparation of financial statements.

The Management company of INVL Technology is responsible for the supervision and final review of the financial statements. In order to manage these functions properly, the Management company is using an external provider of relevant services. Management company, together with the accounting service provider constantly reviews International Financial Reporting Standards (IFRS) in order to implement in time IFRS changes, analyses company's significant deals, ensures collecting information from the group's companies and timely and fair preparation of this information for the financial statements, periodically informs the Board of the Management company about the preparation process of financial statements.

23. Description of principal investments made during the reporting

During the reporting period, the information systems and software development company UAB Elsis PRO was merged with INVL Technology's IT infrastructure and programming group Novian. In this way, the programming competencies and forces of this group in the fields of aviation, transport and energy were expanded

The company is interested in specialized information technology companies operating in the fields of artificial intelligence, analytics and others. INVL Technology will seek to make new investments through companies it already manages.

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

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

25. Information on the related parties' transaction

Information on the related parties' transactions is disclosed in annual financial statements' 17 note of explanatory notes for the year of 2021.

In addition, information regarding Transactions with Related Parties, according to the Law on Companies article 37 (2), is published on the Company's web site – "For Investors" → "Legal documents". The link to the Company's web site: <https://invltechnology.lt/lit/en/for-investors/documents>.

At the time the report was published, the Company provides information about Company's Transactions with Related Parties in the Annex 3 part 5 of the annual report.

Pursuant to paragraph 10 of Article 37 (2) of the Law on Companies of the Republic of Lithuania, the Company report the amounts of the Company's transactions with related parties, which were implemented in the ordinary course of business and with the same related party in the financial year.

Related party	Transaction value, EUR	
	Related party	Sales income from related party
INVL Asset Management UAB (Code 121304349, Gynėjų St. 14, Vilnius)	-	602 547

31 December 2021 The Company's estimated return over the Company's entire period exceeded the minimum repayment barrier, which is a binding past event, the Company's calculated deferred success and accrued management fee, which is EUR 1 805 134 and EUR 534 355 respectively. Calculated deferred success and accrued management fees amounted to EUR 1,074,670 and EUR 460,331, respectively, at 31 December 2021.

Related party*	Balance of loans granted 01-01-2021, EUR	Loans granted during 2021, EUR	Repaid loans during 2021, EUR	Interest calculated during 2021, EUR	Balance of loans granted 31-12-2021, EUR
NRD Systems UAB (code 111647812;. Gynėjų st. 14., Vilnius)	150 000	-	150 000	49	-
NRD AS LT branch (code 30489748; Gynėjų St. 14., Vilnius)	-	500 000	500 000	3 299	
Novian, UAB (code 121998756; Gynėjų St. 14., Vilnius)	-	1 175 000	-	14 335	1 175 000

Related party*	Balance of purchased bonds 2021-01-01, EUR	Bonds purchased during 2021, EUR	Repaid bonds during 2019, EUR	Interest calculated during 2021, EUR	Balance of bonds granted 2019-12-31, EUR
FinTime UAB (code 304192355;. Gynėjų St. 14., Vilnius)	405 0000		405 000	6 819	-

*The relation between the Company and the Related party is described in Part 5 of Annex 3 of the Annual Report.

26. Information on harmful transactions in which the issuer is a party

There were no harmful transactions (those that are not in line with issuer's goals, not under usual market terms, harmful to the shareholders' or stakeholders' interests, etc.) made in the name of the issuer that had or potentially could have negative effects in the future on the issuer's activities or business results. There were also no transactions where a conflict of interest was present between the managing bodies of the Management company, members of the Investment Committee, controlling shareholders' or other related parties' obligations to the issuer and their private interests.

27. Issuer's and its group companies' non – financial results. Information related to social responsibility. environment and employees

27.1. Responsible business actions in the Company

The management of the Company is transferred to the asset management company INVL Asset Management, which applies the Policy of Equal Opportunities in its activities. The Policy specifies that the Company organizes its activities in a way that employees, despite of their duties and the need to upgrade their qualifications, are secure about equal working conditions, opportunities to develop competence, etc. Equally, the same benefits are granted regardless of the gender, race, nationality, language, origin, social status, beliefs or convictions, age, sexual orientation, disability, ethnicity, religion, marital status, intention of having children's or membership of the political party or association.

INVL Asset Management has joined the UN-supported Principles for Responsible Investment (PRI) in the middle of 2017.

The PRI, founded in 2006, is a global network of over 1700 investors, aims to assess the investment implications of environmental, social and governance (ESG) factors. An economically efficient, sustainable global financial system is considered a necessity for long-term value creation. Investors who support the PRI voluntarily work to apply the principles in their investment activities.

Six specific responsible investment Principles are outlined by the PRI. They provide a menu of possible actions for incorporating ESG issues into investment practice – from investment analysis and decision-making to their incorporation into ownership policies and practices. Additionally, signatories to the Principles are encouraged to promote the Principles' acceptance in the investment industry and to work together for their effective implementation.

27.2 Employees

At the end of 2021, as well as in 2020 INVL Technology did not have any employees because of the changes of the legal status of the Company. The management and all the functions earlier performed by the Company's employees were transferred to the Management Company.

27.3. Environmental protection

INVL Technology's portfolio companies contribute to the environmental protection by implementing climate monitoring and weather forecasting solutions in certain countries. During the reporting period, the managed companies did not implement significant projects focused on the environment.

27.4. Information about activities of the Issuer and companies comprising the Issuer's group in the field of research and development

NRD CS, one of INVL Technology's portfolio companies, develops research activities to bring innovative products to market. In 2021 the company was working on these research-based solutions - „CollectiveSight“ and „CyberSet“). Information on these activities (CollectiveSight and CyberSet) can be found in section 5.3 of the Annual Report.

27.5. Additional non - financial information

As the management of the Company has been transferred to the Management Company, the number of employees of which does not exceed 500 (the number of employees of the Management Company as of 31 December 2021 was 132), and the Company itself has no employees, the Company is not subject to the requirements for the preparation of a non-financial statement. According to the Regulation (EU) 2019/2088 of the European Parliament and Council of 27 November 2019 on sustainability disclosure in the financial services sector, information related to the integration of sustainability requirements in the Company's investment decisions and identification of risks related to sustainability is disclosed in the Prospectus (prepared in accordance with the provisions of the Law on Collective Investment Undertakings of the Republic of Lithuania) of the Company.

28. Data on the publicly disclosed information

The information publicly disclosed of INVL Technology during 2020 is presented on the company's website www.invltechnology.lt. also company publishes all publicly available information on the Nasdaq Vilnius website.

Summary of publicly disclosed information is given below

Date of disclosure	Brief description of disclosed information
2021 01 08	INVL Technology announcement on planned transactions of the managers of the company
2021-01-04	Acena has been merged into Novian Systems
2021-01-08	Notification on transactions in the Issuer's securities
2021-01-14	Notification on transactions in the Issuer's securities
2021-01-20	Notification on transactions in the Issuer's securities
2021-01-26	Notification on transactions in the Issuer's securities
2021-02-01	Notification on transactions in the Issuer's securities
2021-02-05	Notification on transactions in the Issuer's securities
2021-02-11	Notification on transactions in the Issuer's securities
2021-02-17	Notification on transactions in the Issuer's securities
2021-02-23	Notification on transactions in the Issuer's securities
2021-03-01	Notification on transactions in the Issuer's securities
2021-03-05	Notification on transactions in the Issuer's securities
2021-03-25	Regarding the approval of INVL Technology document
2021-04-06	Announcement of the net asset value of INVL Technology as of 31 December 2020
2021-04-06	Audited results of INVL Technology for 2020
2021-04-06	Presentation of INVL Technology
2021-04-06	Correction of Lithuanian notification text: Presentation of INVL Technology
2021-04-07	Convocation of the General Ordinary Shareholders Meeting of INVL Technology and draft resolutions on agenda issue
2021-04-15	Regarding the supplement of the agenda and proposed draft resolutions of the Ordinary General Meeting of Shareholders of INVL Technology
2021-04-22	News from INVL Technology managed companies: NRD Companies Reports 6% Revenue Increase in 2020
2021-04-26	News from INVL Technology managed companies: Novian earned an increased share of revenue from the financial and corporate sectors
2021-04-27	News from INVL Technology managed companies: NRD Cyber Security revenue grew 14% in 2020
2021-04-28	Enlight Research analysis on 2020: All INVL Technology's companies posted stable growth
2021-04-29	Resolutions of the General Ordinary Shareholders Meeting of INVL Technology
2021-04-29	Audited annual information of INVL Technology for 2020

2021-04-29	INVL Technology announces the permanent suspension of planned transactions of the managers of the company
2021-04-30	Announcement of the net asset value of INVL Technology as of 31 March 2021
2021-04-30	INVL Technology results for 3 months of 2021
2021-05-13	Presentation of INVL Technology
2021-05-17	The new wording of the Articles of Association of INVL Technology was registered
2021-05-19	INVL Technology announces the suspension of the depository change process
2021-05-26	INVL Technology received permission to change the Articles of Association
2021-05-31	Regarding the approval of the candidates for the members of the Supervisory Board
2021-08-31	Announcement of the net asset value of INVL Technology as of 30 June 2021
2021-08-31	Regarding the approval of the candidates for the members of the Supervisory Board
2021-08-31	Announcement of the net asset value of INVL Technology as of 30 June 2021
2021-09-09	Presentation of INVL Technology
2021-09-13	Novian advances with ambitious technology projects
2021-09-14	Mid-Year Results of NRD Companies: Greater Operational Scope and Refined Business Strategy
2021-09-14	INVL Technology holding Novian group company seeks to acquire Elsis PRO
2021-09-30	Enlight Research analysis on 2nd quarter: INVL Technology's revenue was increased by the cyber security business NRD CS
2021-10-06	Convocation of the General Extraordinary Shareholders Meeting of INVL Technology and draft resolutions on agenda issue
2021-10-22	Novian group broadens its software services expertise with acquisition of Elsis PRO
2021-10-26	The decision of the management company of INVL Technology on the purchase of own shares
2021-10-28	Resolutions of the general extraordinary shareholders meeting of INVL Technology
2021-10-29	Announcement of the net asset value of INVL Technology as of 30 September 2021
2021-10-29	INVL Technology results for 9 months of 2021
2021-11-10	INVL Technology will buy-back its own shares
2021-11-12	Information about shares issued by INVL Technology and votes granted
2021-12-10	INVL Technology investor's calendar for 2022

Summary of the notifications on transactions in INVL Technology shares concluded by managers of the Company during 2021

Date	Person	Number of securities	Security price (EUR)*	Total Value of transaction (EUR)	Form of transaction	Type of transaction	Place of transaction	Form of settlement
2021-01-05	Invalda INVL AB	905	2.20	802.78	Acquisition	share sale-purchase	AUTO	Money
2021-01-06	Invalda INVL AB	5	2.20	11	Acquisition	share sale-purchase	AUTO	Money
2021-01-06	Invalda INVL AB	904	2.20	1998.8	Acquisition	share sale-purchase	AUTO	Money
2021-01-07	Invalda INVL AB	935	2.14	2000.9	Acquisition	share sale-purchase	AUTO	Money
2021-01-08	Invalda INVL AB	111	2.12	235.32	Acquisition	share sale-purchase	AUTO	Money

2021-01-08	Invalda INVL AB	531	2.12	1125.72	Acquisition	share sale-purchase	AUTO	Money
2021-01-08	Invalda INVL AB	1	2.12	2.12	Acquisition	share sale-purchase	AUTO	Money
2021-01-08	Invalda INVL AB	300	2.12	636	Acquisition	share sale-purchase	AUTO	Money
2021-01-11	Invalda INVL AB	2358	2.12	4998.96	Acquisition	share sale-purchase	AUTO	Money
202-01-12	Invalda INVL AB	2336	2.14	4999.04	Acquisition	share sale-purchase	AUTO	Money
2021-01-13	Invalda INVL AB	487	2.14	1042.18	Acquisition	share sale-purchase	AUTO	Money
2021-01-13	Invalda INVL AB	1849	2.14	3956.85	Acquisition	share sale-purchase	AUTO	Money
2021-01-14	Invalda INVL AB	2208	2.12	4680.96	Acquisition	share sale-purchase	AUTO	Money
2021-01-14	Invalda INVL AB	150	2.12	318	Acquisition	share sale-purchase	AUTO	Money
2021-01-15	Invalda INVL AB	2358	2.12	4998.96	Acquisition	share sale-purchase	AUTO	Money
2021-01-18	Invalda INVL AB	1055	2.12	2236.6	Acquisition	share sale-purchase	AUTO	Money
2021-01-20	Invalda INVL AB	1045	2.14	2236.3	Acquisition	share sale-purchase	AUTO	Money
2021-01-21	Invalda INVL AB	1055	2.12	2236.6	Acquisition	share sale-purchase	AUTO	Money
2021-01-22	Invalda INVL AB	1055	2.12	2236.6	Acquisition	share sale-purchase	AUTO	Money
2021-01-25	Invalda INVL AB	943	2.12	2236.6	Acquisition	share sale-purchase	AUTO	Money
2021-01-26	Invalda INVL AB	943	2.12	2236.6	Acquisition	share sale-purchase	AUTO	Money
2021-01-27	Invalda INVL AB	343	2.12	727.16	Acquisition	share sale-purchase	AUTO	Money
2021-01-27	Invalda INVL AB	600	2.12	1272	Acquisition	share sale-purchase	AUTO	Money
2021-01-28	Invalda INVL AB	500	2.12	1060	Acquisition	share sale-purchase	AUTO	Money
2021-01-28	Invalda INVL AB	443	2.12	939.16	Acquisition	share sale-purchase	AUTO	Money

2021-01-29	Invalda INVL AB	43	2.12	91.16	Acquisition	share sale-purchase	AUTO	Money
2021-01-29	Invalda INVL AB	900	2.12	1908	Acquisition	share sale-purchase	AUTO	Money
2021-02-01	Invalda INVL AB	775	2.12	1643	Acquisition	share sale-purchase	AUTO	Money
2021-02-01	Invalda INVL AB	168	2.12	356.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-02	Invalda INVL AB	214	2.12	453.68	Acquisition	share sale-purchase	AUTO	Money
2021-02-02	Invalda INVL AB	700	2.12	1484	Acquisition	share sale-purchase	AUTO	Money
2021-02-02	Invalda INVL AB	29	2.12	61.48	Acquisition	share sale-purchase	AUTO	Money
2021-02-03	Invalda INVL AB	800	2.12	1696	Acquisition	share sale-purchase	AUTO	Money
2021-02-03	Invalda INVL, AB	86	2.12	182.32	Acquisition	share sale-purchase	AUTO	Money
2021-02-03	Invalda INVL AB	57	2.12	120.84	Acquisition	share sale-purchase	AUTO	Money
2021-02-04	Invalda INVL AB	730	2.12	1547.6	Acquisition	share sale-purchase	AUTO	Money
2021-02-04	Invalda INVL AB	213	2.12	451.56	Acquisition	share sale-purchase	AUTO	Money
2021-02-05	Invalda INVL AB	937	2.12	14.4	Acquisition	share sale-purchase	AUTO	Money
2021-02-05	Invalda INVL AB	6	2.12	12.72	Acquisition	share sale-purchase	AUTO	Money
2021-02-08	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-10	Invalda INVL AB	935	2.12	1982.2	Acquisition	share sale-purchase	AUTO	Money
2021-02-11	Invalda INVL AB	475	2.12	1007	Acquisition	share sale-purchase	AUTO	Money
2021-02-11	Invalda INVL AB	18	2,12	38.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-11	Invalda INVL AB	450	2.12	954	Acquisition	share sale-purchase	AUTO	Money
2021-02-12	Invalda INVL AB	943	2.10	1980.3	Acquisition	share sale-purchase	AUTO	Money

2021-02-15	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-17	Invalda INVL AB	952	2.10	1999.2	Acquisition	share sale-purchase	AUTO	Money
2021-02-18	Invalda INVL AB	590	2.08	1227.2	Acquisition	share sale-purchase	AUTO	Money
2021-02-19	Invalda INVL AB	11	2.12	23.32	Acquisition	share sale-purchase	AUTO	Money
2021-02-19	Invalda INVL AB	472	2.12	1000.64	Acquisition	share sale-purchase	AUTO	Money
2021-02-19	Invalda INVL, AB	100	2.12	212	Acquisition	share sale-purchase	AUTO	Money
2021-02-19	Invalda INVL, AB	120	2.12	254.4	Acquisition	share sale-purchase	AUTO	Money
2021-02-22	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-23	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-24	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money
2021-02-26	Invalda INVL AB	806	2.12	1708.72	Acquisition	share sale-purchase	AUTO	Money
2021-02-26	Invalda INVL AB	5	2.12	10.6	Acquisition	share sale-purchase	AUTO	Money
2021-02-26	Invalda INVL AB	132	2,12	279.84	Acquisition	share sale-purchase	AUTO	Money
2021-03-01	Invalda INVL AB	584	2.12	1238.08	Acquisition	share sale-purchase	AUTO	Money
2021-03-01	Invalda INVL AB	359	212	761.08	Acquisition	share sale-purchase	AUTO	Money
2021.03.02	Invalda INVL AB	174	2.12	368.88	Acquisition	share sale-purchase	AUTO	Money
2021-03-02	Invalda INVL, AB	769	2.12	1630.28	Acquisition	share sale-purchase	AUTO	Money
2021-03-03	Invalda INVL AB	100	2.10	210	Acquisition	share sale-purchase	AUTO	Money
2021-03-04	Invalda INVL AB	943	2.12	1999.16	Acquisition	share sale-purchase	AUTO	Money

29. Information about the audit company

The company does not have approved audit company selection criteria. On October 2020, the Extraordinary General Meeting of Shareholders elected PricewaterhouseCoopers to audit the annual financial statements for the period 2020-2022. At the same meeting, the shareholders set a fee of EUR 9,400 for the audit of the set of annual financial statements (value added tax is calculated and paid additionally in accordance with the procedure established by legal acts).

Audit company	PricewaterhouseCoopers, UAB
Address of the registered office	J. Jasinskio St. 16B, LT-03163, Vilnius
Code	111473315
Telephone	(8 5) 239 2300
E-mail	vilnius@lt.pwc.com
Website	www.pwc.com/lt

No internal audit is performed in the Company.

INVL Technology
Managing partner

Kazimieras Tonkūnas

APPENDIX 1. INFORMATION ABOUT INVL TECHNOLOGY PORTFOLIO COMPANIES, THEIR CONTACT DETAILS

Company	Registration information	Type of activity	Contact details
Norway Registers Development AS	Code: NO-985 221 405 MVA Adress: Løkketangen 20 B, 1337 Sandvika, Norway Legal form: private limited liability company Registered: 2002-12-23	Legal, organizational reforms and their implementation (business, property, mortgage, licenses and citizen's registries)	Phone + 47 219 50 158 E-mail info@nrd.no Website www.nrd.no
NRD Companies AS	Code: NO-921 985 290 Adress: Løkketangen 20 B, 1337 Sandvika, Norway Legal form: private limited liability company Registered: 2019-01-18	Management of financial asset.	Phone + 47 219 50 158 E-mail info@nrd.no
NRD Systems UAB	Code: 111647812 Adress: Gynėjų St. 14, Vilnius 01109 Legal form: private limited liability company Registered: 1998-10-15	Information system design and maintenance.	Phone, Vilnius +370 5 2310 731 Phone, Kaunas + 370 37 31 18 64 E-mail info@nrd.lt Website www.nrd.lt
ETRONIKA UAB	Code: 125224135 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 2000-03-30	Development and implementation of e-banking, smart retail, mobile applications for finances, e-commerce and e-government	Phone +370 5 2483 153 E-mail info@etronika.lt Website www.etronika.lt
Norway Registers Development East Africa Ltd.	Code: 88597 Adress: 3rd floor, Elite tower, Azikiwe Street/Jamhuri street, Dar es Salaam, Tanzania Legal form: private limited liability company Registered: 2012-01-13	The company has been suspended in March 2020	
Infobank Uganda Ltd.	Code: 193144 Registered: 2014-12-03	Currently does not perform any activities	
Norway Registers Development Rwanda Ltd.	Code: 10537819 Adress: 5th floor, Centenary House, Plot No: 1381, KN 4 Ave, Kiyovu Cell, Nyarugenge District, Kigali, Rwanda Legal form: private limited liability company Registered: 2016-02-22	Regional sales, project leadership, project support and maintenance company for group projects in Rwanda, Burundi and Democratic Republic of the Congo.	Phone +250 782 102 990 E-mail info@nrd.no Website www.nrd.no
NRD Bangladesh Ltd.	Code: C-135712/2017	Information technology infrastructure design, development, maintenance and security services. Information	-

	Adress: Eastern Commercial Complex, Room No.1/11, (1st floor), 73, Kakrail, Dhaka, Bangladesh Legal form: private limited liability company Registered: 2017-02-02	system audits, IT management consultations and trainings	
Andmevara AS	Code: 10264823 Adress: Pärnu mnt 158, 11317 Tallinn, Estonia Legal form: private limited liability company Registered: 1997-09-19	E-Government solutions that include development of registries, important national information systems.	Phone +372 6715 188 E-mail mail@andmevara.ee Website www.andmevara.ee
Andmevara Services OÜ	Code: 14552803 Adress: Narva mnt 5 10117 Tallinn, Estonia Legal form: private limited liability company Registered: 2018-08-27	IT infrastructure maintenance, digitization and hosting services	Phone +372 6715 119 E-mail mail@andmevara.ee
Andmevara SRL	Code: 1013600014121 Adress: Şciusev A. 89, sec. Buiucani, Chisinau, Moldova Legal form: private limited liability company Registered: 2013-04-17	IT infrastructure maintenance, digitization and hosting services.	Phone +370 612 51 955 E-mail a.smirnovas@baip.lt Website www.andmevara.ee
Zissor AS	Code: 986 845 550 Adress: Bragernes Torg 6, 3017 Drammen, Norway Legal form: private limited liability company Registered: 2004-05-04	Provides services to clients working in the areas of media monitoring and digitization.	Tel. +47 228 38 500 E-mail post@zissor.com Website www.zissor.com
Novian UAB	Code: 121998756 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 1993-06-25	Investment into information technology companies.	Phone +370 5 2190 000 Website www.novian.lt
Novian Technologies UAB	Code: 301318539 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 2007-12-03	IT infrastructure strategy and architecture solutions, maintenance, supercomputer design, assistance in complex migrations, critical IT infrastructure maintenance and consultations, data center design and redesign, operations, trainings and maintenance	Phone +370 5 2190 000 E-mail info.technologies@novian.lt Website www.novian.lt
Novian Systems UAB	Code: 125774645 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 2001-10-15	Development of information systems and business process facilitating programs for large and medium-sized public organizations and enterprises. Main fields of activities include e-governance, e-	Tel. +370 5 2734 181 E-mail info.systems@novian.lt Website www.novian.lt

NRD CS UAB	Code: 303115085 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 2013-08-06	health, finance, social security, environmental protection and other Internal CIRT establishment, technologies. Digital forensics laboratories, related consultations. Security Operations Center (SOC)	Phone +370 5 219 1919 E-mail info@nrdfs.lt Website www.nrdfs.lt
FINtime UAB	Code: 304192355 Adress: Gynėjų St. 14, Vilnius Legal form: private limited liability company Registered: 2016-02-29	Financial and accounting services	Phone +370 5 2190 000
Elsis PRO UAB	Code:300064148; Adress: Baltupio St. 14, Vilnius; Legal form: private limited liability company Registered: 1991-02-01	Development of information systems and software for the public administration, finance and tax, healthcare, education, defense and security sectors	Phone+370 5 268 8188; Website www.elsispro.com

APPENDIX 2. CORPORATE GOVERNANCE REPORTING FORM

UTIB The closed-ended type investment company INVL Technology (hereinafter referred to as the "Company"), acting in compliance with Article 22 (3) of the Law of the Republic of Lithuania on Securities and paragraph 24.5 of the Listing Rules of AB Nasdaq Vilnius AB, hereby discloses how it complies with the Corporate Governance Code for the Companies listed on Nasdaq Vilnius as well as its specific provisions or recommendations. In any cases of non-compliance with this Code or some of its provisions or recommendations of the Code, the specific provisions or recommendations that are not complied with must be indicated and the reasons for such non-compliance must be specified. In addition, other explanatory information indicated in this form is also provided, as indicated in the form.

1. Summary of the Corporate Governance Report

The management of INVL Technology was transferred to the management company INVL Asset Management on 14 July 2016 after the Central Bank of the Republic of Lithuania granted special closed-ended type private equity investment company INVL Technology the a license of closed-ended type investment company license. The Company has no employees. The CEO of the Management Company's CEO and the, the Board and the Investment Committee members are acting to ensure the management of INVL Technology.

The Management Company is responsible for convocation convoking and organizing the general meeting of Shareholders of the Company, giving notices about publicly not disclosed information under the procedure set established by law, organizing the activities of the Company, properly managing information about the activities of the Company, and performing other functions assigned to the it.

The rights and duties of the Board and the head of the Company are transferred to the Management Company, therefore, when reading this Corporate Governance Code, and in particular Principles 3 and 4, the CEO of the Management Company, the Board and the members of the Investment Committee must should be treated regarded as the Bboard of the company.

2. Structured table for disclosure

Principals / recommendations	Yes/No/Not applicable	Comment
Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' rights The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.		
All shareholders should be provided with access to the information and/or documents established in the legal acts on equal terms. All shareholders should be furnished with equal opportunity to participate in the decision-making process where significant corporate matters are discussed.	Yes	The Company discloses all regulated information (including notices on convening shareholders' meetings) through the news distribution platform of AB Nasdaq Vilnius. This ensures that this information is available to the widest possible audience in the Republic of Lithuania and other EU countries. Information is provided simultaneously in both Lithuanian and English. The Company publishes information before or after the trading session of Nasdaq Vilnius AB. The Company timely updates the information on its website and complies with the requirements of Part 5 of the Information Disclosure Guidelines "On the Publication of Regulated and Other Information on the Issuer's Website" approved by the decision of the Supervisory Authority of the Bank of Lithuania. All shareholders have equal rights to participate in the general meetings of shareholders of the Company.
1.2. It is recommended that the company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all of their holders	Yes	The shares constituting the authorized capital of the Company grant equal rights to all shareholders of the Company.
1.3. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	Yes	The rights of the shareholders are described in the Articles of Association of the Company, which are publicly announced on the Company's website and in the section "Rights and obligations granted by the Shares" of the Company's annual report
1.4. Exclusive transactions that are particularly important to the company, such as transfer of all or almost all assets of the company which in principle would mean the transfer	Yes	All shareholders of the Company have equal opportunities to get acquainted and participate in

<p>of the company, should be subject to approval of the general meeting of shareholders.</p>		<p>making decisions that are important for the Company. The approval of the General Meeting of Shareholders is obtained in the cases specified in Section V of the Law on Companies falling within the competence of the General Meeting of Shareholders.</p>
<p>1.5. Procedures for convening and conducting a general meeting of shareholders should provide shareholders with equal opportunities to participate in the general meeting of shareholders and should not prejudice the rights and interests of shareholders. The chosen venue, date and time of the general meeting of shareholders should not prevent active participation of shareholders at the general meeting. In the notice of the general meeting of shareholders being convened, the company should specify the last day on which the proposed draft decisions should be submitted at the latest.</p>	<p>Yes</p>	<p>Shareholders are informed about convening of the General Meetings of Shareholders in accordance with the requirements of legislation and the Company's articles of association – adhering to the notification deadlines and methods and means of announcement. The opportunity to participate in the Meeting is supplemented by the option of voting by ballot or authorizing another person to represent the shareholder. The General Meeting of Shareholders is always held at the Company's headquarters. In the notice of the General Meeting of Shareholders being convened, the Company does not restrict the right of shareholders to submit new draft decisions either before or during the meeting, and this is clearly stated in the notice of the General Meeting of Shareholders being convened in both Lithuanian and English.</p>
<p>1.6. With a view to ensure the right of shareholders living abroad to access the information, it is recommended, where possible, that documents prepared for the general meeting of shareholders in advance should be announced publicly not only in Lithuanian language but also in English and/or other foreign languages in advance. It is recommended that the minutes of the general meeting of shareholders after the signing thereof and/or adopted decisions should be made available publicly not only in Lithuanian language but also in English and/or other foreign languages. It is recommended that this information should be placed on the website of the company. Such documents may be published to the extent that their public disclosure is not detrimental to the company or the company's commercial secrets are not revealed.</p>	<p>Yes</p>	<p>All documents and information relevant to the Company's general meetings of shareholders, including the notice of the convened meeting, draft resolutions, draft resolutions of the meeting are public and simultaneously published in Lithuanian and English through the Nasdaq Vilnius regulated notice distribution system and additionally published on the Company's website in the Regulated Information sections. and Shareholders' Meetings.</p>
<p>1.7. Shareholders who are entitled to vote should be furnished with the opportunity to vote at the general meeting of shareholders both in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.</p>	<p>Yes</p>	<p>Shareholders of the Company may exercise their right to vote in the General Meeting in person or through a representative upon issuance of proper proxy or having concluded an agreement on the transfer of their voting rights in the manner compliant with the legal regulations, also the shareholder may vote by completing the General Voting Ballot in the manner provided by the Law on Companies.</p>
<p>1.8. With a view to increasing the shareholders' opportunities to participate effectively at general meetings of shareholders, it is recommended that companies should apply modern technologies on a wider scale and thus provide shareholders with the conditions to participate and vote in general meetings of shareholders via electronic means of communication. In such cases the security of transmitted information must be ensured and it must be possible to identify the participating and voting person.</p>	<p>No</p>	<p>Shareholders can vote via an attorney or by completing the general voting bulletin, as for now shareholders cannot participate and vote in General Shareholders' Meetings via electronic means of communication.</p>

<p>1.9. It is recommended that the notice on the draft decisions of the general meeting of shareholders being convened should specify new candidatures of members of the collegial body, their proposed remuneration and the proposed audit company if YES If these issues are on the agenda of the general meeting of shareholders, all required information on the proposed collegial body, audit company are specified in the draft decisions of the general meeting of shareholders. INVL Baltic Real Estate, code 152105644, Gynėjų str. 14, Vilnius INVL BALTIC REAL ESTATE 2021 ANNUAL REPORT 113 these issues are included into the agenda of the general meeting of shareholders. Where it is proposed to elect a new member of the collegial body, it is recommended that the information about his/her educational background, work experience and other managerial positions held (or proposed) should be provided</p>	<p>Yes / No</p>	<p>If these issues are on the agenda of the general meeting of shareholders, all required information on the proposed collegial body, audit company are specified in the draft decisions of the general meeting of shareholders.</p>
<p>1.10. Members of the company's collegial management body, heads of the administration⁶ or other competent persons related to the company who can provide information related to the agenda of the general meeting of shareholders should take part in the general meeting of shareholders. Proposed candidates to member of the collegial body should also participate in the general meeting of shareholders in case the election of new members is included into the agenda of the general meeting of shareholders.</p>	<p>Yes</p>	<p>Representatives of the Company's Management Company always attend the Company's shareholders' meetings, i.e. a member of the Board or a member of the Investment Committee or a representative responsible for the Company's financial statements</p>

Principle 2: Supervisory board

Functions and liability of the supervisory board

The supervisory board of the company should ensure representation of the interests of the company and its shareholders, accountability of this body to the shareholders and objective monitoring of the company's operations and its management bodies as well as constantly provide recommendations to the management bodies of the company. The supervisory board should ensure the integrity and transparency of the company's financial accounting and control system

<p>2.1.1. Members of the supervisory board should act in good faith, with care and responsibility for the benefit and in the interests of the company and its shareholders and represent their interests, having regard to the interests of employees and public welfare.</p>	<p>Yes</p>	<p>The Supervisory Board acts in good faith for the benefit of the Company and its shareholders</p>
<p>2.1.2. Where decisions of the supervisory board may have a different effect on the interests of the company's shareholders, the supervisory board should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed about the company's strategy, risk management and control, and resolution of conflicts of interest.</p>	<p>Yes</p>	<p>The Supervisory Board treats all shareholders fairly and impartially</p>
<p>2.1.3. The supervisory board should be impartial in passing decisions that are significant for the company's operations and strategy. Members of the supervisory board should act and pass decisions without an external influence from the persons who elected them.</p>	<p>Yes</p>	<p>The Supervisory Board is independent in passing decisions.</p>
<p>2.1.4. Members of the supervisory board should clearly voice their objections in case they believe that a decision of the supervisory board is against the interests of the company. Independent⁷ members of the supervisory board should: a) maintain independence of their analysis and decision-making; b) not seek or accept any unjustified privileges that might compromise their independence.</p>	<p>Yes</p>	<p>The Supervisory Board members are impartial in passing decisions and clearly voice their will regarding the decisions passed.</p>

<p>2.1.5. The supervisory board should oversee that the company's tax planning strategies are designed and implemented in accordance with the legal acts in order to avoid faulty practice that is not related to the longterm interests of the company and its shareholders, which may give rise to reputational, legal or other risks.</p>	<p>Not applicable</p>	<p>The Company is a non-taxable entity</p>
<p>2.1.6. The company should ensure that the supervisory board is provided with sufficient resources (including financial ones) to discharge their duties, including the right to obtain all the necessary information or to seek independent professional advice from external legal, accounting or other experts on matters pertaining to the competence of the supervisory board and its committees.</p>	<p>Yes</p>	<p>The supervisory board is provided with all necessary information.</p>
<p>2.2. Formation of the supervisory board</p>		
<p>The procedure of the formation of the supervisory board should ensure proper resolution of conflicts of interest and effective and fair corporate governance.</p>		
<p>2.2.1. The members of the supervisory board elected by the general meeting of shareholders should collectively ensure the diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance between the qualifications of the members of the supervisory board, it should be ensured that members of the supervisory board, as a whole, should have diverse knowledge, opinions and experience to duly perform their tasks.</p>	<p>Yes</p>	<p>The members of the supervisory board elected by the general meeting of shareholders of the Company ensure the diversity of qualifications, professional experience and competences, and the supervisory board consists of members with appropriate implementation of gender equality</p>
<p>2.2.2. Members of the supervisory board should be appointed for a specific term, subject to individual reelection for a new term in office in order to ensure necessary development of professional experience.</p>	<p>Yes</p>	<p>According to the Articles of Association of the Company, the supervisory board is elected by the general meeting of shareholders for a period of 4 years, i.e., the maximum period permitted by the legislation of the Republic of Lithuania.</p>
<p>2.2.3. Chair of the supervisory board should be a person whose current or past positions constituted no obstacle to carry out impartial activities. A former manager or management board member of the company should not be immediately appointed as chair of the supervisory board either. Where the company decides to depart from these recommendations, it should provide information on the measures taken to ensure impartiality of the supervision.</p>	<p>Yes</p>	<p>Chair of the supervisory board is a person whose current or past positions constitute no obstacles to carry out impartial activities.</p>
<p>2.2.4. Each member should devote sufficient time and attention to perform his duties as a member of the supervisory board. Each member of the supervisory board should undertake to limit his other professional obligations (particularly the managing positions in other companies) so that they would not interfere with the proper performance of the duties of a member of the supervisory board. Should a member of the supervisory board attend less than a half of the meetings of the supervisory board throughout the financial year of the company, the shareholders of the company should be notified thereof.</p>	<p>Yes</p>	<p>Each member devotes sufficient time and attention to perform their duties as a member of the supervisory board and their other professional obligations do not interfere with the proper performance of the duties of a member of the supervisory board.</p>
<p>2.2.5. When it is proposed to appoint a member of the supervisory board, it should be announced which members of the supervisory board are deemed to be independent. The supervisory board may decide that, despite the fact that a particular member meets all the criteria of independence, he/she cannot be considered independent due to special personal or company related circumstances.</p>	<p>Yes</p>	<p>The Company submitted to the shareholders received proposals concerning the candidates for the members of the supervisory board with additional references to their independence</p>

<p>2.2.6. The amount of remuneration to members of the supervisory board for their activity and participation in meetings of the supervisory board should be approved by the general meeting of shareholders</p>	<p>Yes</p>	<p>According to the decision of the General Meeting of the Shareholders of the Company hold on 29 April 2021 it was set the hourly remuneration of the elected independent member of the Supervisory Board at EUR 145 per hour. The other Members of the Supervisory Board do not receive remuneration for these duties.</p>
<p>2.2.7. Every year the supervisory board should carry out an assessment of its activities. It should include evaluation of the structure of the supervisory board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the supervisory board, and evaluation whether the supervisory board has achieved its objectives. The supervisory board should, at least once a year, make public respective information about its internal structure and working procedures.</p>	<p>No</p>	<p>The supervisory board has not carried out an assessment of its activities because the supervisory board of the acts less than one year.</p>

Principle 3: Management Board

3.1. Functions and liability of the management board The management board should ensure the implementation of the company's strategy and good corporate governance with due regard to the interests of its shareholders, employees and other interest groups

<p>3.1.1. The management board should ensure the implementation of the company's strategy approved by the supervisory board if the latter has been formed at the company. In such cases where the supervisory board is not formed, the management board is also responsible for the approval of the company's strategy.</p>		<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. The Company's investment strategy is provided for in the Company's Articles of Association. The Management Company of the Company is responsible for the implementation of the investment strategy.</p>
<p>3.2.2. Names and surnames of the candidates to become members of the management board, information on their educational background, qualifications, professional experience, current positions, other important professional obligations and potential conflicts of interest should be disclosed without violating the requirements of the legal acts regulating the handling of personal data at the meeting of the supervisory board in which the management board or individual members of the management board are elected. In the event that the supervisory board is not formed, the information specified in this paragraph should be submitted to the general meeting of shareholders. The management board should, on yearly basis, collect data provided in this paragraph on its members and disclose it in the company's annual report.</p>	<p>Not applicable</p>	<p>Due to the specifics of the Company's activities, the General Shareholders Meeting of the Company does not elect the members of the Board of the Management Company. Information about the education, qualification, professional experience and participation in the management of other companies of the managers of the Management Company and members of the Investment Committee of the Company is presented in the annual report of the Company.</p>
<p>3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company</p>		<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company.</p>
<p>3.2.4. Members of the management board should be appointed for a specific term, subject to individual reelection for a new term in office in order to ensure necessary development of professional experience and sufficiently frequent reconfirmation of their status.</p>		<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the</p>

		functions of the Board and the Chief Executive Officer of the Company
<p>3.2.5. Chair of the management board should be a person whose current or past positions constitute no obstacle to carry out impartial activity. Where the supervisory board is not formed, the former manager of the company should not be immediately appointed as chair of the management board. When a company decides to depart from these recommendations, it should furnish information on the measures it has taken to ensure the impartiality of supervision.</p>		<p>Due to the specifics of the Company's activities, the General Shareholders Meeting of the Company does not elect the members of the Board of the Management Company, whose elect the Chairman of the Board of the Management Company.</p>
3.2. Formation of the Board		
<p>3.2.1. The members of the management board elected by the supervisory board or, if the supervisory board is not formed, by the general meeting of shareholders should collectively ensure the required diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance in terms of the current qualifications possessed by the members of the management board, it should be ensured that the members of the management board would have, as a whole, diverse knowledge, opinions and experience to duly perform their tasks.</p>		<p>Due to the specifics of the Company's activities, the General Shareholders Meeting of the Company does not elect the members of the Board of the Management Company. The managers and investment decisionmakers of a Management Company must be of sufficiently good repute and have sufficient work experience to ensure sound and transparent management. The candidatures of all managers and investment decision-makers of the Company's Management Company should be approved by the Bank of Lithuania.</p>
<p>3.2.2. Names and surnames of the candidates to become members of the management board, information on their educational background, qualifications, professional experience, current positions, other important professional obligations and potential conflicts of interest should be disclosed without violating the requirements of the legal acts regulating the handling of personal data at the meeting of the supervisory board in which the management board or individual members of the management board are elected. In the event that the supervisory board is not formed, the information specified in this paragraph should be submitted to the general meeting of shareholders. The management board should, on yearly basis, collect data provided in this paragraph on its members and disclose it in the company's annual report.</p>	<p>Not applicable</p>	<p>Due to the specifics of the Company's activities, the General Shareholders Meeting of the Company does not elect the members of the Board of the Management Company. Information about the education, qualification, professional experience and participation in the management of other companies of the managers of the Management Company and members of the Investment Committee of the Company is presented in the annual report of the Company.</p>
<p>3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company.</p>		<p>Due to the nature of the Company's activities, collegial bodies are not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company.</p>
<p>3.2.4. Members of the management board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience and sufficiently frequent reconfirmation of their status.</p>		<p>Due to the nature of the Company's activities, collegial bodies are not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company.</p>
<p>3.2.5. Chair of the management board should be a person whose current or past positions constitute no obstacle to carry out impartial activity. Where the supervisory board is not formed, the former manager of the company should</p>		<p>Due to the specifics of the Company's activities, the General Shareholders Meeting of the Company does not elect the members of the Board of the Management Company, whose elect</p>

not be immediately appointed as chair of the management board. When a company decides to depart from these recommendations, it should furnish information on the measures it has taken to ensure the impartiality of supervision.

3.2.6. Each member the management board should give sufficient time and attention to perform the duties of a member of the Board. If a member of the management Board participated in less than half of the board meetings during the financial year of the Company, the Company's Supervisory Board should be informed if the Supervisory Board is not formed in the Company - the General Shareholder Meeting.

3.2.7. In the event that the management board is elected in the cases established by the Law where the supervisory board is not formed at the company, and some of its members will be independent¹⁰, it should be announced which members of the management board are deemed as independent. The management board may decide that, despite the fact that a particular member meets all the criteria of independence established by the Law, he/she cannot be considered independent due to special personal or company-related circumstances.

3.2.8. The general meeting of shareholders of the company should approve the amount of remuneration to the members of the management board for their activity and participation in the meetings of the management board.

3.2.9. The members of the management board should act in good faith, with care and responsibility for the benefit and the interests of the company and its shareholders with due regard to other stakeholders. When adopting decisions, they should not act in their personal interest; they should be subject to no-compete agreements and they should not use the business information or opportunities related to the company's operations in violation of the company's interests.

3.2.10. Every year the management board should carry out an assessment of its activities. It should include evaluation of the structure of the management board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the management board, and evaluation whether the management board has achieved its objectives. The management board should, at least once a year, make public respective information about its internal structure and working procedures in observance of the legal acts regulating the processing of personal data.

the Chairman of the Board of the Management Company.

Due to the specifics of the Company's activities, attendance of the Management Company's Board meetings is not recorded in the Annual report of the Company. The Company discloses information on the number of the Company's Investment Committee meetings.

Due to Company's management specifics, independency criteria is not applicable to the managers of the Management Company.

The management fee, payable to the Management Company is disclosed in the Annual Report of the Company, according to the valid management agreement between the Company and the Management Company. The managers of the Management Company and appointed members of the Investment Committee receive remuneration according to the employment contract signed between them and the Management Company

The duty of the Company's Management Company to act honestly, fairly and professionally on the best terms and conditions for the Company and its shareholders and to ensure market integrity is enshrined in the Company's Articles of Association.

Due to Company's management specifics, the managers of the Management Company do not carry out assessment of its activities.

Principle 4: Rules of procedure of the supervisory board and the management board of the company

The rules of procedure of the supervisory board, if it is formed at the company, and of the management board should ensure efficient operation and decision-making of these bodies and promote active cooperation between the company's management bodies.

4.1. The management board and the supervisory board, if the latter is formed at the company, should act in close

Yes / No

Due to the nature of the Company's activities, collegial bodies are not formed in the Company.

<p>cooperation in order to attain benefit for the company and its shareholders. Good corporate governance requires an open discussion between the management board and the supervisory board. The management board should regularly and, where necessary, immediately inform the supervisory board about any matters significant for the company that are related to planning, business development, risk management and control, and compliance with the obligations at the company. The management board should inform the supervisory board about any derogations in its business development from the previously formulated plans and objectives by specifying the reasons for this.</p>		<p>Its management is transferred to the Management Company, which performs</p>
<p>4.2. It is recommended that meetings of the company's collegial bodies should be held at the respective intervals, according to the pre-approved schedule. Each company is free to decide how often meetings of the collegial bodies should be convened but it is recommended that these meetings should be convened at such intervals that uninterrupted resolution of essential corporate governance issues would be ensured. Meetings of the company's collegial bodies should be convened at least once per quarter.</p>	<p>Yes / No</p>	<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. Meetings of the Management Company's Board and the Company's Supervisory Board are held at such intervals as to ensure uninterrupted resolution of essential issues of the Company's management and supervision.</p>
<p>4.3. Members of a collegial body should be notified of the meeting being convened in advance so that they would have sufficient time for proper preparation for the issues to be considered at the meeting and a fruitful discussion could be held and appropriate decisions could be adopted. Along with the notice of the meeting being convened all materials relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body present at the meeting agree with such change or supplement to the agenda, or certain issues that are important to the company require immediate resolution.</p>	<p>Yes / No</p>	<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. The Board of the Management Company and the Supervisory Board of the Company are notified of the meeting being convened and all materials relevant to the issues on the agenda of the meeting are submitted to them.</p>
<p>4.4. In order to coordinate the activities of the company's collegial bodies and ensure effective decision-making process, the chairs of the company's collegial supervision and management bodies should mutually agree on the dates and agendas of the meetings and close cooperate in resolving other matters related to corporate governance. Meetings of the company's supervisory board should be open to members of the management board, particularly in such cases where issues concerning the removal of the management board members, their responsibility or remuneration are discussed.</p>	<p>Yes / No</p>	<p>Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. When the Board of the Management Company and the Supervisory Board of the Company have to speak on the same issue, their meetings are coordinated</p>

Principle 5: Nomination, remuneration and audit committees

5.1. Purpose and formation of committees

The committees formed at the company should increase the work efficiency of the supervisory board or, where the supervisory board is not formed, of the management board which performs the supervisory functions by ensuring that decisions are based on due consideration and help organise its work in such a way that the decisions it takes would be free of material conflicts of interest. Committees should exercise independent judgment and integrity when performing their functions and provide the collegial body with recommendations concerning the decisions of the collegial body. However, the final decision should be adopted by the collegial body.

5.1.1. Taking due account of the company-related circumstances and the chosen corporate governance structure, the supervisory board of the company or, in cases where the supervisory board is

not formed, the management board which performs the supervisory functions, establishes committees. It is recommended that the collegial body should form the nomination, remuneration and audit committees¹.

5.1.2. Companies may decide to set up less than three committees. In such case companies should explain in detail why they have chosen the alternative approach, and how the chosen approach corresponds with the objectives set for the three different committees.

5.1.3. In the cases established by the legal acts the functions assigned to the committees formed at companies may be performed by the collegial body itself. In such case the provisions of this Code pertaining to the committees (particularly those related to their role, operation and transparency) should apply, where relevant, to the collegial body as a whole.

5.1.4. Committees established by the collegial body should normally be composed of at least three members. Subject to the requirements of the legal acts, committees could be comprised only of two members as well. Members of each committee should be selected on the basis of their competences by giving priority to independent members of the collegial body. The chair of the management board should not serve as the chair of committees.

5.1.5. The authority of each committee formed should be determined by the collegial body itself. Committees should perform their duties according to the authority delegated to them and regularly inform the collegial body about their activities and performance on a regular basis. The authority of each committee defining its role and specifying its rights and duties should be made public at least once a year (as part of the information disclosed by the company on its governance structure and practice on an annual basis). In compliance with the legal acts regulating the processing of personal data, companies should also include in their annual reports the statements of the existing committees on their composition, the number of meetings and attendance over the year as well as the main directions of their activities and performance.

5.1.6. With a view to ensure the independence and impartiality of the committees, the members of the collegial body who are not members of the committees should normally have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or request that certain employees of the company or experts would participate in the meeting. Chair of each committee should have the possibility to maintain direct communication with the shareholders. Cases where such practice is to be applied should be specified in the rules regulating the activities of the committee.

Not applicable

Due to the Company's management type and an absence of employees, the Nomination and Remuneration Committees are not formed. Audit Committee members are elected by the General Shareholders Meeting.

5.2. Nomination committee

5.2.1. The key functions of the nomination committee should be the following: 1) to select candidates to fill vacancies in the membership of supervisory and management bodies and the administration and recommend

¹ Teisės aktai gali numatyti pareigą sudaryti atitinkamą komitetą. Pavyzdžiui, Lietuvos Respublikos finansinių ataskaitų audito įstatymas nustato, kad viešojo intereso įmonės (įskaitant, bet neapsiribojant, akcinėse bendrovėse, kurių vertybiniais popieriais prekiaujama Lietuvos Respublikos ir (arba) bet kurios kitos valstybės narės reguliuojamoje rinkoje), privalo sudaryti audito komitetą (teisės aktai numato išimčių, kada audito komiteto funkcijas gali atlikti priežiūros funkcijas atliekantis kolegialus organas).

<p>the collegial body to approve them. The nomination committee should evaluate the balance of skills, knowledge and experience in the management body, prepare a description of the functions and capabilities required to assume a particular position and assess the time commitment expected; 2) assess, on a regular basis, the structure, size and composition of the supervisory and management bodies as well as the skills, knowledge and activity of its members, and provide the collegial body with recommendations on how the required changes should be sought; 3) devote the attention necessary to ensure succession planning.</p> <p>5.2.2. When dealing with issues related to members of the collegial body who have employment relationships with the company and the heads of the administration, the manager of the company should be consulted by granting him/her the right to submit proposals to the Nomination Committee.</p>	<p>Not applicable</p>	<p>Due to the Company's management type and an absence of employees, the Nomination Committee is not formed.</p>
<p>5.3. Remuneration committee</p>		
<p>The main functions of the remuneration committee should be as follows:</p> <p>1) submit to the collegial body proposals on the remuneration policy applied to members of the supervisory and management bodies and the heads of the administration for approval. Such policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as conditions which would allow the company to recover the amounts or suspend the payments by specifying the circumstances under which it would be expedient to do so;</p> <p>2) submit to the collegial body proposals regarding individual remuneration for members of the collegial bodies and the heads of the administration in order to ensure that they would be consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned;</p> <p>3) review, on a regular basis, the remuneration policy and its implementation.</p>	<p>Not applicable</p>	<p>Due to the Company's management type, the Remuneration Committee is not formed.</p>
<p>5.4. Audit committee</p>		
<p>5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee</p>	<p>Yes</p>	<p>In its activities, the Audit Committee of the Company follows the legal acts regulating the activities of the Audit Committee, as well as the regulations of the Audit Committee approved by the General Meeting of Shareholders of the Company.</p>
<p>5.4.2. All members of the committee should be provided with detailed information on specific issues of the company's accounting system, finances and operations. The heads of the company's administration should inform the audit committee about the methods of accounting for significant and unusual transactions where the accounting may be subject to different approaches.</p>	<p>Yes</p>	<p>The Management Company of the Company ensures that: 1) the members of the Audit committee are properly introduced to the activities of the Company, are provided with complete information relating to the Company's specific accounting, financial and other operational features; 2) the Audit committee is informed of the methods used to account for significant and unusual transactions where the accounting treatment may be open to different approaches. The Audit committee is furnished with complete information on particulars of accounting, financial and other operations of the</p>

		Company; 3) The Audit committee is informed of the work program of internal and external auditors, and should receive internal and external audit report. 4) etc.
5.4.3. The audit committee should decide whether the participation of the chair of the management board, the manager of the company, the chief finance officer (or senior employees responsible for finance and accounting), the internal and external auditors in its meetings is required (and, if required, when). The committee should be entitled, when needed, to meet the relevant persons without members of the management bodies present.	Yes	The Audit committee has the right to invite to its meetings the manager and members (member) of the Board of the Management Company, the chief financier, employees responsible for finance, accounting and treasury issues, external auditors and other persons, whose presence is admitted necessary considering questions scheduled for the Audit committee meeting.
5.4.4. The audit committee should be informed about the internal auditor's work program and should be furnished with internal audit reports or periodic summaries. The audit committee should also be informed about the work program of external auditors and should receive from the audit firm a report describing all relationships between the independent audit firm and the company and its group.	Not applicable	The Management Company of the Company ensures that the audit committee is informed of the work program of internal and external auditors, and should receive internal and external audit report
5.4.5. The audit committee should examine whether the company complies with the applicable provisions regulating the possibility of lodging a complaint or reporting anonymously his/her suspicions of potential violations committed at the company and should also ensure that there is a procedure in place for proportionate and independent investigation of such issues and appropriate follow-up actions.	No	The Audit Committee of the Company does not examine if the Company complies the functions stated in 5.4.5.
5.4.6. The audit committee should submit to the supervisory board or, where the supervisory board is not formed, to the management board its activity report at least once in every six months, at the time that annual and half-yearly reports are approved.	Yes / No	In accordance with the provisions of the Audit Committee, the Audit Committee submits its activity reports to the Annual General Meeting of Shareholders.

Principle 6: Prevention and disclosure of conflicts of interest

The corporate governance framework should encourage members of the company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism of disclosure of conflicts of interest related to members of the supervisory and management bodies.

Any member of the company's supervisory and management body should avoid a situation where his/her personal interests are or may be in conflict with the company's interests. In case such a situation did occur, a member of the company's supervisory or management body should, within a reasonable period of time, notify other members of the same body or the body of the company which elected him/her or the company's shareholders of such situation of a conflict of interest, indicate the nature of interests and, where possible, their value.	Yes / No	Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. The Management Company must have such an organizational structure that would help to avoid conflicts of interest. When it is impossible to avoid conflicts of interest, the Management Company must ensure that Shareholders are treated fairly
---	----------	--

Principle 7: Remuneration policy of the company

The remuneration policy and the procedure for review and disclosure of such policy established at the company should prevent potential conflicts of interest and abuse in determining remuneration of members of the collegial bodies and heads of the administration, in addition it should ensure the publicity and transparency of the company's remuneration policy and its long-term strategy

7.1. The company should approve and post the remuneration policy on the website of the company; such policy should be reviewed on a regular basis and be consistent with the company's long-term strategy	Yes	The Company is subject to the remuneration policy of the Management Company, which is approved by the Board of the Management Company. The Company's Supervisory Board has a separate remuneration policy, which is
---	-----	---

		approved by the Company's General Meeting of Shareholders. Remuneration policies are reviewed in accordance with legal requirements.
7.2. The remuneration policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as the conditions specifying the cases where the company can recover the disbursed amounts or suspend the payments.	Yes	The Management Company's remuneration policy covers all forms of remuneration that may be paid, i. ie: fixed part of remuneration, variable part of remuneration (allocated based on the Company's and / or employee's performance). The Company may pay pension contributions to the third pillar pension funds for the benefit of employees, as well as non-monetary benefits may be provided to the Company's employees.
7.3. With a view to avoid potential conflicts of interest, the remuneration policy should provide that members of the collegial bodies which perform the supervisory functions should not receive remuneration based on the company's performance.	Yes / No	The Company is subject to the remuneration policy of the Management Company, which is approved by the Board of the Management Company. The Company's Supervisory Board has a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders. The remuneration of the members of the Supervisory Board does not depend on the performance of the company.
7.4. The remuneration policy should provide sufficient information on the policy regarding termination payments. Termination payments should not exceed a fixed amount or a fixed number of annual wages and in general should not be higher than the non-variable component of remuneration for two years or the equivalent thereof. Termination payments should not be paid if the contract is terminated due to inadequate performance.	Not applicable	The Company is subject to the remuneration policy of the Management Company, which is approved by the Board of the Management Company. The Company's Supervisory Board has a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders. According to the policies, the Company does not have the policy of termination payments.
7.5. In the event that the financial incentive scheme is applied at the company, the remuneration policy should contain sufficient information about the retention of shares after the award thereof. Where remuneration is based on the award of shares, shares should not be vested at least for three years after the award thereof. After vesting, members of the collegial bodies and heads of the administration should retain a certain number of shares until the end of their term in office, subject to the need to compensate for any costs related to the acquisition of shares.	Yes / No	The Company is subject to the remuneration policy of the Management Company, which is approved by the Board of the Management Company. The Company's Supervisory Board has a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders. According to the remuneration policy of the Management Company, which applies for the Company as well, the part of the variable remuneration assigned to the employee of the Management Company (in whole or in part) may be allocated as the option of Invalda INVL AB at his choice. Their payment on a pro rata basis is realized through the attribution of shares (i.e. the granting or acquisition of the right to acquire the respective amounts of shares at different terms), in accordance with the procedure and conditions established in the option agreements.
7.6. The company should publish information about the implementation of the remuneration policy on its website, with a key focus on the remuneration policy in respect of the collegial bodies and managers in the next and, where relevant, subsequent financial years. It should also contain a review of how the remuneration policy was implemented during the previous financial year. The information of such nature should not include any details having a commercial value. Particular attention should be paid on the major changes in the company's remuneration policy, compared to the previous financial year.	Yes	The Company publishes a remuneration report on its website
7.7. It is recommended that the remuneration policy or any major change of the policy should be included on the agenda of the general meeting of shareholders. The	Yes/No	The Company is subject to the remuneration policy of the Management Company, which is approved by the Board of the Management

schemes under which members and employees of a collegial body receive remuneration in shares or share options should be approved by the general meeting of shareholders.

Company. The Company's Supervisory Board has a separate remuneration policy, This policy and its amendments are approved by the Company's General Meeting of Shareholders

Principle 8: Role of stakeholders in corporate governance

The corporate governance framework should recognize the rights of stakeholders entrenched in the laws or mutual agreements and encourage active cooperation between companies and stakeholders in creating the company value, jobs and financial sustainability. In the context of this principle the concept "stakeholders" includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interests in the company concerned.

8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.

Yes

The Company respects the rights of stakeholders and their legitimate interests.

8.2. The corporate governance framework should create conditions for stakeholders to participate in corporate governance in the manner prescribed by law. Examples of participation by stakeholders in corporate governance include the participation of employees or their representatives in the adoption of decisions that are important for the company, consultations with employees or their representatives on corporate governance and other important matters, participation of employees in the company's authorized capital, involvement of creditors in corporate governance in the cases of the company's insolvency, etc.

Yes/No

The Company has no employees. The Company provides opportunities for the Company's investors (shareholders) to participate in the management of the Company in accordance with the procedure established by the Company's Articles of Association and legal acts.

8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.

Yes

The Company's investors (shareholders) are provided with information that is required to be provided by applicable legislation and other information relevant to the Shareholders at the discretion of the Management Company.

8.4. Stakeholders should be provided with the possibility of reporting confidentially any illegal or unethical practices to the collegial body performing the supervisory function.

No

The Company does not provide possibility of reporting confidentially any illegal or unethical practices.

Principle 9: Disclosure of information

The corporate governance framework should ensure the timely and accurate disclosure of all material corporate issues, including the financial situation, operations and governance of the company

9.1. In accordance with the company's procedure on confidential information and commercial secrets and the legal acts regulating the processing of personal data, the information publicly disclosed by the company should include but not be limited to the following:

Yes

The information referred to below in this recommendation is disclosed in notifications of material events published through the Nasdaq Vilnius Information Disclosure System, the Company's website, and the Company's annual and interim information documents, to the extent required by legislation and the International Financial Reporting INVL Baltic Real Estate, code 152105644, Gynėjų str. 14, Vilnius INVL BALTIC REAL ESTATE 2021 ANNUAL REPORT | 124 Standards applicable in the European Union. The information is also disclosed in presentations to investors of the Company

9.1.1. operating and financial results of the company;

Yes

Company publishes interim and annual reports

9.1.2. objectives and non-financial information of the company;

Yes

Company publishes interim and annual reports

9.1.3. persons holding a stake in the company or controlling it directly and/or indirectly and/or together with related persons as well as the structure of the group of

Yes

Published on the Company's website.

companies and their relationships by specifying the final beneficiary;		
9.1.4. members of the company's supervisory and management bodies who are deemed independent, the manager of the company, the shares or votes held by them at the company, participation in corporate governance of other companies, their competence and remuneration;	Yes/No	Due to the nature of the Company's activities, collegial management body is not formed in the Company. Its management is transferred to the Management Company, which performs the functions of the Board and the Chief Executive Officer of the Company. The company has a supervisory board. The Company's website provides information on the members of the Board of the Company's Management Company, the General Director, Company's investment committee members and the Supervisory Board members.
9.1.5. reports of the existing committees on their composition, number of meetings and attendance of members during the last year as well as the main directions and results of their activities	Yes	The management of the Company is transferred to the Management Company, which carries the functions of the Board and the Manager of the Company. The Company's website provides information on the members of the Company's Investment Committee.
9.1.6. potential key risk factors, the company's risk management and supervision policy	Yes	The Company publishes on its website the general risk factors of the business area in which the Group operates; group-specific risk factors; risk factors related to the Company's shares.
9.1.7. the company's transactions with related parties	Yes	The Company publishes the Company's transactions with related parties on its website
9.1.8. main issues related to employees and other stakeholders (for instance, human resource policy, participation of employees in corporate governance, award of the company's shares or share options as incentives, relationships with creditors, suppliers, local community, etc.)		Due to the Company's management type - transfer of the Company's management to the Management Company - the Company itself does not have any employees.
9.1.9. structure and strategy of corporate governance	Yes	The Company's strategy is provided for in the Company's Articles of Association, which are published on the Company's website.
9.1.10. initiatives and measures of social responsibility policy and anti-corruption fight, significant current or planned investment projects. This list is deemed minimum and companies are encouraged not to restrict themselves to the disclosure of information included into this list. This principle of the Code does not exempt companies from their obligation to disclose information as provided for in the applicable legal acts.	No	The company is not required to prepare and publish a non-financial statement.
9.2. When disclosing the information specified in paragraph 9.1.1 of recommendation 9.1, it is recommended that the company which is a parent company in respect of other companies should disclose information about the consolidated results of the whole group of companies	Yes	The Company prepares a consolidated report and consolidated financial statements
9.3. When disclosing the information specified in paragraph 9.1.4 of recommendation 9.1, it is recommended that the information on the professional experience and qualifications of members of the company's supervisory and management bodies and the manager of the company as well as potential conflicts of interest which could affect their decisions should be provided. It is further recommended that the remuneration or other income of members of the company's supervisory and management bodies and the manager of the company should be disclosed, as provided for in greater detail in Principle 7.	Yes	Information about the education, qualification, professional experience and participation in the management of other companies of the managers of the Management Company, members of the Investment Committee and the Supervisory Board of the Company is presented in the annual report of the Company. The Company also publishes a remuneration report.

9.4. Information should be disclosed in such manner that no shareholders or investors are discriminated in terms of the method of receipt and scope of information. Information should be disclosed to all parties concerned at the same time.	Yes	The Company publishes all information through the information disclosure system of the Nasdaq Vilnius Stock Exchange and on the Company's website so that it is accessible to everyone and at the same time.
Principle 10: Selection of the company's audit firm The company's audit firm selection mechanism should ensure the independence of the report and opinion of the audit firm.		
10.1. With a view to obtain an objective opinion on the company's financial condition and financial results, the company's annual financial statements and the financial information provided in its annual report should be audited by an independent audit firm.	Yes	The Company is audited by an independent audit company UAB PricewaterhouseCoopers
10.2. It is recommended that the audit firm would be proposed to the general meeting of shareholders by the supervisory board or, if the supervisory board is not formed at the company, by the management board of the company.	Yes/No	In 2020, the Management Company of the Company proposed to the General Meeting of the Shareholders the audit firm, which will audit annual financial statements of the Company for 2020, 2021, and 2022 years, as the Supervisory Board of the Company was formed only in 2021.
10.3. In the event that the audit firm has received remuneration from the company for the non-audit services provided, the company should disclose this publicly. This information should also be available to the supervisory board or, if the supervisory board is not formed at the company, by the management board of the company when considering which audit firm should be proposed to the general meeting of shareholders.	Yes	The Company undertakes to disclose if the audit company would have received payment from the Company for non-audit services provided.

APPENDIX 3. COMPANY'S MANAGEMENT REPORT

Prepared in accordance with the Law of the Republic of Lithuania on Financial Reporting by Undertakings (IX-575) in force from 29 November 2017 and applicable to the annual reports of entities covering periods beginning on or after 1 January 2017)

1. Reference to the applicable corporate governance code and the place of its publication, and (or) reference to the all necessary published information regarding management practices of the entity

The Company discloses the information regarding the compliance with the applicable Corporate Governance Code in Appendix 2 of the report of 2021. The Company publishes its annual reports in the website of the Company (Company's web site section "For Investor" → "Financial information and reports". The link <https://www.invltechnology.lt/lit/en/for-investors/reports>).

2. In case of derogation from the provisions of the applicable corporate governance code and (or) when the provisions are not complied with, such provisions and the reasons thereof shall be indicated

The Company discloses such information in sections "Yes/No/Irrelevant" and "Commentary" of Appendix 2 of the report of 2021 "Corporate Governance Code". The Company will provide an explanation in the "Commentary" section if it does not (of partially) follow the recommendations.

3. Information regarding the level of risk and risk management – management of risks related to the financial reporting, risk mitigation measures, and internal control systems implemented at the entity shall be described

The Audit Committee supervises preparation of the financial statements, systems of internal control and financial risk management and how the company follows the legal acts that regulate preparation of the financial statements.

The Management company of INVL Technology is responsible for the supervision and final review of the financial statements. In order to manage these functions properly, the Management company is using an external provider of the relevant services. Management company, together with the accounting service provider constantly reviews International Financial Reporting Standards (IFRS) in order to implement IFRS changes in time, analyses company's and group's significant deals, ensures collecting information from the group's companies and timely and fair preparation of this information for the financial statements, periodically informs the Board of the Management company about the preparation process of financial statements.

4. Information regarding significant directly or indirectly managed holdings

The Company provides information regarding the significant directly or indirectly managed holdings in Annex 4 of the financial statement of 2021.

5. Information relating to transactions with related parties as provided for in article 37² of the companies law.

Information regarding Transactions with Related Parties, according to the Law on Companies article 37², is published on the Company's website – „For Investors” → „Legal documents”, link to the website <https://www.invltechnology.lt/lit/lt/investuotojams/ataskaitos/susijusiu-saliu-sandoriai>.

At the time the report was published, the Company provides information about Company's Transactions with Related Parties published on the Company's Website

Related party	Company's relationship with the counterparty	Date and value of the transaction	Other information
UAB Fintime Company code 304192355, Gynėjų 14, LT-01109, Vilnius, Lithuania Register of Legal Entities of Lithuania	100% controlled company by INVL Technology	8 November 2018 INVL Technology acquired bonds of Fintime UAB for the amount of EUR 160,000. Maturity date – 30 April 2020, which extended up to 28 February 2021 Redemption date - 26 February 2021.	-
UAB Fintime Company code 304192355, Gynėjų 14, LT-01109, Vilnius, Lithuania Register of Legal Entities of Lithuania	100% controlled company by INVL Technology	10 May 2019 INVL Technology acquired bonds of Fintime UAB for the amount of EUR 75,000. Maturity date – 30 April 2020, which extended up to 28 February 2020 Redemption date - 26 February 2021.	-
UAB Fintime Company code 304192355, Gynėjų 14, LT-01109, Vilnius, Lithuania	100% controlled company by INVL Technology	24 May 2019 INVL Technology acquired bonds of Fintime UAB for the amount of EUR 50,000.	-

Register of Legal Entities of Lithuania		Maturity date – 30 April 2020, which extended up to 28 February 2020 Redemption date - 26 February 2021.	
UAB FINtime Company code 304192355, Gynėjų 14, LT-01109, Vilnius, Lithuania Register of Legal Entities of Lithuania	100% controlled company by INVL Technology	5 June 2019 INVL Technology acquired bonds of FINtime for the amount of EUR 120,000. Maturity date – 30 April 2020, which extended up to 28 February 2020 Redemption date - 26 February 2021.	-
UAB NRD Systems Company code 111647812 address Gynėjų 14, LT-01109, Vilnius, Lithuania Register of Legal Entities of Lithuania	Norway Registers Development AS is 100% controlled by INVL Technology and controls 95.91% of NRD Systems, UAB	13 March 2020 INVL Technology signed loan agreement with NRD Systems UAB for EUR 150,000. The loan was repaid on 1 January 2021.	-
Novian, UAB Company code: 121998756 Adress: Gynėjų str. 14, Vilnius, Lithuania Register of Legal Entities of Lithuania	100% controlled company by INVL Technology	20 October 2021, INVL Technology signed a loan agreement with Novian, UAB for EUR 1,175,000. Redemption date - 31.10.2023.	
Norway Registers Development AS Company code NO-985 221 405 MVA Løkketangen 20 B, 1337 Sandvika, Norvegia	NRD Companies is 100% controlled by INVL Technology and NRD Companies controls 100% of Norway Registers Development AS	17 November 2021, INVL Technology entered into a loan agreement with Norway Registers Development for EUR 500,000. Date of return 31.12.2021. The loan was repaid on 16.12.2021	

6. Information regarding the shareholders who have special rights of control and the description of such rights

There are no shareholders having special rights of control in the Company.

7. Information regarding all current restrictions on voting rights (such as the restrictions on voting rights of persons having a certain percentage or number of the votes, the deadlines by which voting rights may be exercised or systems, according to which the property rights granted by the securities are to be separated from the holder of those securities)

No restrictions on voting rights are applied in the Company.

8. Information regarding the rules governing the appointment and dismissal of board members, as well as the amendment of the company's articles of association

The management of the Company is transferred to the management company UAB INVL Asset Management which exercises the functions of the head and the board of the Company. The Rules of Procedure of the Board are applicable to the Board members of the Management company. The provisions governing the appointment and dismissal of Board members are not provided for by the aforementioned Rules, except for the possible resignation and procedures related thereof. A person who seeks to become the Board member of the Management company shall obtain a prior permit from the Supervision Service of the Bank of Lithuania (hereinafter – the Bank of Lithuania) to occupy a corresponding post. Moreover, such person shall fill in the Form of the Questionnaire of the Manager approved by the Bank of Lithuania and comply with the indicated requirements.

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

9. Information regarding the powers of the board members

The management of the Company is transferred to the Management company UAB INVL Asset Management which exercises the functions of the head and the board of the Company. The Board members of the Management company act in accordance with the Law on Companies of the Republic of Lithuania, Articles of Association of the Management company, Rules of Procedure of the Board, as well as other applicable legislation, and have no special powers. The Board members of the Management company always act for the benefit of the Company and its shareholders.

10. Information regarding the competence of the general meeting of shareholders, the rights of shareholders and implementation thereof, if such information is not established in the applicable legislation

The company provides information regarding the competence of the general meeting of shareholders, the rights of shareholders, and implementation thereof, as well as the procedure for convening the meetings of shareholders, in Clause 12.1.1. of the Annual Report of 2020.

11. Information regarding the composition of the management, supervisory bodies, and the committees thereof, as well as the fields of activity of the aforesaid bodies and the manager of the company

The management of the Company is transferred to the Management company UAB INVL Asset Management which exercises the functions of the Head and the Board of the company. The Company provides information regarding the board members of the Management company, General Manager of the Management company, and the members of the Investment Committee of the Company in Clause 13 of the annual report of 2021.

The board members of the management company, General Manager of the management company, and the members of the Investment Committee of the company act in accordance with the Rules of Procedure of the Board, Provisions of the General Manager, and Provisions of the Investment Committee. In addition to this, the board members of the Management company, General Manager of the Management company, and the members of the Investment Committee always act for the benefit of the Company and its shareholders.

12. Description of diversity policy applicable in appointing the manager of the company, management, and supervisory bodies, related to the aspects such as age, gender, education, professional experience; objectives of such policy, methods of implementation thereof, and results of the reference period. if the diversity policy is not applied, the reasons thereof shall be indicated

The management of the Company is transferred to the asset management company INVL Asset Management, which applies the Policy of Equal Opportunities in its activities. The Policy specifies that the Company organizes its activities in a way that employees, despite of their duties and the need to upgrade their qualifications, are secure about equal working conditions, opportunities to develop competence, etc. Equally, the same benefits are granted regardless of the gender, race, nationality, language, origin, social status, beliefs or convictions, age, sexual orientation, disability, ethnicity, religion, marital status, intention of having children's or membership of the political party or association.

The management of the Company is transferred to the asset management company INVL Asset Management, which applies the Policy of Equal Opportunities in its activities. The Policy specifies that the Company organizes its activities in a way that employees, despite of their duties and the need to upgrade their qualifications, are secure about equal working conditions, opportunities to develop competence, etc. Equally, the same benefits are granted regardless of the gender, race, nationality, language, origin, social status, beliefs or convictions, age, sexual orientation, disability, ethnicity, religion, marital status, intention of having children's or membership of the political party or association.

INVL Asset Management has joined the UN-supported Principles for Responsible Investment (PRI) in the middle of 2017. The PRI, founded in 2006, is a global network of over 1700 investors, aims to assess the investment implications of environmental, social and governance (ESG) factors. An economically efficient, sustainable global financial system is considered a necessity for long-term value creation. Investors who support the PRI voluntarily work to apply the principles in their investment activities. Six specific responsible investment Principles are outlined by the PRI. They provide a menu of possible actions for incorporating ESG issues into investment practice – from investment analysis and decision-making to their incorporation into ownership policies and practices. Additionally, signatories to the Principles are encouraged to promote the Principles' acceptance in the investment industry and to work together for their effective implementation.

13. Information about all agreements between the shareholders (their essence, conditions).

The Company's shareholders do not have mutual agreements.

APPENDIX 4. COMPANY'S OPERATING AND FINANCIAL INDICATOR FORMULAS AND DEFINITIONS

In according with the guidelines on Alternative Performance Indicators which were published by the European Securities and Markets Authority in 2015 and came into force on 3 July 2016, the Company provide definitions and formulas (below) of the company's operating and financial indicators. The Company's performance and financial indicators are used to evaluate the Company's financial position or status. For these indicators, the Company's investor can obtain additional information to help understand the Company's financial position and strategy. All the information stated in Appendix 4 is provided on the website of the Company (Company's web site section "For Investors" → "Financial information and reports" → "Formulas of performance indicators". The link: <https://invltechnology.it/lit/en/for-investors/reports/formulas-of-performance-indicators>).

Book value per share

The book value per share shows the share of the owner's equity in the company's balance sheet per share. It is calculated by dividing the total book value of the company (i.e. its equity, excluding the value of the preferred shares) by the number of ordinary shares. The total book value of the company is equal to the company's assets minus its liabilities.

$$\text{Assets} - \text{Liabilities}$$

$$\text{Book value per share} = \frac{\text{Assets} - \text{Liabilities}}{\text{Issued shares at the end of the reporting period}}$$

$$\text{Issued shares at the end of the reporting period}$$

Hypothetically, this indicator can be interpreted as the amount that can be recovered by the shareholder if the company suddenly ceases activities. Usually the price of a share is higher than the book value. This is because buying a share the company's future cash flows are purchased rather than just past and present performance.

Total Net Asset Value

Net Asset Value (NAV) is the difference between the value of the assets owned by the investment company and the long-term and short-term liabilities of the investment company. The Net Asset Value (or Equity) is calculated by subtracting the liabilities (including management fee liabilities and success fee liabilities) from the assets. The Company's NAV may be equal to the Company's Equity.

$$\text{NAV} = \text{Assets} - \text{Liabilities}$$

Return on Equity (ROE)

Return on equity is an indicator for measuring how a company earns profits compared to its equity (book value). Thus, this indicator shows how effectively the equity of the company (money and assets invested by the owners of the company) is used.

$$\text{ROE} = \frac{\text{Net profit}}{\text{Equity}}$$

The higher the return on equity is, the more effective the company is, the more profit it earns for its shareholders. However, the size of the ROE is highly dependent on the company's capital structure and the owner's equity of the company. If a company is profitable, by increasing the debts of the company and thus reducing ownership, it can "rise" return on equity. Looking as purely asymmetric, the fewer shareholders' equity, the higher the ROE rate. For this reason, the ROE indicator should be considered in conjunction with the ROA.

Earnings per share (EPS)

Earnings per share (EPS) is an indicator attributed to a set of investment (value) indicators. This indicator shows the share of the company's profits per ordinary share. When evaluating the indicator, the rule is the higher its value is the better. It should be noted, however, that in different sectors of activity, the EPS indicators may vary considerably.

$$\text{EPS} = \frac{\text{Net profit}}{\text{Number of shares}}$$

Debt ratio

The debt ratio is calculated by comparing the company's debts (liabilities) with the assets of the company, so we can also call this indicator a structural indicator that compares the amounts on different sides of the balance sheet. The debt ratio reflects what part of the company's assets are acquired for borrowed funds. It is important for creditors because it shows how much their funds are protected. The higher the index, the lower the security level. All debts of the company are divided by the total assets of the

company, thus obtaining the value, the value of which says the debt of the assets of the company at the euro. Thus, the proportion between debts and assets is revealed.

$$\text{Debt ratio} = \frac{\text{Debts}}{\text{Assets}}$$

Change in fair value

Fair value change - an indicator that shows the change in the fair value of an asset in absolute or percentage terms over the period.

The ratio of liquid assets to total assets

Liquid assets to total assets ratio - an indicator that shows the proportion of the company's assets in cash and cash equivalents and assets that can be sold quickly and without significant costs at market price.

The ratio of investment to one operating company to net asset value

Investing in the operating company and the ratio of net assets is an indicator of the proportion (percentage) of the net asset company invested in one company.

APPENDIX 5. REMUNERATION REPORT

Brief overview of the Company's activities in 2021

INVL Technology, a company that invests in IT businesses, had equity of EUR 36.125 million at the end of 2021, which is 7.1% more than a year earlier. Equity per share at the end of 2021 was EUR 2.9936 and, taking the buy-back of own shares into account, increased 8.1% in the year.

The company had a net profit last year of EUR 2.6 million, a decrease of 45% compared to 2020. According to the unaudited figures, the aggregated revenues of the company's business holdings rose 10% in 2021 to EUR 40.3 million.

During the reporting period, the companies owned and managed by INVL Technology focused on solutions and products for the public sector and large businesses, especially the financial sector, thus partially diversifying their markets. INVL Technology's growth was mainly driven by the growth of the cyber security company NRD CS. Challenges were posed, however, by the downturn in the US dollar and declining demand for IT solutions and services in remote global markets, as well as by increased demand for IT professionals and wage-related costs.

Management of the company

The management of INVL Technology is delegated to INVL Asset Management UAB (the Management Company), which also performs the functions of the Board and the managers of INVL Technology. In that light, and given that in accordance with Article 373 of the Law on Companies of the Republic of Lithuania INVL Technology must approve a remuneration policy (hereinafter – the Policy), it has been established that the Company is subject to the Policy of the Management Company, the provisions of which are adapted to best show the transparency of the remuneration of the persons deemed to be managers of INVL Technology and the accountability of the management, and to enable shareholders, potential investors and stakeholders to get a comprehensive and reliable picture of the wages paid to each manager of INVL Technology. As of 12 May 2021, the Company also has a collegial supervisory body – the Supervisory Board. The General Meeting of Shareholders of the Company held on 29 April 2021 approved the remuneration policy for the Supervisory Board. For the purposes of this report, the managers of INVL Technology are deemed to be the general manager of the Management Company, the members of the Board of the Management Company and the members of the Closed-Ended Type Investment Company Investment Committee appointed by the Management Company (hereinafter – the Management) as well as the members of the Supervisory Board.

Independent member of the Supervisory Board under the decision of General Meeting of Shareholders that was held in April 29 of 2021, receives an hourly remuneration of EUR 145 (excluding taxes) for its activities in the Supervisory Board of the Company. Other members of the Supervisory Board do not receive remuneration for their current duties.

Official monthly wage

The base remuneration of Management includes a monthly salary, employee fees and additional benefits granted irrespective of work results and paid to all employees who meet the relevant criteria established under the procedure in force at the Management Company (e.g. pension contributions to voluntary pension funds). In addition to a monthly salary or other form of remuneration received in a different form, a supplementary component may be paid – variable compensation which depends on the fulfilment of the Company's annual business plan and/or budget and of the Management's specific plans and tasks. The monthly salary is set in such a way as to ensure proper proportions between it and the bonus components. The monthly salary accounts for a relatively large part of the total remuneration paid to enable the conduct of a flexible incentives policy.

Bonuses and the procedure for payment thereof

Bonuses, including any deferred components, may be granted and/or paid to the Management only when the Company's financial situation is sustainable, taking the Company's operating results into account, and only if the results of the Management's annual individual performance review are positive. In assessing the individual performance of the Management, non-financial criteria are also considered, such as adherence to internal rules and procedures, communication with clients and investors, compliance with rules, enhancement of professional qualifications, etc. If the financial results of the Company in a given year are negative or the Company has failed to meet the established business objectives, the Company has the right to decide not to pay a bonus or components of it, or to reduce the previously determined amount of a bonus or the payment amounts previously earned, defining in advance the period for such non-payment or reduction, which may not be shorter than 1 year. No such adjustment or deferral was made during the reporting period. Note that the Board of the Management Company has the right to demand that the Management refund all or part of a bonus paid to it if it subsequently becomes clear that the bonus was paid due to Management having acted in bad faith or errors in the accounts.

Bonuses are paid to Management in keeping with the following terms:

- 60% of the amount of a bonus is paid in a lump sum according to the procedure and timing established by decision of the Board of the Management Company;
- the rest of the bonus (i.e., the remaining 40%) is paid to the employee on a pro rata basis over three years, i.e. the deferred portion of the bonus is distributed proportionally over the entire deferral period, starting no earlier than 1 year after the end of the employee's performance assessment and disbursing the pro rata portion of the bonus on a yearly basis. In special cases, the competent body of the Management Company has the right to set a longer deferral period (usually no longer than 5

years) taking into consideration the business cycle of the Management Company's operations and/or of a relevant collective investment undertaking or pension fund as well as other criteria provided for in the law.

As a rule, bonuses are paid in cash. The Management Company, in accordance with the principle of proportionality, does not require the mandatory payment of a certain part of a bonus in financial instruments. However, if the Management Company offers such a possibility, the Management itself may choose to replace a bonus with other incentives – the granting of financial instruments or their equivalent (stock options, contributions to a private pension fund).

After the termination of employment relations, regardless of the grounds for their termination, the deferred part of a bonus will no longer be paid.

The variable remuneration component for 2021 will be allocated in 2022, after approval of the financial statements for 2021. In allocating this part of remuneration, consideration will be given, inter alia, to the fact that during the reporting period INVL Technology strengthened the structure of its three groups of companies, with a focus on increasing the value of the companies by expanding their sales geography and new technologies, as well as by developing new services and products, especially in the field of cyber security.

Remuneration of the general manager and Board members of the Management Company is calculated based on the proportion of the Management Company's management income (including management and performance fee revenues) received from the Company relative to the total income of the Management Company. The remuneration of the members of the Investment Committee of the Company is calculated in accordance with the proportion of their time actually allocated to the Company's management. The tables below present the remuneration amounts allocated and paid to Management for 2020 and 2021.

Breakdown of wages allocated and paid during 2021

Name Surname, Position, ID code	1. Regular remuneration, in EUR 000s			2. Variable remuneration, in EUR 000s		3. Onetime payments, in EUR 000s	4. Contributions to pension funds, in EUR 000s	5. Total remuneration, in EUR 000s	6. Portion of variable remuneration in %*
	Official annual remuneration	Other payouts	Reward in kind	Annual bonuses	Multiannual results bonuses *				
Laura Križinauskienė, General manager of the Company ID code – sensitive data	4.66	-	-	2.74	-	-	1.31	8.71	31,46
Darius Šulnis, Chairman of the Board of the Management company ID Code – sensitive data	1.83	-	-	-	-	-	-	1.83	-
Nerijus Drobavičius, member of the Board of the Management company, ID code – sensitive data	3.73	-	-	2.86	-	-	0.01	6.6.	43,33
Vytautas Plunksnis, Member of the Board of the Management Company and Investment Committee, ID Code – sensitive data	2.86	-	-	0.64	-	-	0.56	4.06	15,76
Kazimieras Tonkūnas, Chairman of the Investment Committee, ID code – sensitive data	188.13	-	-	-	-	-	19.42	207.55	-
Vida Tonkūnė, Member of the Investment Committee, ID code – sensitive data	24.70	-	-	-	-	-	0.5	25.2	-

Breakdown of wages allocated and paid during 2020

Name, surname, position	1. Regular remuneration, in EUR 000s			2. Variable remuneration, in EUR 000s		3. Onetime payments, in EUR 000s	4. Contributions to pension funds, in EUR 000s	5. Total remuneration, in EUR 000s	6. Portion of variable remuneration in %*
	Official annual remuneration	Other payouts	Reward in kind	Annual bonuses	Multiannual results bonuses*				
Laura Križinauskienė, General manager of the Company ID code – sensitive data	5.17	-	-	1.30	-	-	1.28	7.75	16,80
Darius Šulnis, Chairman of the Board of the Management company ID Code – sensitive data	2.71	-	-	-	-	-	-	2.71	-
Nerijus Drobavičius, member of the Board of the Management company, ID code – sensitive data	3.72	-	-	-	-	-	0.01	3.73	-
Vytautas Plunksnis, Member of the Board of the Management Company and Investment Committee, ID Code – sensitive data	3.69	-	-	-	-	-	0.55	4.24	-
Kazimieras Tonkūnas, Chairman of the Investment Committee, ID code – sensitive data	188.134	-	-	-	-	-	17.09	205.43	-
Vida Tonkūnė, Member of the Investment Committee, ID code – sensitive data	24.44	-	-	-	-	-	0.39	24.83	-

*There was no distribution of the amounts of salaries assigned and paid in other companies of the Company's group neither in 2021 nor in 2020.

As a rule, bonuses are paid in cash. The Management Company, in accordance with the principle of proportionality, does not require mandatory payment of a certain part of a bonus in financial instruments. The managers of the Company have not been granted shares of the Company, nor have any Company stock option agreements been signed with them. Under the Policy of the Management Company, which is in force at the Company, all or part of variable remuneration to an employee of the Management Company, at the employee's choice may be allocated in the form of options of Invalda INVL AB. Their pro rata payment is realized through the assignment of shares (i.e., the grant or obtaining of the right to acquire the relevant quantities of shares on different terms) under the procedures and conditions laid down in the option agreements.

Comparison of wages allocated and paid over the last five years

As management of the Company is delegated to the Management Company and the Company itself has neither formed management bodies nor employees, comparison is not possible for annual changes in remuneration or changes in full-time equivalent average remuneration for employees of the Company who are not members of management and supervisory bodies.

Since only the remunerations of the members of the Investment Committee of the Company are calculated on the basis of the actual part of their time allocated to the management of the Company and their remunerations depend on the performance of the Management Company related to the activities of the Company, the table below reflects only the remunerations of the members of the Investment Committee and the financial results of the Company. It is also not possible to provide information on annual changes in the remuneration of the members of the Supervisory Board or their average remuneration, as the members of the Supervisory Board did not receive any remuneration.

Name, surname, position, ID code*	2017 (in EUR 000s)	2018 (in EUR 000s)	2019 (in EUR 000s)	2020 (in EUR 000s)	2021 (in EUR 000s)
Kazimieras Tonkūnas, Chairman of the Investment Committee	144.75	142.03	206.28	205.43	207.55
Vida Tonkūnė, member of the Investment Committee	-	17.8	24.78	24.83	25.19
Vytautas Plunksnis, Member of the Investment Committee	4.1	5.05	3.72	4.24	4.06
Nerijus Drobavičius, member of the Investment Committee	4.52	3.97	3.32	3.73	6.60

*Total remuneration received from the Company and other companies of the Group

Results of the Company 2017 – 2021

	2017 (thous. EUR)	2018 (thous. EUR)	2019 (thous. EUR)	2020 (thous. EUR)	2021 (thous. EUR)
Net profit per share*	0,34	0,35	0,08	0,39	0,22
Net profit	4 084	4 213	933	4 767	2 621
Assets	25 877	28 150	29 080	35 404	38 651

* Recalculated with the par value per share at EUR 0,29

The Company's Remuneration Report, together with the Policy, is publicly available on INVL Technology website at www.invltechnology.lt.