



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	921 985 290
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NRD COMPANIES AS
Forretningsadresse:	Løkketangen 20B 1337 SANDVIKA

### Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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### Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Mindaugas Glodas
Dato for fastsettelse av årsregnskapet:	28.01.2025

### Grunnlag for avgivelse

- År 2023: Årsregnskapet er elektronisk innlevert  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 03.10.2025



## Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sum inntekter		0	0
<b>Kostnader</b>			
Lønnskostnad	1, 2	28 668	28 668
Annen driftskostnad	3	152 794	204 165
Sum kostnader		181 462	232 833
Driftsresultat		-181 462	-232 833
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt		26	1
Sum finansinntekter		26	1
Annen rentekostnad		157 178	64 186
Annen finanskostnad		398 658	0
Sum finanskostnader		555 836	64 186
Netto finans		-555 810	-64 185
Resultat før skattekostnad		-737 272	-297 018
Årsresultat		-737 272	-297 018
<b>Overføringer og disponeringer</b>			
Annen egenkapital		-737 272	-297 019
Sum overføringer og disponeringer		-737 272	-297 019



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Sum varige driftsmidler		0	0
<b>Finansielle anleggsmidler</b>			
Investeringer i aksjer og andeler		31 227 116	30 661 407
Sum finansielle anleggsmidler		31 227 116	30 661 407
Sum anleggsmidler		31 227 116	30 661 407
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer		248 205	248 205
Sum fordringer		248 205	248 205
<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	4	48 662	22 799
Sum bankinnskudd, kontanter og lignende		48 662	22 799
Sum omløpsmidler		296 867	271 004
<b>SUM EIENDELER</b>		<b>31 523 983</b>	<b>30 932 411</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital



## Balanse

Beløp i: NOK	Note	2023	2022
<b>Innskutt egenkapital</b>			
Aksjekapital	5, 6	27 565 406	27 565 406
<b>Sum innskutt egenkapital</b>		<b>27 565 406</b>	<b>27 565 406</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	6	1 654 036	2 391 308
<b>Sum opptjent egenkapital</b>		<b>1 654 036</b>	<b>2 391 308</b>
<b>Sum egenkapital</b>		<b>29 219 442</b>	<b>29 956 714</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Sum avsetninger for forpliktelser		0	0
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld		2 141 613	880 000
<b>Sum annen langsiktig gjeld</b>		<b>2 141 613</b>	<b>880 000</b>
<b>Sum langsiktig gjeld</b>		<b>2 141 613</b>	<b>880 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		146 260	80 696
Skyldige offentlige avgifter	4	3 038	3 698
Annen kortsiktig gjeld		13 629	11 304
<b>Sum kortsiktig gjeld</b>		<b>162 927</b>	<b>95 698</b>
<b>Sum gjeld</b>		<b>2 304 540</b>	<b>975 698</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>31 523 982</b>	<b>30 932 412</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2025 315795

#### Enheten

Organisasjonsnummer: 921 985 290  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: NRD COMPANIES AS  
Forretningsadresse: Løkketangen 20B  
1337 SANDVIKA

#### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

#### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Nei

#### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av  
årsregnskapet til selskapet: Forenklet IFRS

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Mindaugas Glodas  
Dato for fastsettelse av årsregnskapet: 28.01.2025

#### Revisjon

Årsregnskapet er utarbeidet av ekstern  
autorisert regnskapsfører: Ja  
Ekstern autorisert regnskapsfører har i  
løpet av regnskapsåret bistått ved den  
løpende regnskapsføringen eller utført  
andre tjenester for selskapet enn å  
utarbeide årsregnskapet: Ja

#### Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 25.02.2025

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Brønnøysundregistrene  
Postadresse: Postboks 900, 8910 Brønnøysund  
Telefon: 75 00 75 00  
E-post: firmapost@brreg.no Internett: www.brreg.no  
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 921 985 290  
NRD COMPANIES AS

## RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sum inntekter		0	0
<b>Kostnader</b>			
Lønnskostnad	1, 2	28 668	28 668
Annen driftskostnad	3	152 794	204 165
Sum kostnader		181 462	232 833
<b>Driftsresultat</b>		-181 462	-232 833
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt		26	1
Sum finansinntekter		26	1
Annen rentekostnad		157 178	64 186
Annen finanskostnad		398 658	0
Sum finanskostnader		555 836	64 186
<b>Netto finans</b>		-555 810	-64 185
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Sum overføringer og disponeringer		-737 272	-297 019



Organisasjonsnr: 921 985 290  
NRD COMPANIES AS

## BALANSE

**Beløp i: NOK** **Note** **2023** **2022**

### BALANSE - EIENDELER

**Anleggsmidler**  
**Immaterielle eiendeler**  
Sum immaterielle eiendeler 0 0

**Varige driftsmidler**  
Sum varige driftsmidler 0 0

**Finansielle anleggsmidler**  
Investeringer i aksjer og  
andeler 31 227 116 30 661 407  
Sum finansielle  
anleggsmidler 31 227 116 30 661 407  
Sum anleggsmidler 31 227 116 30 661 407

**Omløpsmidler**  
**Varer**

**Fordringer**  
Kundefordringer 248 205 248 205  
Sum fordringer 248 205 248 205

**Investeringer**  
Sum investeringer 0 0

**Bankinnskudd, kontanter  
og lignende**  
Bankinnskudd, kontanter  
og lignende 4 48 662 22 799  
Sum bankinnskudd,  
kontanter og lignende 48 662 22 799

Sum omløpsmidler 296 867 271 004

**SUM EIENDELER 31 523 983 30 932 411**

### BALANSE - EGENKAPITAL OG GJELD

**Egenkapital**  
**Innskutt egenkapital**  
Aksjekapital 5, 6 27 565 406 27 565 406  
Sum innskutt egenkapital 27 565 406 27 565 406

**Opptjent egenkapital**  
Annen egenkapital 6 1 654 036 2 391 308  
Sum opptjent egenkapital 1 654 036 2 391 308



<b>Sum egenkapital</b>	<b>29 219 442</b>	<b>29 956 714</b>
<b>Gjeld</b>		
<b>Langsiktig gjeld</b>		
Sum avsetninger for forpliktelse	0	0
<b>Annen langsiktig gjeld</b>		
Langsiktig konserngjeld	2 141 613	880 000
<b>Sum annen langsiktig gjeld</b>	<b>2 141 613</b>	<b>880 000</b>
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<b>Sum gjeld</b>	<b>2 304 540</b>	<b>975 698</b>
<b>SUM EGENKAPITAL OG GJELD</b>	<b>31 523 982</b>	<b>30 932 412</b>



Organisasjonsnr: 921 985 290  
NRD COMPANIES AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

### Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk for små foretak. Klassifisering og vurdering av balanseposter Anleggsmidler er eiendeler bestemt til varig eie eller bruk. Eiendeler som er knyttet til varekretsløpet er klassifisert som omløpsmidler. Fordringer klassifiseres som omløpsmidler hvis de forfaller til betaling innen ett år etter transaksjonsdagen. Tilsvarende klassifiseres gjeld som kortsiktig hvis gjelden forfaller til betaling innen ett år. Langsiktig gjeld er gjeld som forfaller senere enn ett år etter transaksjonsdagen. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld. Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet. Anleggsmidler vurderes til anskaffelseskost. Varige anleggsmidler avskrives etter en fornuftig avskrivningsplan. Anleggsmidlene nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Langsiktig gjeld med unntak av andre avsetninger balanseføres til nominelt beløp på etableringstidspunktet. Fordringer Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. Forøvrig er følgende regnskapsprinsipper anvendt: Forsikret pensjonsforpliktelse er ikke balanseført - kostnaden er lik premien. Fordringer og gjeld i utenlandsk valuta er verdsatt til kursen ved regnskapsårets slutt. Kursgevinster og kurstap i utenlandsk valuta føres som finansinntekt og finanskostnad. Selskapet har ikke endret regnskapsprinsipp fra 2022 til 2023.

## Note

Antall årsverk i regnskapsåret  
1.00

## Note

1

### Spesifisering av resultatregnskapet

#### Lønnskostnader

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	25126.00	25126.00
<u>Folketrygdavgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	3543.00	3543.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	28668.00	28668.00



## Note

### Ekstraordinære inntekter og kostnader

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

### Konsernregnskap

#### Morselskapet sitt navn

#### Forretningskontor for morselskapet

#### Begrunnelse for at datterselskap er utelatt fra konsolideringen

#### Konsern, tilknyttet selskap m.v. - fordringer og gjeld

##### Fordringer

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.

## Note

### Lån og sikkerhetsstillelse til medlemmer

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse



THIS .PDF FILE IS NOT THE OFFICIAL ANNUAL REPORT OF THE COMPANY AS IT IS NOT PRESENTED IN XHTML FORMAT. IT IS A COPY OF COMPANY'S ANNUAL REPORT.

AN OFFICIAL ANNUAL REPORT IN XHTML FORMAT CAN BE FOUND ON THE WEBSITE OF THE COMPANY IN THE FINANCIAL REPORTS SECTION AND AS ANNEX TO THE NASDAQ NOTIFICATION ON THE AUDITED ANNUAL INFORMATION.



SPECIALIAL CLOSED-ENDED TYPE  
PRIVATE EQUITY INVESTMENT COMPANY

## **INVL Technology**

ANNUAL REPORT, COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 DECEMBER 2023 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 2023, also Annual Report for 2023 and Confirmation of responsible persons with a qualified electronic signature.</p>	<p>Agnė Vainauskienė</p> <p>Head of alternative funds accounting of the Management Company of INVL Technology, signs the Company's Financial Statements for 2023, and Confirmation of responsible persons with a qualified electronic signature.</p>
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#### CONFIRMATION OF RESPONSIBLE PERSONS

8 April 2024

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 2023 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 2023 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:

Company's financial statements for 2023.  
Annual Report for 2023.

Chairman of the Investment Committee  
of INVL Technology

Kazimieras Tonkūnas

Head of alternative funds accounting of  
the Management Company INVL Asset Management

Agnė Vainauskienė

Special closed-end type private capital investment company  
INVL Technology  
Gynėjų str. 14, LT-01109 Vilnius  
Phone +370 5 279 0601  
Fax +370 5 279 0530  
E-mail: [info@invltechnology.lt](mailto:info@invltechnology.lt)

Company code 300893533  
Account No LT66 7044 0600 0604 2883  
SEB bank



**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.

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**INVL TECHNOLOGY UTIB**  
company code 300893533 Gynėjų str. 14, Vilnius, Lithuania  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**  
(all amounts are in EUR thousands unless otherwise stated)

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## BASIC DETAILS

### Management

#### Supervisory Board

Audrius Matikiūnas (until 20 February 2023)  
Indrė Mišeikytė (until 20 February 2023)  
Gintaras Rutkauskas (until 20 February 2023)

#### Management Company

INVL Asset Management UAB

#### Investment committee

Mr. Kazimieras Tonkūnas (Chairman)  
Mrs. Vėda 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  
AB Šiaulių Bank

These financial statements were authorized for issue by the Management Company and signed on 8 April 2024.

The document is signed with a  
qualified electronic signature

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Kazimieras Tonkūnas  
Chairman of the Investment  
Committee INVL Technology

The document is signed with a  
qualified electronic signature

---

Agnė Vainauskienė  
Head of alternative funds  
accounting at INVL Asset  
Management UAB



INVL TECHNOLOGY UTIB  
company code 300893533 Gynėjų str. 14, Vilnius, Lithuania  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(all amounts are in EUR thousands unless otherwise stated)

## STATEMENT OF COMPREHENSIVE INCOME

	Notes	2023	2022
<b>Income</b>			
Net change in fair value of financial assets	4	9,949	(424)
Dividend income	12	500	800
Interest income	12	292	138
<b>Total net income</b>		<b>10,741</b>	<b>514</b>
Management fee	2.8	(481)	(590)
Success fee/fee reversal	8	(4,906)	2,339
Other expenses	13	(182)	(148)
<b>Total operating expenses</b>		<b>(5,569)</b>	<b>1,601</b>
<b>Operating profit (loss)</b>		<b>5,172</b>	<b>2,115</b>
Finance costs		(7)	-
<b>Profit (loss) before tax for the reporting period</b>		<b>5,165</b>	<b>2,115</b>
Income tax	14	-	-
<b>Profit (loss) for the reporting period</b>		<b>5,165</b>	<b>2,115</b>
Other comprehensive income for the reporting period, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD</b>		<b>5,165</b>	<b>2,115</b>
Basic and diluted earnings (deficit) per share (in EUR)	15	0.43	0.18



INVL TECHNOLOGY UTIB  
company code 300893533 Gynėjų str. 14, Vilnius, Lithuania  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(all amounts are in EUR thousands unless otherwise stated)

## STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2023	As at 31 December 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	4	44,890	34,941
Loans	6	1,895	1,895
<b>Total non-current assets</b>		<b>46,785</b>	<b>36,836</b>
<b>Current assets</b>			
Loans	6	1,354	878
Cash and cash equivalents	5	749	733
<b>Total current assets</b>		<b>2,103</b>	<b>1,611</b>
<b>Total assets</b>		<b>48,888</b>	<b>38,447</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1	3,531	3,531
Share premium		8,268	8,268
Own shares		(280)	(294)
Reserves	7	10,337	10,257
Retained earnings		21,673	16,508
<b>Total equity</b>		<b>43,529</b>	<b>38,270</b>
<b>Liabilities</b>			
Provisions for success and accrued management fees	8	4,906	-
<b>Total long-term liabilities</b>		<b>4,906</b>	<b>-</b>
<b>Current liabilities</b>			
Borrowings	9	300	-
Other current liabilities	10	153	177
<b>Total current liabilities</b>		<b>453</b>	<b>177</b>
<b>Total liabilities</b>		<b>5,359</b>	<b>177</b>
<b>Total equity and liabilities</b>		<b>48,888</b>	<b>38,447</b>



INVL TECHNOLOGY UTIB  
company code 300893533 Gynėjų str. 14, Vilnius, Lithuania  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(all amounts are in EUR thousands unless otherwise stated)

## STATEMENT OF CASH FLOWS

	Notes	2023	2022
<b>Cash flows from operating activities</b>			
Net profit for the reporting period		5,165	2,115
<b>Adjustments for:</b>			
Dividend income	12	(500)	(800)
Interest income	12	(292)	(138)
Interest expenses		7	
Net change in fair value of financial assets	4	(9,949)	424
Provisions for success and accrued management fees	8	(4,906)	(2,339)
		<b>(663)</b>	<b>(738)</b>
Changes in working capital:			
Dividends received	12	500	800
Increase (decrease) in other current liabilities		(31)	(11)
<b>Cash flows from (used in) operating activities</b>			
		<b>469</b>	<b>789</b>
Income tax paid		-	-
<b>Net cash flows from (used in) operating activities</b>			
		<b>(194)</b>	<b>51</b>
<b>Cash flows from investing activities</b>			
Interest received	0	316	25
Loans granted	0	(1,150)	(2,070)
Loan repayments received	0	650	600
<b>Net cash flows from (used in) investing activities</b>			
		<b>(184)</b>	<b>(1,445)</b>
<b>Cash flows from financing activities</b>			
Repurchase of own shares		-	-
Received payments for share based awards		94	30
Received loans		300	-
<b>Net cash flows from (used in) financing activities</b>			
		<b>394</b>	<b>30</b>
<b>Foreign exchange effect on the balance of cash and cash equivalents</b>			
		-	-
<b>Net increase (decrease) in cash and cash equivalents</b>			
		<b>16</b>	<b>(1,364)</b>
<b>Cash and cash equivalents in the beginning of the period</b>			
		<b>733</b>	<b>2,097</b>
<b>Cash and cash equivalents at the end of the period</b>			
	5	<b>749</b>	<b>733</b>



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## 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
<b>Balance at 31 December 2021</b>	<b>3,531</b>	<b>8,268</b>	<b>(296)</b>	<b>354</b>	<b>9,800</b>	<b>75</b>	<b>14,393</b>	<b>36,125</b>
Purchase of own shares	-	-	-	-	-	-	-	-
Share based payments	-	-	2	-	-	28	-	30
Redistribution of retained earnings to the reserves	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company, recognized directly in equity</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>30</b>
Net profit (loss) for 2022	-	-	-	-	-	-	2,115	2,115
<b>Total comprehensive income for 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,115</b>	<b>2,115</b>
<b>Balance at 31 December 2022</b>	<b>3,531</b>	<b>8,268</b>	<b>(294)</b>	<b>354</b>	<b>9,800</b>	<b>103</b>	<b>16,508</b>	<b>38,270</b>
Purchase of own shares	-	-	-	-	-	-	-	-
Share based payments	-	-	14	-	-	80	-	94
Redistribution of retained earnings to the reserves	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company, recognized directly in equity</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>94</b>
Net profit (loss) for 2023	-	-	-	-	-	-	5,165	5,165
<b>Total comprehensive income for 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,165</b>	<b>5,165</b>
<b>Balance at 31 December 2023</b>	<b>3,531</b>	<b>8,268</b>	<b>(280)</b>	<b>354</b>	<b>9,800</b>	<b>183</b>	<b>21,673</b>	<b>43,529</b>



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## 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 globalization 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. In accordance with the new version of the Republic of Lithuania Law on Companies which entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market. The Company's collegial body with supervisory function – the Supervisory Board – has been eliminated on 2 February 2023. It was envisaged that the Management Company may form an Advisory Committee of the 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 2023 INVL Technology portfolio consists of 17 operating companies. At the end of 2022 INVL Technology portfolio consisted of 18 operating companies.

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 2023 and 2022, the Company's authorized 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 authorized share capital (by number of votes held) are as follows as of 31 December 2023 and 31 December 2022:

	Number of shares held as at 2023.12.31	% share of share capital 2023.12.31	Number of shares held as at 2022.12.31	% share of share capital 2022.12.31
LJB Investments UAB (controlling shareholder Mr. Alvydas Banys)	2,424,152	19.91%	2,424,152	19.91%
INVL LIFE UAB (controlling shareholder AB „Invalda INVL“)	1,873,678	15.39%	1,873,678	15.39%
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)	101,252	0.83%	106,799	0.88%
Other minor shareholders	4,106,531	33.73%	4,100,984	33.68%
<b>Total</b>	<b>12,175,321</b>	<b>100.00%</b>	<b>12,175,321</b>	<b>100.00%</b>

The Company's shares have been traded in the Baltic Secondary List of NASDAQ Vilnius stock exchange since 4 June 2014.

In 2023 and 2022 the Company did not have own employees.



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## 2 Basis of preparation and material 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. 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.

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

The following IFRSs amendments were adopted by the Company for the first time in the financial year ended 31 December 2023:

- amendments to IAS 1 and IFRS practice statement 2: Disclosure of accounting policies;
- amendments to IAS 8: Definition of accounting estimates;
- amendments to IAS 12 Income Taxes: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*;
- amendments to IAS 12: *International Tax Reform—Pillar Two Model Rules*;
- IFRS 17 *Insurance Contracts*.

IAS 1 was amended to require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendment provided the definition of material accounting policy information. The amendment also clarified that accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. The amendment provided illustrative examples of accounting policy information that is likely to be considered material to the entity's financial statements. Further, the amendment to IAS 1 clarified that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support this amendment, IFRS Practice Statement 2, 'Making Materiality Judgements' was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

All amendments adopted as of 1 January 2023 had no impact on the Company's financial statements for the year ended 31 December 2023.

#### Standards adopted by the EU but not yet effective and have not been early adopted

Amendments to existing standards and new standards, which are adopted by the EU, but not yet effective, are not relevant to the Company.

#### Standards not yet adopted by the EU

Amendments to existing standards and new standards, which are not yet adopted by the EU are not relevant to the Company.



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## **2 Basis of preparation and material 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) obtains funds from investors for the purpose of providing them with investment management services.
- (ii) commits to investors that its business purpose is to invest for capital appreciation, investment income or both;
- (iii) 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.

### **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 realization, 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 realize in a current transaction, the final realization 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.



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## **2 Basis of preparation and material 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 amortized 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 loans granted and bonds are held to collect contractual cash flows and they are solely payments of principal and interest, the Company classifies these financial assets as measured at amortized 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 recognized at fair value when the Company becomes party to the contractual provisions of the instrument.

### **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 amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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 reorganization.

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 derecognized when they are assessed as uncollectible.

### **2.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank 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 capitalization 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 11)). 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.



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

### **2.8 Success fee and Management fee (cont'd)**

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 an internal rate of return. The Success Fee is disbursed after annual internal rate of 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 before mentioned 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 recognizes financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognized 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 amortized cost using the effective interest method. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

#### Management fee

Determined Management Fee is payable quarterly is recorded as a financial liability and is measured at amortized 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 amortized cost.

### **2.10 Revenue 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.

### **2.11 Share capital**

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

The financial instrument (shares of the Company) includes 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.



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

### **2.12 Share-based payments**

As at 31 December 2023, the Company's subsidiaries maintained two types of share-based payment schemes for the Subsidiaries' employees remuneration. According to both of these programs' part of employee remuneration is settled in equity.

In case of the first share-based payment scheme grant date is the date at which the Company, Subsidiary and the employee agree to a share-based payment arrangement, and requires that the Company, Subsidiary and the employee have a shared understanding of the terms and conditions of the arrangement. If the employee services are 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 recognized for services received are based on the grant-date fair value of the equity instruments. Options under this program 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 (3 years). Under certain conditions ownership rights could be exercised earlier.

The fair values of options granted in 2023 and in 2022 according to the first scheme were determined using weighted average of the last full month prior to pricing. All options granted during 2023 and 2022 was for the remuneration related to 2022 and 2021 respectively and are fully vested.

In total, EUR 163 thousand (EUR 58 thousand in 2023, EUR 30 thousand in 2022 and EUR 75 thousand in 2021) of employee remuneration 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. During 2023 the Company has sold its own shares for EUR 14 thousand (EUR 2 thousand in 2022).

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.

During 2023 the Company started to apply the second type of the share-based payment scheme, where grant date is the date at which the Company and the employee of Subsidiary agree to a share-based agreement without any compensations from Subsidiary to the Company. Options under this program will vest in case the service condition (valid both the option agreement and the employment contract at the end of Companies activity) and the performance market condition (the annual return of the Company exceeds hurdle rate of 8%) are met. As this type of option is considered as equity-settled share-based transaction, the fair value of the options granted shall be calculated at the grant date and shall be recognized during the vesting period.

The fair values of options granted in 2023 according to the second scheme amounting to EUR 117 thousand were determined using the Black-Scholes model (BSM). The amount of EUR 28 thousand was recognized in 2023 and treated as the wage and salary expenses and the reserve for share-based payments.

### **2.13 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.

### **2.14 Provisions**

Provisions are recognized 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 recognized 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 recognized 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.



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### **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 recognized 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.

##### Provision for success fee and accrued part of management fee

As described in Notes 2.9 and 2.14, 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 2023 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's estimated return as at 31 December 2022 did not exceed the minimum return barrier over the entire Company's period, i.e. a binding past event did not occur, the Company did not calculate 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 2023 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 449 thousand, and if the selling price were 5 % lower, provision would decrease by EUR 869 thousand.



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#### 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 2023**:

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
Novian Esti OU*	Estonia	100	Information technology solutions
Andmevara SRL*	Moldova	100	Information technology solutions
Zissor AS*	Norway	100	Information technology solutions
Novian Systems UAB*	Lithuania	100	Information technology solutions
Novian PRO UAB* **	Lithuania	100	Information technology solutions
Andmevara AS* ***	Estonia	100	Information technology solutions
NRD Companies AS	Norway	100	Information technology solutions
NRD Systems UAB*	Lithuania	95.91	Information technology solutions
Etronika UAB*	Lithuania	94	Information technology solutions
Norway Registers Development AS (with NRD AS Lithuania) *	Norway	100	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
NRD Bangladesh Ltd*	Bangladesh	100	Information technology solutions
FINtime UAB	Lithuania	100	Business process outsourcing

\* These entities were indirectly controlled by the Company as at 31 December 2023.

\*\* As of 11 December 2023, Elsis PRO UAB has changed their name to Novian PRO UAB.

\*\*\* By court order of 18 August 2023 was declared insolvent (in bankruptcy).



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#### 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 2022**:

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
Novian Esti OU* **	Estonia	100	Information technology solutions
Andmevara SRL*	Moldova	100	Information technology solutions
Zissor AS*	Norway	100	Information technology solutions
Novian Systems UAB*	Lithuania	100	Information technology solutions
Elsis PRO UAB*	Lithuania	100	Information technology solutions
Andmevara AS*	Estonia	100	Information technology solutions
NRD Companies 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 AS (with NRD AS Lithuania) *	Norway	100	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
NRD Bangladesh Ltd*	Bangladesh	100	Information technology solutions
FINtime UAB	Lithuania	100	Business process outsourcing

\* These entities were indirectly controlled by the Company as at 31 December 2022.

\*\* As of 7 June 2022, Admevara Services OU has changed their name to Novian Esti OU.

The Company conducts an independent valuation of its investments in subsidiaries when preparing the annual financial statements. As at 31 December 2023 and 31 December 2022, the valuation was carried out by Deloitte Verslo Konsultacijos UAB using the income approach, except for the valuation of FINtime UAB, the net asset value method was used for the full valuation of the company which was considered the most suitable for the company. 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 2023	At 31 December 2022
Novian UAB Group*	19,679	17,618
NRD Group**	10,986	7,289
NRD CS UAB***	14,104	9,876
FINtime UAB	121	158
<b>Total</b>	<b>44,890</b>	<b>34,941</b>

\*Novian UAB group consisted of Novian UAB together with the entities controlled by it – Novian technologies UAB, Novian Esti OU, Andmevara AS, Andmevara SRL, Zissor AS, Norway Registers Development Rwanda Ltd, Novian systems UAB, Novian Pro UAB.

\*\*Includes all NRD Group companies – NRS Systems UAB, Etronika UAB, Norway Registers Development AS (with NRD AS Lithuania), Infobank Uganda Ltd.

\*\*\*Includes NRD CS UAB and NRD Bangladesh Ltd.

The subsidiaries of the Company as at 31 December 2023 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 31 May 2024 whereas the loan repayment to The Company is 31 October 2025.



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

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.

The table below presents movements in Level 3 financial instruments during 2023:

<b>Opening balance at 1 January 2023</b>	<b>34,941</b>
Unrealized gains and losses for the reporting period recognized in the income statement for assets managed at the end of the reporting period	9,949
<b>Closing balance at 31 December 2023</b>	<b>44,890</b>

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	19,679	Discounted cash flow	Weighted average cost of capital	8.5%	-/+ 1%	4,056/(2,966)
			Long-term growth rate	2.0%	-/+ 0.5%	(1,154)/1,347
			Free cash flows	-	-/+ 10%	(2,114)/2,114
			Discount for lack of marketability	12.9%	-/+ 2%	443/(443)
			5y revenue growth rate	-	-/+ 0.5%	(539)/546
NRD Group	10,986	Discounted cash flow	Weighted average cost of capital	9.7%	-/+ 1%	1,433/(1,105)
			Long-term growth rate	2.0%	-/+ 0.5%	(434)/495
			Free cash flows	-	-/+ 10%	(963)/963
			Discount for lack of marketability	11.7%	-/+ 2%	253/(253)
			5y revenue growth rate	-	-/+ 0.5%	(204)/207
NRD CS UAB	14,104	Discounted cash flow	Weighted average cost of capital	9.8%	-/+ 1%	1,965/(1,515)
			Long-term growth rate	2.0%	-/+ 0.5%	(617)/701
			Free cash flows	-	-/+ 10%	(1,306)/1,306
			Discount for lack of marketability	14.5%	-/+ 2%	330/(330)
			5y revenue growth rate	-	-/+ 0.5%	(231)/234
FINtime UAB	121	Net assets value	N/A	N/A	N/A	N/A
<b>Total:</b>	<b>44,890</b>					

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 (2024-2028) were used as a basis in the income method. Free cash flows were calculated as net profit plus depreciation/amortization 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 analyzed 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 normalized 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.

In order to discount the free cash flows back to the valuation date, the external valuator had used the weighted average cost of capital (WACC) as an appropriate discount rate. Calculation of WACC involves various components such as the cost of equity, cost of debt, market value of equity and debt. Neither the approach for determining indicators used for cost of equity calculation nor the external data sources have changed compared to the previous reporting period, however, WACC level in 2023 has decreased with the significant impact on the fair value of the Company's financial assets.



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

The main reasons which caused 2023 WACC level change compared to 2022 were: (1) decrease in the risk free rate – 2.3% in 2023 compared to 2.6% in 2022; (2) decrease in the country risk premium – Novian Group from 2.9% to 1.6%, Novian Technologies Group from 3.1% to 1.7%, Novian Systems from 2.8% to 1.4%, Novian PRO from 2.8% to 1.4%, NRD Group from 1.9% to 0.9%, NRD CS from 2.8% to 1.4%; (3) decrease in the equity risk premium – 5.3% in 2023 compared to 5.8% in 2022.

Another cause for the significant increase in fair value of the Company's financial asset was cash flow forecasts that were adjusted upwards in NRD CS and NRD Group companies compared to 2022. The adjustments are based on higher actual cash flow results in 2023 than forecasted in 2022, contracted and planned projects and other key assumptions like sales growth, expenses and profitability levels and spending on capital expenditures for the companies' development in 2025-2028.

The table below presents movements in Level 3 financial instruments during 2022:

<b>Opening balance at 1 January 2022</b>	<b>35,365</b>
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	(424)
<b>Closing balance at 31 December 2022</b>	<b>34,941</b>

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	17,618	Discounted cash flow	Weighted average cost of capital	9.8%	-/+ 0.5%	1,165/(1,023)
			Long-term growth rate	2.0%	-/+ 0.5%	(693)/788
			Free cash flows	-	-/+ 10%	(1,587)/1,587
			Discount for lack of marketability	12.8%	-/+ 2%	322/(322)
			5y revenue growth rate	-	-/+ 0.5%	(397)/403
NRD Group	7,289	Discounted cash flow	Weighted average cost of capital	10.7%	-/+ 0.5%	433/(386)
			Long-term growth rate	2.0%	-/+ 0.5%	(270)/302
			Free cash flows	-	-/+ 10%	(674)/674
			Discount for lack of marketability	14.0%	-/+ 2%	171/(171)
			5y revenue growth rate	-	-/+ 0.5%	(135)/137
NRD CS UAB	9,876	Discounted cash flow	Weighted average cost of capital	10.8%	-/+ 0.5%	530/(473)
			Long-term growth rate	2.0%	-/+ 0.5%	(346)/388
			Free cash flows	-	-/+ 10%	(869)/869
			Discount for lack of marketability	14.1%	-/+ 2%	230/(230)
			5y revenue growth rate	-	-/+ 0.5%	(153)/155
FINtime UAB	158	Net assets value	N/A	N/D	N/D	N/D
<b>Total:</b>	<b>34,941</b>					

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 (2023-2027) were used as a basis in the income method. Free cash flows were calculated as operating profit after tax plus depreciation/amortization 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 analyzed 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 normalized 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.



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## 5 Cash and cash equivalents

	At 31 December 2023	At 31 December 2022
Cash in bank accounts	749	733
<b>Total cash and cash equivalents</b>	<b>749</b>	<b>733</b>

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 2023 and 2022.

## 6 Loans

As at 31 December 2023 and 2022, the expected credit loss was estimated not to be material and was, therefore, not recognized in these financial statements.

### Loans

	At 31 December 2023	At 31 December 2022
<b>Classified as non - current asset</b>	<b>1,895</b>	<b>1,895</b>
Loans	1,895	1,895
Accrued interest	-	-
<b>Classified as current asset</b>	<b>1,354</b>	<b>878</b>
Loans	1,250	750
Accrued interest	104	128
<b>Total value of loans</b>	<b>3,249</b>	<b>2,773</b>

As at 31 December 2023, the Company has granted a long-term loan of EUR 1,895 thousand to Novian UAB. Loan is accounted for at amortized cost as it is considered to be held for cash flow interest payments and principal repayments only. The loan shall be repaid in full no later than 31 October 2025. Interest for using the loan is paid at the end of each year. The first interest payment deadline was 31 December 2023.

As at 31 December 2023, the Company has granted short-term loans to Novian EUR 1,250 thousand. The loans and accrued interests shall be repaid in full no later than 30 April 2024.

As at 31 December 2022, the Company has granted a long-term loan of EUR 1,895 thousand to Novian UAB. Loan is accounted for at amortized cost as it is considered to be held for cash flow interest payments and principal repayments only. The loan shall be repaid in full no later than 31 October 2025. Interest for using the loan is paid at the end of each year.

As at 31 December 2022, the Company has granted short-term loans to Novian UAB and NRD Systems UAB, EUR 550 thousand and EUR 200 thousand respectively. The deadlines for the payments of loans and accrued interests were 31 July 2023 and 30 April 2023 respectively.

As at 31 December 2023 and 2022, the expected credit loss was estimated not to be material and was, therefore, not recognized in these financial statements.

## 7 Reserves

As at 31 December 2023, 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 183 thousand, and legal reserve amounting to EUR 354 thousand (EUR 9,800 thousand, EUR 103 thousand, and EUR 354 thousand as at 31 December 2022, 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 2023 and 2022 legal reserve was fully formed.

### Reserve for acquisition of own shares

Reserve for acquisition of own shares 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 program for buy-up of its own shares as at the reporting date.



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## 7 Reserves (cont'd)

### Share-based payments reserve

In June 2023 and June 2022, the Company entered into agreements according to the first share-based payment scheme with three of its subsidiaries to grant share options to its employees for the consideration paid by the appropriate subsidiary. As at 31 December 2023 and 31 December 2022 all payments for the reserved shares have been received by the Company.

The value of share-based payments in 2023 and 2022 by investment committee decision was calculated as weighted average of the last full month prior to. The historical value of the share price volatility is taken to calculate the value.

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

	Number of shares	Exercise price per share
<b>Outstanding at 31 December 2021</b>	<b>27,340</b>	<b>2.74</b>
Granted	11,667	2.69
Forfeited (from 2021 stream)	(436)	2.74
Forfeited (from 2022 stream)	(221)	2.69
Exercised (from 2021 stream)	(637)	2.74
Exercised (from 2022 stream)	(250)	2.69
<b>Outstanding at 31 December 2022</b>	<b>37,463</b>	<b>-</b>
Granted	27,500	2.05
Forfeited (from 2021 stream)	(1,262)	2.74
Forfeited (from 2022 stream)	(664)	2.69
Forfeited (from 2023 stream)	(1,863)	2.05
Exercised (from 2021 stream)	(1,849)	2.74
Exercised (from 2022 stream)	(969)	2.69
Exercised (from 2023 stream)	(2,729)	2.05
<b>Outstanding at 31 December 2023</b>	<b>55,627</b>	<b>-</b>

Weighted exercise price per share for share options outstanding as at 31 December 2023 is 2.05 (as at 31 December 2022 – 2.69).

In March 2023 the Company entered into an agreement according to the second share-based payment scheme. None of the options were exercised according to this scheme during 2023.

## 8 Provisions

As at 31 December 2023, the Company's estimated return exceed the minimum return barrier over the entire Company's period, the Company calculated a provision for success and accrued management fees. Since the Company's estimated return as at 31 December 2022 did not exceed the minimum return barrier over the entire Company's period, the Company did not calculate a provision for success and accrued management fees:

	At 31 December 2023	At 31 December 2022
Success fee	4,372	-
Accrued management fee	534	-
	<b>4,906</b>	<b>-</b>

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

<b>Opening balance at 1 January 2023</b>	<b>-</b>
Increase of success fee	4,372
Increase of accrued management fee	534
<b>Closing balance at 31 December 2023</b>	<b>4,906</b>



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## 9 Borrowings

As at 31 December 2023, the Company has received a short-term loan of EUR 300 thousand from NRD CS UAB and accrued interest of EUR 7 thousand. The loan with the interest shall be repaid in full no later than 30 April 2024.  
As at 31 December 2022, the Company has not received any loans.

## 10 Other current liabilities

	<u>At 31 December 2023</u>	<u>At 31 December 2022</u>
Management fee	113	131
Accrued audit expenses	12	14
Payable depository fee	9	11
Trade payables	8	21
Other current liabilities	11	-
<b>Total other current liabilities</b>	<b>153</b>	<b>177</b>

## 11 Net Asset Value (a non-IFRS measure)

	<u>At 31 December 2023</u>	<u>At 31 December 2022</u>
Net asset value, total, EUR	43,528,832	38,270,309
Net asset value per share, EUR	3.6052	3.1711

## 12 Dividends and interest income

	<u>2023</u>	<u>2022</u>
Interest income	292	138
Dividend income	500	800
<b>Total</b>	<b>792</b>	<b>938</b>

## 13 Other expenses (including remuneration for statutory audit)

	<u>2023</u>	<u>2022</u>
Professional services	56	62
Depository fees	37	42
Stock exchange and securities fees	25	25
The Company's statutory audit fee	14	12
VAT expenses of the Company's statutory audit fee	3	2
Wage and salary expenses	45	-
Other expenses	2	5
<b>Other expenses (total)</b>	<b>182</b>	<b>148</b>

From 2015 the Company's statutory audit was performed by UAB PricewaterhouseCoopers. In 2023 and 2022 UAB PricewaterhouseCoopers did not provide any non-audit services (including other assurance services and tax advisory services).

In 2023 the Company recognized wage and salary expenses of EUR 45 thousand in relation with the share-based payment schemes, out of which EUR 17 thousand as difference between the price of during 2023 granted options comparing to the price the Company purchased its own shares (first share-based payment scheme) and EUR 28 thousand as the fair value of options granted attributable to 2023 (the second share-based payment scheme).

## 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.



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## 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 2023	Number of shares (thousand)*	Par value (EUR)	Issued/365 (days)	Weighted average (thousand)*
Shares outstanding as at 31 December 2022	12,069	0.29	365/365	12,069
Own shares sold as at 11 April 2023	-	0.29	264/365	-
Own shares sold as at 25 October 2023	4	0.29	67/365	1
Own shares sold as at 26 October 2023	1	0.29	66/365	-
Shares outstanding as at 31 December 2023	12,074	0.29	-	12,070

\*The company sold a total of 5,547 units. own shares in 2023

The weighted average number of shares for 12 months of 2022 was as follows:

Calculation of weighted average for the year 2022	Number of shares (thousand)*	Par value (EUR)	Issued/365 (days)	Weighted average (thousand)*
Shares outstanding as at 31 December 2021	12,067	0.29	365/365	12,067
Own shares sold as at 6 January 2022	-	0.29	359/365	-
Own shares sold as at 4 March 2022	-	0.29	302/365	-
Own shares sold as at 28 April 2022	-	0.29	247/365	-
Own shares sold as at 12 August 2022	-	0.29	186/365	-
Own shares sold as at 27 September 2022	-	0.29	141/365	-
Own shares sold as at 31 December 2022	-	0.29	95/365	-
Shares outstanding as at 31 December 2022	12,068	0.29	-	12,068

\*The company sold a total of 887 units. own shares in 2022

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

	2023	2022
Net profit attributable to the equity holders of the parent entity (EUR '000)	5,165	2,115
Weighted average number of ordinary shares (thousand)	12,070	12,068
<b>Basic and diluted earnings per share (EUR)</b>	<b>0.43</b>	<b>0.18</b>



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## 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 2023 and outstanding balances as at 31 December 2023 were as follows:

	Revenue and income from related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
<b>UTIB „INVL Technology“ subsidiaries</b>				
Loans	-	-	3,145	300
Interest on loans	292	7	104	7
Dividends	500			
<b>Management company UAB “INVL Asset management”</b>				
Success fee	-	4,906	-	4,906
Management fee	-	481	-	113
	<b>792</b>	<b>5,394</b>	<b>3,249</b>	<b>5,326</b>

The Company's transactions with other related parties during 2022 and outstanding balances as at 31 December 2022 were as follows:

	Revenue and income from related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
<b>UTIB „INVL Technology“ subsidiaries</b>				
Loans	-	-	2,645	-
Interest on loans	138	-	128	-
<b>Management company UAB “INVL Asset management”</b>				
Success fee	-	(2,339)	-	-
Management fee	-	590	-	131
	<b>138</b>	<b>(1,749)</b>	<b>2,773</b>	<b>131</b>

Changes in loans and bonds granted to subsidiaries:

	2023	2022
<b>Outstanding as at 1 January</b>	<b>2,773</b>	<b>1,189</b>
Interest charged	292	138
Interest received	(316)	(24)
Loans granted	1,150	2,070
Loans repaid	(650)	(600)
<b>Outstanding as at 31 December</b>	<b>3,249</b>	<b>2,773</b>

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



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 (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 amortized cost	At fair value through profit or loss	Total
<b>At 31 December 2023</b>			
<b>Financial assets as per statement of financial position</b>			
Financial assets at fair value through profit or loss	-	44,890	44,890
Loans	3,249	-	3,249
Cash and cash equivalents	749	-	749
<b>Total</b>	<b>3,998</b>	<b>44,890</b>	<b>48,888</b>

	At amortized cost	At fair value through profit or loss	Total
<b>At 31 December 2022</b>			
<b>Financial assets as per statement of financial position</b>			
Financial assets at fair value through profit or loss	-	34,941	34,941
Loans	2,773	-	2,773
Cash and cash equivalents	733	-	733
<b>Total</b>	<b>3,506</b>	<b>34,941</b>	<b>38,447</b>

	At amortized cost	Total
<b>At 31 December 2023</b>		
<b>Financial liabilities as per statement of financial position</b>		
Borrowings		300
Trade payables		8
Other current liabilities		145
<b>Total</b>		<b>453</b>

	At amortized cost	Total
<b>At 31 December 2022</b>		
<b>Financial liabilities as per statement of financial position</b>		
Trade payables		21
Other current liabilities		156
<b>Total</b>		<b>177</b>



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## 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*

The Company is exposed to the risk of changes in market interest rates primarily due to assets with variable interest rates.

The following table reveals the sensitivity of the Company's pre-tax profit to reasonably expected changes in floating interest rates (EURIBOR), all other variables being constant (assessing the impact of granted loans with floating interest rates). There is no impact on the company's assets, except for the impact on the current year's profit.

	<u>Increase, in basis points</u>	<u>Company</u>
<b>2023</b>		
EUR	+100	(31)
	-100	31
<b>2022</b>		
EUR	+50	(13)

In 2023 the Company had loans in total EUR 3,145 thousand. Loan interest rates are variable, the interest rate for long-term loan is base interest rate and 3-month EURIBOR, short-term loans are base interest rate and 6-month EURIBOR and are calculated on the last day of each month.

In 2022 the Company had loans in total EUR 2,645 thousand. Loan interest rates are variable, the interest rate for long-term loans is base interest rate and 3-month EURIBOR, short-term loans are base interest rate and 6-month EURIBOR and are calculated on the last day of each month.

##### *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 (refer to Note 4 for more details).

As at 31 December 2023, the fair value of the Company's investments exposed to price risk was EUR 44,890 thousand (31 December 2022: EUR 34,941 thousand).



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## 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 analyzing 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 2023 and 2022 was approximately 4.6 and 9.1, respectively.

As at 31 December 2023 the current assets of the Company were higher than current liabilities by EUR 1,650 thousand. The management of the Company forecasted the cash flows of the Company for 2024 and indicates that the Company will have sufficient funds to cover liabilities, which fall due in 2024.

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
Borrowings		318	-	-	318
Other current liabilities	153	-	-	-	153
<b>At 31 December 2023</b>	<b>153</b>	<b>318</b>	<b>-</b>	<b>-</b>	<b>471</b>
	Up to 3 months	4 - 12 months	2 to 5 years	Over 5 years	Total
Other current liabilities	177	-	-	-	177
<b>At 31 December 2022</b>	<b>177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177</b>

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 Organization 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 realized for a consideration at any time at their fair value.



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## 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 due to 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. As of the day these reports are issued, the diversification requirements have not been reinstated. The company is in touch with the supervisory authority regarding this question.

#### Credit risk

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

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 and loans granted), 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:

<b>Assets with no credit rating assigned</b>	<b>At 31 December 2023</b>	<b>At 31 December 2022</b>
Loans	3,249	2,773
Cash and cash equivalents	749	733
<b>Total assets with no credit rating assigned</b>	<b>3,998</b>	<b>3,506</b>

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 2023 and 2022 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. The credit risk of loans granted is described in more details in Note 6.

### 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, loans granted to portfolio companies, as well as trade and other payables.

The carrying amount of the cash and cash of the Company as at 31 December 2023 and 2022 approximated their fair value because they are short-term and the impact of discounting is immaterial.

In the management's opinion, the interest rate of short-term and long-term loans corresponds to market conditions, therefore it is considered that their value in 2023 and 2022 was close to their fair value.



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**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 maximize 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.

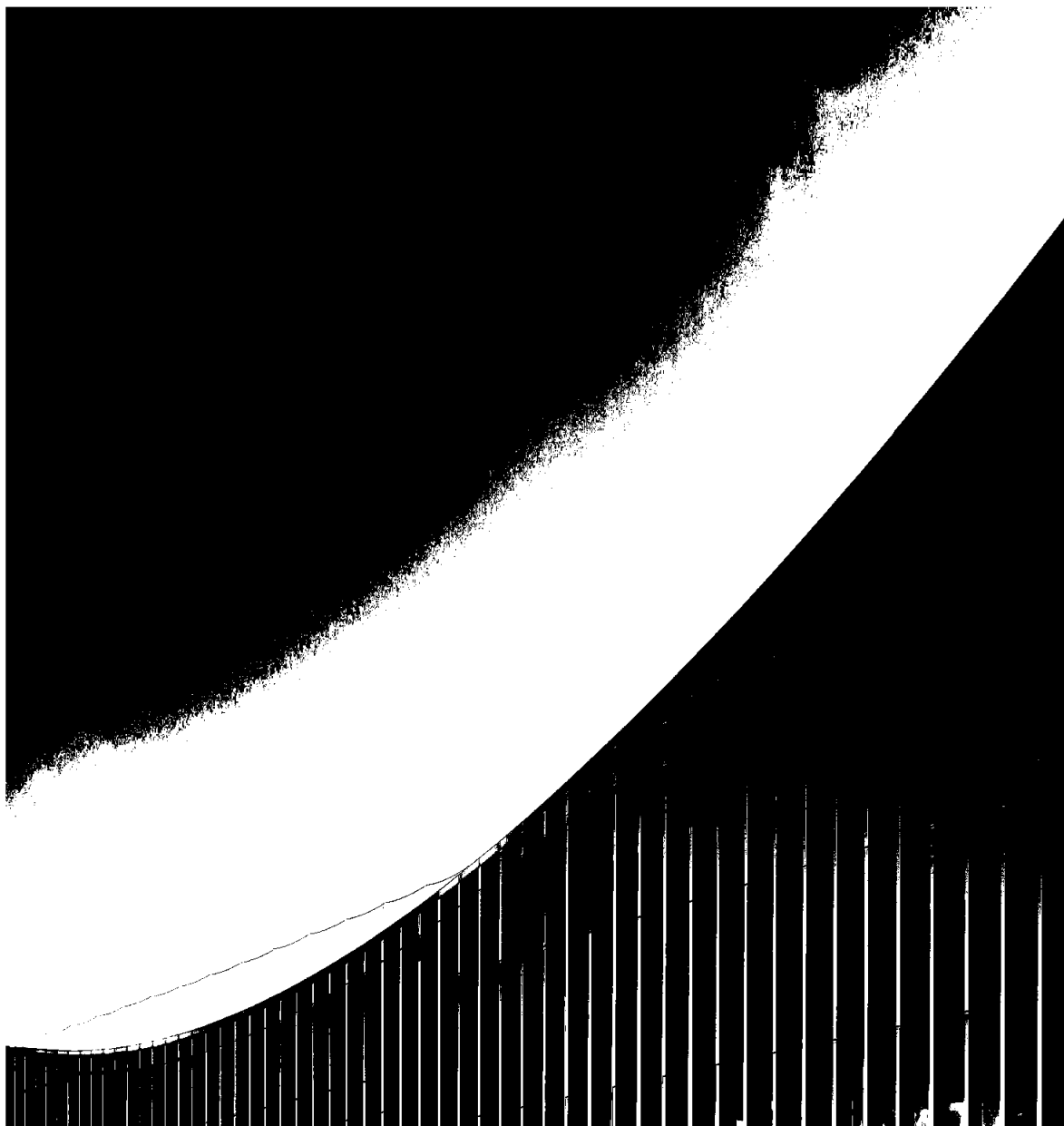
The Company's capital comprises share capital, share premium, reserves and retained earnings. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risks specific to its activity. To maintain or adjust the capital structure, the Company may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

During 2023, 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 2023 and 2022 the Company complied with this requirement.

**20 Events after the reporting period**

There were no events since the end of the financial year.



SPECIAL CLOSED-ENDED TYPE  
PRIVATE CAPITAL INVESTMENT COMPANY'S

# INVL Technology

ANNUAL REPORT FOR 2023



## Translation note:

This version of the Annual Report for the year of 2023 is a translation from the original, which was prepared in Lithuanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version takes precedence over this translation.

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## FOREWORD OF THE MANAGING PARTNER OF INVL TECHNOLOGY

### INVL Technology's net asset value rose to EUR 43.53 million



The equity and the net asset value of INVL Technology, a company that invests in IT businesses, amounted to EUR 43.53 million at the end of 2023, or EUR 3.6052 per share, and grew 13.7% during the year.

The company had a net profit of EUR 5.17 million last year, which is 2.4 times more than in 2022 (net profit of EUR 2.11 million). Last year's results were positively impacted by a EUR 9.95 million increase in the value of portfolio companies. Provisions for performance and accrued management fees reduced the result for 2023 by EUR 4.91 million.

The value of INVL Technology's portfolio companies rose from EUR 34.9 million to EUR 44.9 million during 2023. INVL Technology owns the cybersecurity company NRD Cyber Security, the GovTech and FinTech company NRD Companies, and the Baltic IT company Novian.

NRD Cyber Security had an average internal rate of return (IRR) of 38.2% from the end of 2016 to the end of 2023. That of NRD Companies was 21.1%. The Novian software services and IT infrastructure group had an IRR of 9.8% for the period, including an IRR of 16.5% for technology and digitalization services and 5.6% for the software services area.

In 2024 INVL Technology is starting the sale of portfolio companies. NRD Cyber Security, Novian and NRD Companies employ talented people in the areas of cybersecurity, artificial intelligence, supercomputing and information systems development and implementation. These businesses serve important international clients and are leaders in their niches, having developed distinctive technologies and *know-how*. Talented and successful companies are being sought all over the world, and INVL Technology looks forward to expressions of interest from international and regional investors.

### Performance of business holdings

INVL Technology's portfolio companies had aggregated revenues of EUR 62.57 million in 2023, or 24.6% more than in 2022. Their gross profit grew 22.3% in the year to EUR 17.96 million, while their aggregated EBITDA grew 43.8% to EUR 3.56 million.

Last year INVL Technologies portfolio companies conducted activities in 63 countries of the world, including Brazil among new markets. Revenue from operations abroad grew 40.2% in the year to EUR 23.39 million and accounted for 37% of total revenue (4 percentage-points more than the previous year). On the Lithuanian market, the portfolio companies had revenue of EUR 39.18 million, which was 16.8% more than in 2022 and made up 63% of total revenue.

Novian had aggregated revenues of EUR 40.27 million in 2023, which is 21.9% more than in 2022, and earned an operating profit of EUR 137,000. The Novian group's EBITDA last year decreased 18.4% to EUR 1.242 million. The group consists of Novian in Lithuania with the technology-area businesses Novian Technologies, Novian Eesti in Estonia, Zissor in Norway, Andmevara in Moldova, and Norway Registers Development Rwanda in Rwanda, and the software services businesses Novian Systems and Elsis PRO in Lithuania.

NRD Companies had consolidated revenue of EUR 10.985 million last year, 36% more than in 2022, and a consolidated operating profit of EUR 1.135 million (versus EUR 0.002 million in 2022). The EBITDA of the NRD Companies group was EUR 1.36 million and was 6.4 times the previous year's figure. Norway-based NRD Companies has the subsidiaries Norway Registers Development in Norway, with a branch in Lithuania, and NRD Systems and Etronika in Lithuania.

NRD Cyber Security, which also owns NRD Bangladesh, had consolidated revenue of EUR 7.411 million in 2023, an increase of 21.9% from 2022. Its operating profit grew 73.8% last year to EUR 0.98 million as EBITDA rose 71.5% to EUR 1.12 million.

Kazimieras Tonkūnas,  
Managing Partner at INVL Technology



## I. General Information

### 1. Reporting period for which the report is prepared

This Annual Report of public joint-stock special closed-ended type private capital investment company "INVL Technology" (hereinafter – "the Company", "INVL Technology" or "the Issuer") is prepared for the period from 1 January 2023 until 31 December 2023. 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

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

#### 2.2. Information on company's goals, philosophy and strategy

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

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

A strategy of INVL Technology is to invest in national-level European IT businesses with high globalization potential and 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 responsible development of intangible assets in the managed companies. It considers 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.

Managed companies have to operate efficiently and grow faster than the sector. Their cooperation is based on market relations. However, managed companies have priority access to each other's know-how and experience.



## 2.3. Information about the Issuer's group of companies

INVL Technology is structured into three company groups:



**NRD Companies: a global GovTech player.** NRD Companies is a global group of GovTech and FinTech companies specializing in the design, development/build and operationalization of e-registers and government e-services. With offices in Norway and Lithuania and over 100 employees, the company has delivered projects in more than 50 countries.

NRD Companies is a parent company for the following subsidiary corporations: ETRONIKA, Norway Registers Development AS, NRD Systems, Infobank Uganda. More information: [www.nrdcompanies.com](http://www.nrdcompanies.com).



**Novian: a leading Baltic IT company.** Novian is leading Baltic software development, IT infrastructure, managed IT services and digitization company. With offices in 6 countries and its HQ in Vilnius, it employs more than 250 people and has delivered projects in almost 50 countries.

Companies:

- Novian UAB;
- In the technologies area: Novian Technologies UAB, Novian Eesti OÜ, Andmevara SLR and Norway Registers Development Rwanda Ltd, Zissor AS;
- In the software development services area: Novian Systems UAB and Novian Pro UAB.



**NRD Cyber Security: a cybersecurity company.** NRD Cyber Security is a company focused on cybersecurity incident response. With an office in Bangladesh and its HQ in Vilnius, it employs more than 40 people and has delivered projects in over 40 countries.

Companies:

- NRD CS UAB (NRD Cyber Security);
- NRD Bangladesh.

Also:

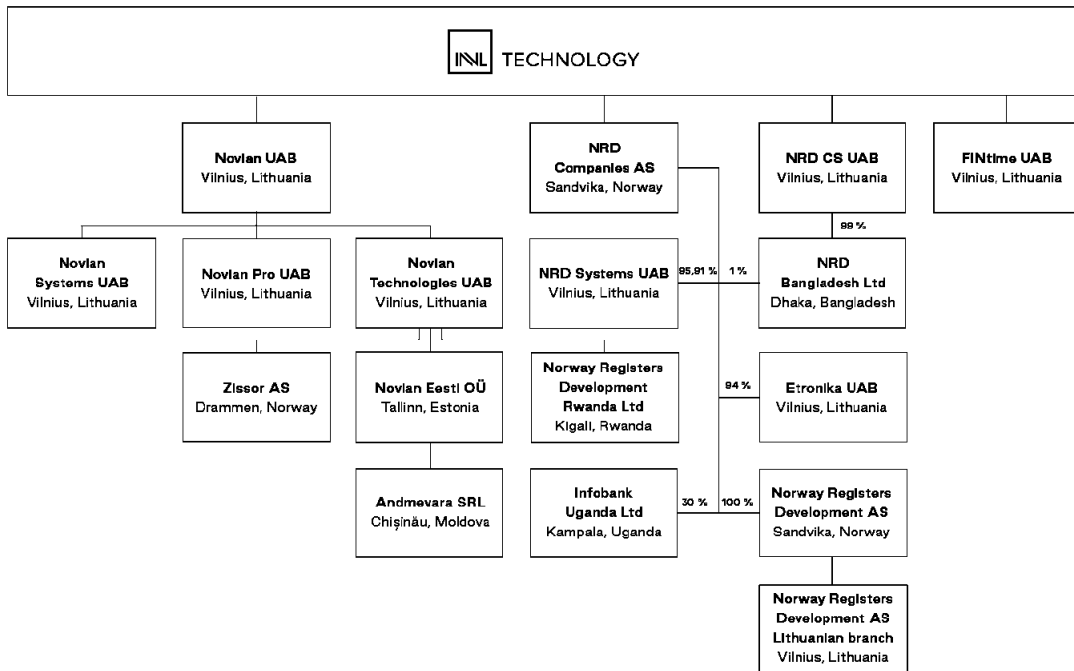


**The group also owns the business process outsourcing company FINtime UAB,** which provides centralized financial management, accounting and front-office services and operates the premises of the main office of INVL Technology companies.



2.3.1. Structure of the portfolio companies of INVL Technology

Structure of the portfolio companies of INVL Technology







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

### 3. Key figures of INVL Technology

#### 3.1. Net Asset Value, EUR

	31.12.2021	31.12.2022	31.12.2023
NAV	36,125,378	38,270,309	43,528,832
NAV per share	2.9936	3.1711	3.6052

#### 3.2. Key figures of INVL Technology, thous. EUR

	12 months of 2021	12 months of 2022	12 months of 2023
Change in the fair value of financial assets	2,713	(424)	9,949
Dividends, interest and other incomes	1,440	938	792
Operating expenses	(1,532) <sup>1</sup>	1,601 <sup>2</sup>	(5,569) <sup>3</sup>
Finance cost	-	-	(7)
<b>Net profit (loss)</b>	<b>2,621<sup>1</sup></b>	<b>2,115<sup>2</sup></b>	<b>5,165<sup>3</sup></b>

	31.12.2021	31.12.2022	31.12.2023
Financial assets value	35,365	34,941	44,890
Cash and Cash equivalents	2,097	733	749
Loans	1,189	2,773	3,249
<b>TOTAL ASSETS</b>	<b>38,651</b>	<b>38,447</b>	<b>48,888</b>
Other liabilities	2,526 <sup>1</sup>	177	5,059 <sup>3</sup>
Borrowings	-	-	300
Equity	36,125	38,270	43,529
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,651</b>	<b>38,447</b>	<b>48,888</b>

<sup>1</sup> The provisions for success and accrued management fees were equal to 2,339 thousand as of 31 December 2021, their impact was EUR 730 thousand and EUR 74 thousand on the result of year 2021.

<sup>2</sup> The provision for success fee and accumulated management fee was not formed as at 31-12-2022 and was equal to nil at the end of the year. Due to derecognition of provisions in 2022 the result was impacted by EUR 1,805 thousand and EUR 534 thousand respectively.

<sup>3</sup> INVL Technology has calculated a provision for success and accrued management fees equal to EUR 4,906 thousand as of 31 December 2023. The impact of the provisions was EUR 4,372 thousand and EUR 534 thousand on the 2023 results.

Equity of the Company, after the revaluation of financial assets, as of 31 December 2023 was EUR 43.5 million or EUR 3.61 per share (vs EUR 3.17 per share at the end of 2022). The Company's investments in its business holdings at the end of 2023 amounted to EUR 44.89 million.

The Company's net asset value as of 31 December 2023 was EUR 43,528,832 or EUR 3.6052 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	31.12.2022	31.12.2023
NRD Cyber Security (includes NRD Bangladesh)	9,876	14,104
NRD Companies (includes Norway Registers Development AS, NRD Systems, ETRONIKA, Infobank Uganda)	7,289	10,986
Novian (includes Novian Technologies, Novian Systems, Novian Eesti, Andmevara SRL, Zissor, Novian Pro, NRD Rwanda)	17,618	19,679
FINtime	158	121
<b>Total</b>	<b>34,941</b>	<b>44,890</b>

### 3.4. Dynamics of the value of financial assets, thous. EUR

Company	31.12.2016*	Dividends (-)/ Investments (+)	31.12.2023	Internal rate of return**
NRD Cyber Security	1,908	(1,900)	14,104	38.2%
NRD Companies	2,870	-	10,986	21.1%
Novian	11,665	(2,020)	19,679	9.8%
Of which				
Technology and digiti- zation area	6,691	(2,409)	16,047	16.5%
Software services area	3,955	(724)	4,818	5.6%
FINtime	253	(39)	121	-7.4%
<b>Total</b>	<b>16,696</b>	<b>(3,959)</b>	<b>44,890</b>	<b>17.4%</b>

\*The companies managed by INVL Technology are grouped according to the structure of 31-12-2023, including the companies that were in the portfolio at that time.

\*\*Initial investment value – evaluation result of 31.12.2016 (INVL Technology as a closed-end investment company started operating on 14.07.2016); dividends paid during the period and additional investments made are evaluated.

### 3.5. Change in fair value of financial assets, thous. EUR

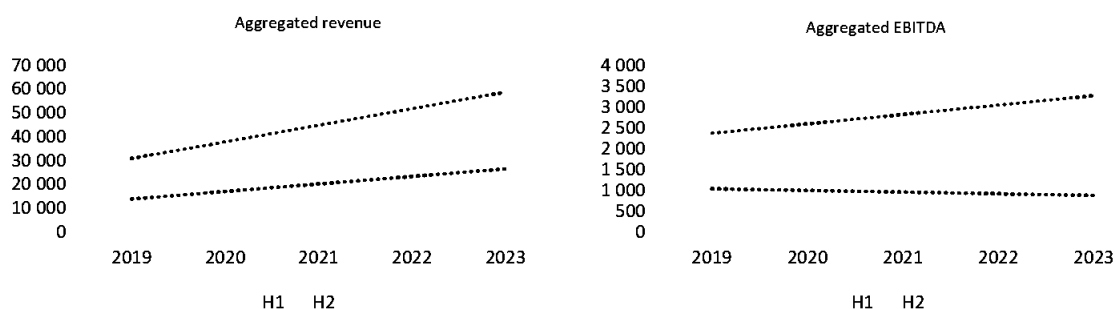
<b>Opening balance (01.01.2023)</b>	<b>34,941</b>
Revaluation, excluding dividends	10,449
Dividends awarded*	(500)
<b>Closing balance (31.12.2023)</b>	<b>44,890</b>

\*NRD CS, UAB declared and paid dividends of EUR 500,000 in 2023.



### 3.6. Key figures of INVL Technology portfolio companies

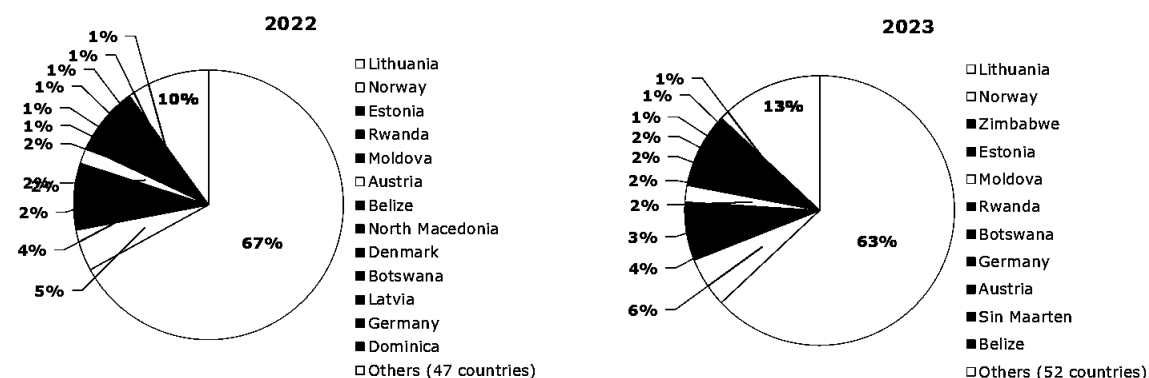
Aggregated indicators of INVL Technology portfolio companies, thous. EUR



Thous. Eur	2019	2020	2021*	2022	2023
Revenue	34,529	36,634	40,265	50,212	62,567
Gross profit	9,349	10,258	12,002	14,683	17,958
EBITDA	2,181	2,969	2,931	2,476	3,561
EBIT	949	1,623	1,495	1,017	2,124
Net profit (loss)**	493	1,104	968	284	882

\*2021 results include the results of Elsis PRO, UAB (now Novian PRO, UAB), which was acquired in 2021 (revenue EUR 2,956 thousand, EBITDA EUR 382 thousand).  
 \*\* Net profit (loss) is presented without including dividend income and elimination of one-off and atypical impairments of investments in subsidiaries and the results of intercompany shares transactions recognized in standalone company reports.

Revenue of INVL Technology by country, thous. EUR



Thous. EUR	2022	2023	Change
Lithuania	33,537 (67%)	39,181 (63%)	5,644
Other countries	16,675 (33%)	23,386 (37%)	6,711
<b>Total</b>	<b>50 212</b>	<b>62,567</b>	<b>12,355</b>

During the reporting period, the companies owned and managed by INVL Technology conducted operations in more than 60 countries, with 37% of income generated by activities abroad. Operations in Lithuania accounted for 63% of revenue. In 2023 the owned and managed businesses added activities in new countries including Brazil, Lesotho.



### 3.7. Performance indicators for INVL Technology in Indexes 2021 - 2023

	2021 m.	2022 m.	2023 m.
Net Asset Value per share, EUR	2.9936	3.1711	<b>3.6052</b>
Total Net asset value (equity value), thous. EUR	36,125	38,270	<b>43,529</b>
Return on equity (ROE) = net profit / equity * 100	7.26%	5.53%	<b>11.87%</b>
Earnings per share (EPS) = net profit / number of shares	0.22	0.18	<b>0.43</b>
Debt ratio = liabilities/ assets	0.065	0.005	<b>0.110</b>
Change in fair value, thous. EUR	2,713	(424)	<b>9,949</b>
Net profit, thous. EUR	2,621	2,115	<b>5,165</b>
Ratio of liquid assets to total assets = cash and cash equivalents/assets	5.43%	1.91%	<b>1.53%</b>
Ratio of investment in one operating company to net asset value *	36.04%**	32.70%**	<b>36.27%**</b>

\*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 during the reporting period, effect on the financial statement

*Significant events during the reporting period*

### FINANCIAL REPORTS

- **28 April 2023** INVL Technology reported preliminary operating results for 3 months of 2023. Equity of the Company and the Company's net asset value as of 31 March 2023 was EUR 37,897,611 or EUR 3.1402 per share. Investments of the Company into managed companies at the end of March 2023 amounted to EUR 34.70 million (EUR 35.01 million – at the end of March 2022). The net loss of the Company for 3 months of 2023 was EUR 0.373 million (net profit for the same period in 2022 was EUR 0.693 million).
- **28 August 2023** INVL Technology announced results for 6 months of 2023. The equity of the Company and its net asset value as of 30 June 2023 was EUR 37.9 million or EUR 3.14 per share. At the end of 2022, these figures were EUR 38.27 million and EUR 3.17 respectively. The Company's investments in its business holdings at the end of June 2023 amounted to EUR 34.22 million (versus EUR 33.86 million at the end of June 2022). Net loss for 6 months of 2023 was EUR 0.44 million, the net profit of the Company for 6 months of 2022 amounted to EUR 1.28 million.
- **30 October 2023** INVL Technology announced preliminary results for 9 months of 2023. The equity of the Company and its net asset value as of 30 September 2023 was EUR 37.81 million or EUR 3.13 per share (at the end of 2022, these figures were EUR 38.27 million and EUR 3.17 respectively). The Company's investments in its business holdings at the end of September 2023 amounted to EUR 34.20 million (versus EUR 33.91 million at the end of September 2022). Net loss for 9 months of 2023 was 538 thousand (versus net profit of EUR 1.19 million for the same period in 2022).

### GENERAL MEETINGS OF SHAREHOLDERS

- **6 February 2023** The resolutions of the Extra-ordinary General Meeting of Shareholders of INVL Technology have been published. The shareholders of the Company were introduced with the recommendations of the Company's Management Company regarding the amendment of stock option terms and conditions, the approval of stock option terms and conditions, new wording of the Articles of Association and the provision of depository services. The shareholders have approved the amendment of the terms of the share option, and new terms of the share option. Also the shareholders have decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and to approve a new version of the Articles of Association to replace the full text of the Articles of Association (without additionally approving the amendments to the individual sections of the Articles of Association), as well as to repeal the Supervisory board remuneration policy. Shareholders also approved the conclusion of a contract with the PricewaterhouseCoopers for the audit of the Company's annual financial statements for 2023. This Shareholders Meeting also revoked the resolutions of Company's Shareholders Meeting of 29 April 21 by which it was decided: (a) to change the Company's provider of depository services from AB SEB Bankas (company registration number 112021238) to AB Šiaulių Bankas (company registration number 112025254); (b) to terminate (or otherwise end) the Company's depository services agreement with AB SEB Bankas (company registration number 112021238); (c) to enter into a new depository services agreement between the Company and AB Šiaulių Bankas (company registration number 112025254). The Shareholders have decided that the Depository Services Agreement No. 2016-05 (with all amendments and additions) between the Company and AB SEB Bankas (company registration number 112021238) remains in effect.
- **28 April 2023** The resolutions of the Ordinary General Meeting of Shareholders of INVL Technology have been published. The shareholders were briefed to the Company's consolidated annual report for 2022, to the independent auditor's report on the financial statement and annual report of the Company, to the Company's investment committee's recommendation on the draft of the profit (loss) distribution (including the formation of the reserve) and the draft of the remuneration report, to the Company's Management Company's statement on the share purchase price, and to the Report of the Audit Committee of the Company. The shareholders have assented to the remuneration report of the Company as a part of the consolidated annual report of the Company for the year 2022, have approved the stand-alone financial statements for 2022 of the Company, have distributed the profit of the Company, have authorized the Management Company to use the formed reserve for the purchase of its own shares. As well as, shareholders have approved the new wording of Policy on Transactions with Related Parties of INVL Technology, and new wording of the Regulations of the Audit Committee.
- **6 June 2023** The resolutions of the Extra-ordinary General Meeting of Shareholders of INVL Technology have been published. The shareholders have approved the terms of share options.

### LEGAL REGULATION

- **10 March 2023** INVL Technology informs that under the provision 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 at the time of publication of the information there are no grounds that the Company should prepare and own a prospectus complying with the requirements of the LS, on 8 March 2023, the Management company of the Company approved the updated version of the Prospectus and approved its publication.

### INFORMATION ABOUT MANAGED COMPANIES

- **18 April 2023** Cybersecurity consulting and technology development company NRD Cyber Security, managed by INVL Technology, announced its results of the activity. Income of the NRD Cyber Security grew by 13% giving an increased gross profit of 27% in 2022 and it was EUR 2.98 million.
- **9 May 2023** NRD Companies announced its results of the activity. This global group's of IT companies, managed by INVL



Technology, consolidated revenue in 2022 of EUR 8.079 million was up 27% from the previous year. EBITDA decreased to EUR 211 thousand compared to EUR 297 thousand in 2021.

- **5 June 2023** It was announced the Novian software and IT infrastructure services group's results of activity of 2022. Group had aggregated revenue of EUR 33 million in 2022, which is 27.9% more than previous year. The group's EBITDA for the year was EUR 1.5 million and compared to 2021 contracted 11.8%, while its operating profit was EUR 0.5 million, which is 39.9% less than the year before.
- **5 July 2023** The Novian group, which is owned and managed by INVL Technology, a company that invests in information technology businesses, has changed its internal structure. Novian Technologies signed an agreement with Novian to acquire 100% of the shares of Norway-registered Zissor AS ("Zissor"). In addition, Novian entered into an agreement with Novian Systems to acquire 100% of the shares of ELSIS PRO UAB ("Elsis PRO"). The main objective of these transactions is to optimize the companies' management and improve their efficiency. The transactions were conducted at the market value of the companies on 31 March 2023, with the shares of Zissor priced at EUR 711,000 and the shares of Elsis PRO priced at EUR 2.013 million. It is expected that the value of Zissor and Elsis PRO will grow.
- **31 August 2023** NRD Cyber Security, amanged by INVL Technology, announced its results of the activity. NRD Cyber Security earned EUR 321,000 net profit, 49% more than during the same period in 2022. Company's income in H1 of 2023 reached EUR 2.752 million, 14% more than in the first half 2022. Also, the share of income from the financial sector grew significantly - compared to the same period in 2022, it grew by 121% this year.
- **11 September 2023** NRD Companies announced its results of activity. The company's consolidated revenue in 2023 H1 of EUR 6.222 million was up 98% compared to 2022 H1. EBITDA (Earnings before interest, taxes, depreciation and amortization) increased to EUR 567 thousand compared to EUR -359 thousand in 2022 H1.
- **13 September 2023** It was announced the Novian software and IT infrastructure services group's results of activity of H1 of 2023. The group had aggregated revenue of EUR 18.5 million in the first half of 2023, an increase of 27.6% over the same period last year. The group's EBITDA for the 6-month period was EUR 0.2 million and correspondingly grew 25.9%. There was an operating loss of EUR 0.3 million, the same level as in January-June last year.

## SIGNIFICANT EVENTS THAT OCCURED AFTER THE REPORTING PERIOD

- **2 February 2024** INVL Technology informs that under the provision 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 at the time of publication of the information there are no grounds that the Company should prepare and own a prospectus complying with the requirements of the LS, on 2 February 2024, the Management company of the Company approved the updated version of the Prospectus and approved its publication.
- **18 March 2024** INVL Technology gives notification on material event and informed that on 18 March 2024 the Company signed an agreement with a company of the Corum group, specifically, the Zurich branch of Luxembourg-based Corum Group International S.à.r.l., to act as an M&A intermediary in seeking to conclude transactions for the sale of the entire portfolio of businesses under management by INVL Technology before the end of the Company's envisaged period of operation.

Information regarding key events during the reporting period is published on the Company's website in the section "For Investors" -> "Regulated information" at <https://invltechnology.lt/news/#invl-technology-regulated-information>.



## 5. Significant events of portfolio companies during reporting period

### 5.1. GovTech and FinTech companies

#### NRD COMPANIES AS GROUP

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

NRD Companies is a parent company for the following subsidiary corporations: Norway Registers Development AS, NRD Systems, NRD Bangladesh, ETRONIKA, Infobank Uganda. More information: [www.nrdcompanies.com](http://www.nrdcompanies.com).

#### NRD Companies group companies

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

**Norway Registers Development AS Lithuanian Branch** is a consulting, project leadership and know-how hub based in Vilnius, Lithuania.

**NRD Systems UAB** is among the TOP 5 in the world delivering custom software for Registry Solutions. It is an information system development and project delivery company based in Vilnius, Lithuania with core competencies in state registry modernization and state tax systems.

**ETRONIKA UAB** is among the top 100 most innovative FinTech companies in Europe, offering digital platforms for finance and retail sectors, mobile payments, digital services for point-of-sales terminals, and other services. Company is based in Vilnius, Lithuania.

**Infobank Uganda Ltd. (dormant)** – a specialized company based in Kampala, Uganda that was providing information on Ugandan businesses.

#### Updated NRD Companies strategic directions 2023-2025

- Grow our business profitability in strategic areas:
  - E-Registries;
  - Government digital services;
  - Tax administration;
  - Finance;
  - Retail.
- Prove NRD Companies as trusted advisor and solutions provider in strategic industries.
- Empower customers to achieve sustainability goals by delivering innovative and dependable solutions.
- Proactively engage and advise customers through consultative selling.
- Grow our profitability by transitioning to repeatable solutions and recurring revenue streams.
- Develop culture to support organizational and personal growth.

#### Products and services of NRD Companies

##### Products, solutions and services

- **URP – Unified Registry Platform** is an out of the box proprietary platform enabling Registry Authorities to become the Centers of Registries. URP encompasses solutions for business registration, issuing licenses, registration of beneficial owners, registration of secured transactions and any other type of registration and post-registration related services.
- **Virtual Fiscal Device Management System (VFDMS)** – is a new generation online cash register management solution. It addresses the latest VAT tax collection challenges that Tax Authorities face and improves tax revenue collection and reduces informal economy with no burden to businesses.
- **BUSREG** – internationally proven company / legal entity registration platform. The platform offers not only a fast solution to the customer, but it can also be easily adapted to the needs of different countries. It improves the accessibility and efficiency of services for businesses and investors.
- **BOREG** – Beneficial Ownership Register. A solution for collecting, processing, storing, and publishing appropriate, accurate and timely data about the ultimate beneficial owners of businesses.



- **GxP** – Customer-centric public e-service delivery platform. The platform is a tool for governments to proactively support citizens and businesses with e-services throughout their customer. It addresses issues of interinstitutional integrity and allows institutions to independently provide e-services to citizens. GxP provides data-driven insights to transform public e-services in response to changing citizens' needs and patterns of behaviour.
- **Consultancy Services** – NRD Companies provides practice-based advisory and consulting services that respond to the needs of the clients and correlate to emerging trends. The core competencies lie in 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.
- **DIGITAL LOANS** – is a platform for SME and Retail loans used by banks and other financial services providers to increase their loan portfolio in a shorter time, keep the lending management and related costs under control and excel in their operational risk management.
- **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** – is a point of sale, counter automation and retail business management solution for the Post offices, focused on maximising the revenue from non-postal operations – financial services, delivery of public services and delivery of integrated 3rd-party commercial offerings.
- **KASU Cloud** is a full-fledged cash register hardware (cash register), software (cash register application) and sales network management solution provided to the merchant as a service.

## NRD Companies results for 2023

Key profit (loss) items, thous. EUR

NRD Companies*	NRD AS**		NRD Systems**		Etronika**			
	2022	2023	2022	2023	2022	2023		
Revenue	8,079	10,985	5,115	7,223	2,692	3,621	2,451	3,382
Gross profit	3,068	4,401	1,887	2,787	598	1,384	914	1,118
EBITDA	211	1,358	307	280	(275)	548	224	461
EBIT	2	1,135	300	274	(373)	441	120	350
<b>Net profit (loss)</b>	<b>(242)</b>	<b>874</b>	<b>41</b>	<b>232</b>	<b>(361)</b>	<b>296</b>	<b>125</b>	<b>286</b>

Key balance sheet items, thous. EUR

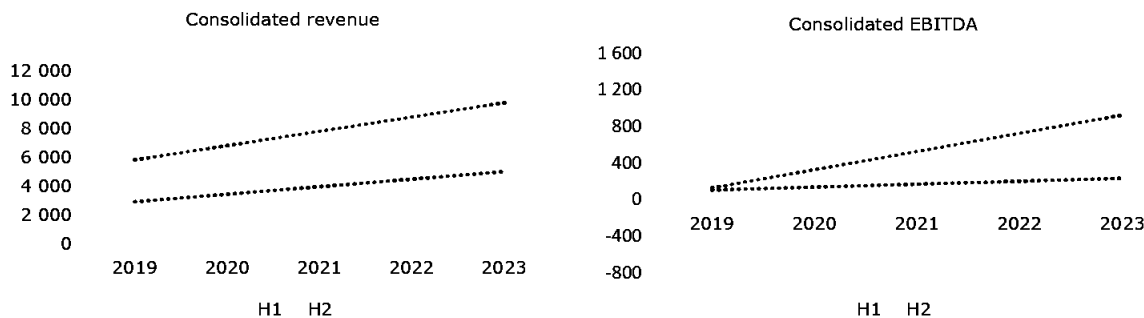
NRD Companies*	NRD AS**		NRD Systems**		Etronika**			
	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023		
Tangible assets	537	643	3	3	237	283	297	357
Intangible assets	44	280	22	17	-	263	23	-
Other non-current assets	431	337	352	296	63	25	16	17
Current assets	4,916	5,273	3,407	3,911	1,358	1,809	1,387	1,791
of which cash	264	1,303	114	151	104	247	28	898
<b>Total assets</b>	<b>5,928</b>	<b>6,533</b>	<b>3,784</b>	<b>4,227</b>	<b>1,658</b>	<b>2,380</b>	<b>1,723</b>	<b>2,165</b>
Equity	1,266	2,017	626	826	(17)	279	797	1,082
Non-current liabilities	474	496	1	18	210	200	263	278
Of which financial debt	433	464	1	1	210	200	223	263
Current liabilities	4,188	4,020	3,157	3,383	1,465	1,901	663	805
of which financial debt	358	199	1	2	558	636	63	91
<b>Total liabilities and equity</b>	<b>5,928</b>	<b>6,533</b>	<b>3,784</b>	<b>4,227</b>	<b>1,658</b>	<b>2,380</b>	<b>1,723</b>	<b>2,165</b>

\*The unaudited consolidated results of NRD Companies are presented, which includes the results of the companies presented and the results of NRD Companies.

\*\* The audit of standalone annual financial statements of NRD Companies, NRD AS, Etronika UAB and NRD Systems UAB are in progress.

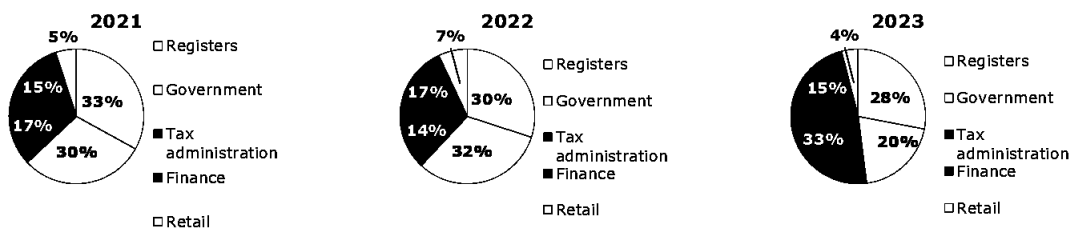


Consolidated revenue and EBITDA of NRD Companies group, thous. EUR

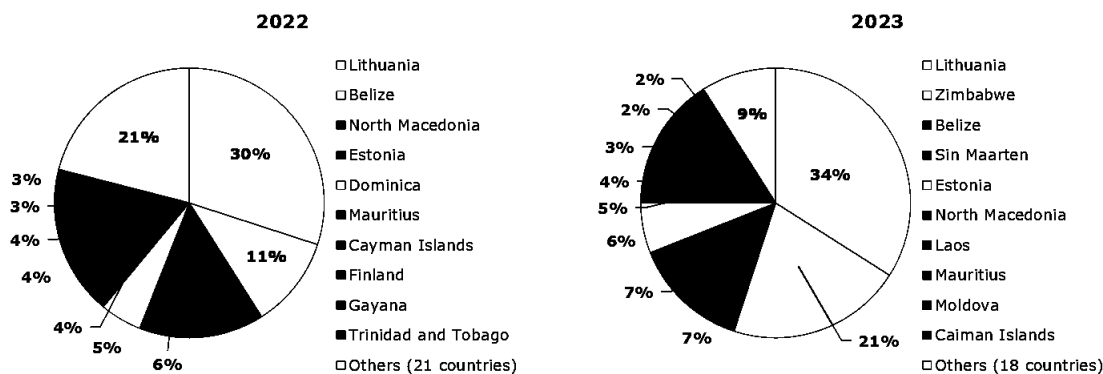


Thous. EUR	2019	2020	2021	2022	2023
<b>Revenue</b>	6,596	6,989	6,347	8,079	10,985
<b>EBITDA</b>	166	602	297	211	1,358

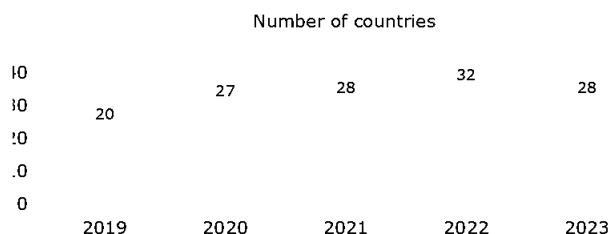
NRD Companies revenue by sector



NRD Companies revenue by countries



Thous. Eur	2022	2023	Change
Lithuania	2,464 (30%)	3,688 (34%)	<b>1,224</b>
Other countries	5,615 (70%)	7,297 (66%)	<b>1,682</b>
<b>Total</b>	<b>8,079</b>	<b>10,985</b>	<b>2,906</b>



## SIGNIFICANT EVENTS IN 2023

### Structural changes

On the 1st of February, 2023, NRD Companies made structural changes and new appointments aimed at solidifying the group's position as a trusted advisor and solutions provider in its target industries, strengthening its ability to better address customer needs and deliver strategic industry-specific IT solutions and services to markets worldwide.

Effective February 1st, 2023, Arnoldas Jankunas, who has been acting as CEO of ETRONIKA has been appointed as the Chief Digital Solutions Officer of the NRD Companies group. Meanwhile, Andrius Kusas who has been acting as Delivery Manager at ETRONIKA, and Aurelijus Juozapavicius, who has been acting as Delivery Manager at NRD Systems have been appointed as the new CEOs of ETRONIKA and NRD Systems respectively, to help implement this strategy.

This significant management change is aimed at better-aligning delivery processes and addressing customer needs as well as unifying the group's offerings.

### The sale of the subsidiary in Rwanda

On April 18, 2023 NRD Companies has announced the sale of its Rwanda-based subsidiary, Norway Registers Development Rwanda Ltd. (NRD Rwanda), to IT services company Novian Technologies. The value of the transaction is not disclosed.

The decision to sell NRD Rwanda is part of the group's business strategy. NRD Companies continue to focus heavily on work in the African region as it did till now but under a new business model that will allow it to provide even more added value to the customers.

### Business environment

In 2023, NRD Companies Group's commitment to its business strategy drove remarkable financial achievements. The year witnessed a pronounced upturn in market sentiment, buoyed by substantial backing from esteemed global institutions like the African Development Bank, World Bank, and Asia Development Bank. This support extended across regions, empowering NRD Companies' clients in Africa, the Caribbean, and Southeast Asia to advance their digital transformation endeavors.

Amidst this conducive environment, NRD Companies capitalized on the growing demand for digital infrastructure and solutions in its target markets. This resurgence culminated in the acquisition and initiation of several pivotal digital transformation contracts. Key highlights encompassed the development and deployment of a Virtual Fiscalization solution for the Zimbabwe Revenue Authority, a Population Registration platform for the Ministry of Finance, Economic Development, and Investment in Belize, and a Business Registry implementation for the Lao Ministry of Industry and Commerce.

## SIGNIFICANT PROJECTS IN 2023

### Kenya

#### Central Project Management Agency

NRD Companies has initiated a project aimed at conducting a feasibility study to enable access to digital government services throughout Kenya using its network of postal offices. Key stakeholders, including the Ministry of ICT and the Postal Corporation of Kenya, are involved in assessing the viability of delivering digital public services through the postal network. The study's objectives are to offer insights into implementing this initiative, develop a strategic roadmap, and identify investment requirements or avenues for securing additional funding. Ultimately, the project aims to improve access to digital public services for Kenyan citizens, especially those with restricted internet access or digital literacy skills.

### Lesotho

#### Revenue Services Lesotho

NRD Companies has started a cooperation with Revenue Services Lesotho (RSL) to develop and implement an e-Invoicing and e-Filing Solution aimed at improving VAT collection in Lesotho and boosting VAT-related data collection and assessment by RSL. The solution will be based on NRD Companies' proprietary software VFDMS and will also provide modern tools for VAT return filings, automating and thus speeding up the process of submission of VAT returns, assessing them, and processing VAT refunds. It is being funded by the African Development Bank. In addition to system development and implementation, NRD Companies will implement a comprehensive set of advisory services. The advisory component includes reviewing existing legal frameworks and



legal acts, submitting recommendations for changes to the VAT Act and regulations that may be required for the implementation and enforcement of the system, business-process reengineering support, as well as guidance with the implementation of internal and external change management.

## **Zimbabwe**

### **Zimbabwe Revenue Authority**

NRD Companies has started an ambitious project in Zimbabwe aiming to design and implement a virtual fiscalization solution for Zimbabwe Revenue Authority (ZIMRA). Within this project NRD Companies helps Zimbabwe National Tax Authority to modernize fiscalization infrastructure which is now hardware based, fiscal devices. NRD Companies started the development of new Virtual Fiscalization solution - Fiscalization Data Management System, based on its proprietary platform VFDMS. A new system will help to control tax income and combat tax evasions. It will also support software-based fiscalization and real-time communication with the Tax authority, ZIMRA, which represents a major step forward in the fiscalization rules.

## **Belize**

### **Ministry of Finance, Economic Development, and Investment**

NRD Companies has started a new digitalization project in Belize for developing and implementing a Digital Civil Registry System. The Strengthening Civil Registry Project, being executed through a collaboration with the Attorney General's Ministry and the Ministry of Finance, Economic Development, and Investment. The project's a key component is the design, development and implementation of a Digital Registry System for the Vital Statistics Unit. The new registry system is envisioned to expedite and facilitate ease of access to government services for the public from the Vital Statistics Unit.

## **Lao People's Democratic Republic**

### **The Ministry of Industry and Commerce**

NRD Companies has started a project of an Electronic Business Registration System (eBRS) development and implementation in Laos. With this strategic country wide project, the Ministry of Industry and Commerce (MoIC) aims to modernize and enhance Business Registration Services for its customers. Newly implemented an online, end-to-end Integrated Electronic Business Registration System will offer fast, efficient, and convenient business registration processes while providing comprehensive information about registration procedures. This eventually will improve business environment in the country and will contribute to economic growth. The system is intended to support those interested in registering businesses in Laos and align with international information provision and exchange standards.

## **Sint Maarten**

### **National Recovery Program Bureau**

NRD Companies is providing Management Consultancy services and leading the Digital Government Transformation Project for National Recovery Program Bureau in Sint Maarten. The project aims to improve the accessibility, efficiency, and resilience of selected administrative public services for citizens and businesses.

## **Lithuania**

### **State Tax Inspectorate**

NRD Companies started implementing the project of creation and installation of the subsystem of smart electronic cash registers (i.EKA) of the Tax Inspectorate of the Republic of Lithuania. Over the next few years, Lithuania's domestic companies will have to submit data to the Lithuanian State Tax Inspectorate through the newly created i.EKA subsystem. The virtual fiscalization service will ensure the proper transfer of data from the aforementioned programs to i.EKA, and there will be no need to install special technical receipt signing equipment - a security module - into the devices.

## **Commonwealth of Dominica**

### **The Ministry of Public Works and the Digital Economy**

The Ministry of Public Works and the Digital Economy of the Commonwealth of Dominica chose NRD Companies to review and shape policy, legislative, and regulatory aspects needed to the implementation of country's digital transformation vision and strategy.

## **Trinidad and Tobago**

### **The Ministry of Finance**

NRD Companies finished a project for The Ministry of Finance of Trinidad and Tobago. NRD Companies to provide technical consultancy aimed at improving the efficiency of the existing taxation systems, and digitizing and simplifying the process of paying tax obligations by individuals and businesses. During the project, the legislation and regulations governing Trinidad and Tobago's payment ecosystem were reviewed and adapted, a detailed assessment of the needs of institutions for online payment methods were implemented and detailed recommendations to ensure the security and resilience of the digital ecosystem needed



to support the online tax payment system were presented. The project, which is financed by the CAF – Development Bank of Latin America and the Government of the Republic of Trinidad and Tobago.

## **Trinidad and Tobago**

### **Ministry of Digital Transformation of Trinidad and Tobago**

The Developers' Hub – Technical Advisory Services project launched in June, 2023 by the Ministry of Digital Transformation in collaboration with NRD Companies, is aimed at providing advisory services to the Government of Trinidad and Tobago. With the support of the Inter-American Development Bank, this project focuses on the design and implementation of the Developers' Hub and the Developers' Hub Challenge, with the objective of driving digital innovation, expanding the ICT sector, and fostering economic growth in Trinidad and Tobago. By leveraging international expertise and promoting collaboration, the project aims to accelerate the country's digital transformation journey.

The Ministry of Digital Transformation of Trinidad and Tobago was awarded with the Inter-American Development Bank's President's Award for Innovation and Service Excellence (Pr.A.I.S.E) in the Public Sector for the Developers' Hub.

## **Guyana**

### **The Government of Guyana**

NRD Companies continued on creating a strategy for modernizing the organization of state ICT infrastructure in Guyana. 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 set foundations to contribute to UN Sustainable development goals, such as lower poverty, better health and well-being of the population, reduced gender and wealth inequalities and others.

## **Ghana**

### **Ministry of Finance**

Consultancy services provided to the External Resource Mobilization and Economic Relations Division, Ministry of Finance for developing corporate strategic plan and organisational policy manuals for the Office of the Registrar of Companies (ORC) and the Registrar-General's Department (RGD) and Facilitate the Decoupling of ORC from the RGD, Ghana.

## **Events in 2023**

- On January 18, 2023, NRD Companies hosted the online event "Recharge 2023," featuring Jonas Ridderstråle, aimed at encouraging a new way of thinking for clients.
- In early 2023, NRD Companies established a significant partnership with the renowned Lithuanian media portal, Verslo Žinios, focusing on the E-Government section to provide informative content for local government officials.
- NRD Companies sponsored the Lithuanian pavilion at the World Summit on the Information Society forum 2023 (#WSIS) on March 16, 2023, contributing to the international dialogue on "Small Countries – Global Impact: Digital Journey Tips and Tricks from Lithuania."
- On April 18, 2023, NRD Companies and Verslo Žinios co-hosted "E-Government: Digitalization Progress in Lithuania," an online event for government sector representatives.
- NRD Companies attended the 46th International Association of Commercial Administrators (IACA) Conference in Indianapolis, Indiana, from May 21 to 25, 2023.
- From May 30 to 31, 2023, NRD Companies showcased at the E-Governance Conference 2023 in Tallinn Creative Hub, Estonia.
- NRD Companies participated in the European Business Registry Association (EBRA) conference in Paris from May 31 to June 1, 2023.



## 5.2. Software development, IT infrastructure, managed IT services and digitization companies

### NOVIAN GROUP

The Novian group's companies work in software services, IT infrastructure, and digitization, providing services and solutions for developing organizations' digital advantage. Novian's main areas of focus are digital transformation services, data empowerment, 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. 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 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 Novian Pro in Lithuania. Working in the technologies area are Novian Technologies in Lithuania and Novian Eesti in Estonia as well as Norway Registers Development Rwanda in Rwanda, Andmevara in Moldova and Zissor in Norway.

The Novian group's companies are certified under ISO 9001 (Novian Technologies, Novian Systems, Novian Pro, Novian Eesti), ISO 14001 (Novian Technologies, Novian Systems, Novian Pro), ISO 20000-1 (Novian Technologies, Novian Systems, Novian Pro), ISO 27001 (Novian Systems, Novian Pro, Novian Technologies, Novian Eesti).

#### 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:

- Recurrent IT services – managed IT services, SaaS (software as a service);
- Software development services;
- Digitization;
- High performance and cloud computing platforms.

### NOVIAN GROUP COMPANIES

#### Technologies

The Novian companies which operate in the technologies area focus heavily on high-performance computing clusters, open-source cloud technologies, the provision of highly skilled continuous managed services for the maintenance and support of critical IT infrastructure, and digitization. They work actively with modern digital workplaces and also offer project management general contracting and other services.

Besides this, the Novian group's companies have the technological potential, unique in the region, to carry out complex, large-scale digitization projects. That includes their ability to digitize documents in a variety of formats, transfer text and images, and create the needed metadata for further digital use. They can also provide more extensive data empowerment solutions. The Novian digitization centre in Estonia is capable of scanning everything from A4 documents to large, complex old newspapers and maps. The group's companies provide digitization services worldwide. They are involved in the digitalization of archives, publications and libraries.

The group is active in the area of media. Its Norway-based company Zissor has become a world-leading provider of media monitoring solutions and media digitization services.

#### 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. The group's companies focus on developing and modernizing complex custom 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.

Novian Systems, a Lithuanian company is recognized as a developer of reliable customized information systems and IT solutions, and also provides business analytics and process automation solutions.

The Lithuanian information systems and software developer Novian Pro, which joined the Novian group in 2021 (until the end of 2023 the company operated under the name Elsis PRO), has experience in the fields of aviation, defence, energy, space technologies, 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, risk management and other areas. Their know-how from work with public sector organizations is helpful in identifying solutions for businesses as well.

For more information – [www.novian.io](http://www.novian.io), [www.zissor.com](http://www.zissor.com).



## Novian group results for 2023

Key profit (loss) items, thous. EUR

Novian*	Technologies										Software development			
	Novian Technologies		Novian Eesti OU		Andmevara SRL		Zissor		Novian Systems**		Novian Pro			
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023		
Revenue	33,035	40,268	22,222	28,303	1,083	882	749	1,009	783	594	4,592	4,984	3,393	4,283
Gross profit	7,990	8,231	3,539	4,011	734	582	663	831	675	555	1,057	760	1,205	1,293
EBITDA	1,522	1,242	1,468	1,485	33	(116)	115	204	(80)	(131)	65	(292)	318	393
EBIT	489	137	934	901	(17)	(195)	111	192	(85)	(135)	(82)	(448)	28	124
<b>Net profit (loss)</b>	<b>44</b>	<b>(669)</b>	<b>573</b>	<b>496</b>	<b>(29)</b>	<b>(210)</b>	<b>55</b>	<b>90</b>	<b>(66)</b>	<b>(133)</b>	<b>(102)</b>	<b>(610)</b>	<b>77</b>	<b>61</b>

Key balance sheet items, thous. EUR

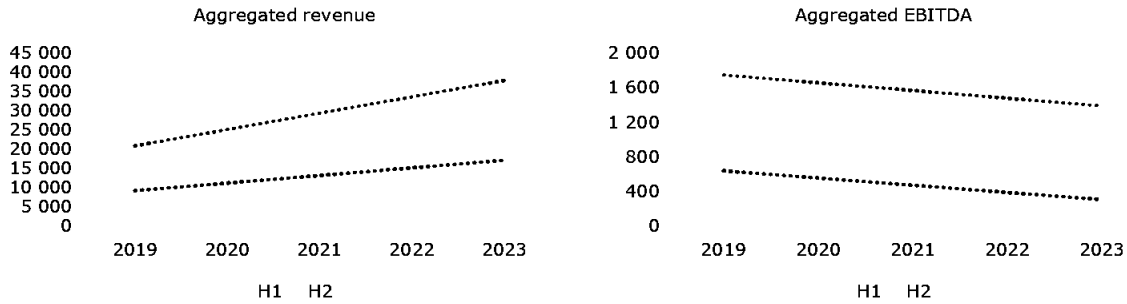
Novian*	Technologies										Software development			
	Novian Technologies		Novian Eesti OU		Andmevara SRL		Zissor		Novian Systems**		Novian Pro			
	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023		
Tangible assets	2,538	2,307	1,563	1,388	173	223	12	42	7	2	471	364	310	287
Intangible assets	2,229	2,027	59	33	3	24	-	-	-	-	1,905	1,883	262	87
Other non-current assts	3,806	1,433	702	835	60	60	-	-	100	93	2,123	317	165	157
Current assets	11,591	17,379	6,749	10,134	145	275	366	611	213	136	1,495	3,250	1,754	2,154
Of which cash	2,051	3,370	695	1,713	51	9	32	251	102	21	86	798	254	508
<b>Total assets</b>	<b>20,164</b>	<b>23,146</b>	<b>9,073</b>	<b>12,390</b>	<b>381</b>	<b>582</b>	<b>378</b>	<b>653</b>	<b>320</b>	<b>231</b>	<b>5,994</b>	<b>5,814</b>	<b>2,491</b>	<b>2,685</b>
Equity	4,398	3,696	2,531	3,024	1	(209)	184	281	209	60	2,163	1,553	330	391
Non-current liabilities	5,367	3,244	786	647	115	121	-	-	-	-	2,350	404	221	177
Of which financial debt	5,181	3,023	766	596	115	121	-	-	-	-	2,184	234	221	177
Current liabilities	10,399	16,206	5,756	8,719	265	670	194	372	111	171	1,481	3,857	1,940	2,117
Of which financial debt	1,321	3,111	384	620	20	78	-	-	-	-	89	2,235	281	92
<b>Total liabilities and equity</b>	<b>20,164</b>	<b>23,146</b>	<b>9,073</b>	<b>12,390</b>	<b>381</b>	<b>582</b>	<b>378</b>	<b>653</b>	<b>320</b>	<b>231</b>	<b>5,994</b>	<b>5,814</b>	<b>2,491</b>	<b>2,685</b>

\*Unaudited aggregated operating results of the Novian group are presented, which include the results of the presented companies and the results of UAB Novian, Andmevara AS and NRD Rwanda. The aggregation of balance sheet items eliminates the value of investments in subsidiaries and the aggregation of income statement data eliminates dividend income and the results of intercompany shares transactions. The audit of standalone financial statements of Novian Technologies, Novian Systems, Novian Pro and Zissor AS are in progress.

\*\* Adjusted net profit is represented after eliminating one-off and atypical losses recognized in the separate reports of Novian Systems UAB arising from the impairment of loans granted to a subsidiary. In 2023, the impairment of the loan to Andmevara AS is eliminated in the amount of EUR 40 thousand, in 2022 the impairment of the loan is eliminated in the amount of EUR 92 thousand (additional deferred income tax income of EUR 14 thousand). The Novian group's aggregate net profit has been adjusted accordingly.

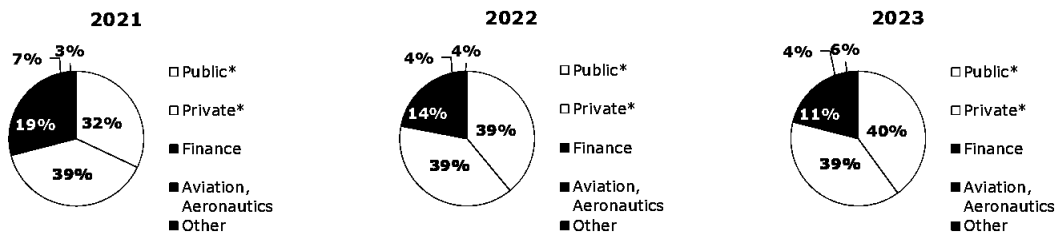


Novian group main financial figures, thous. EUR



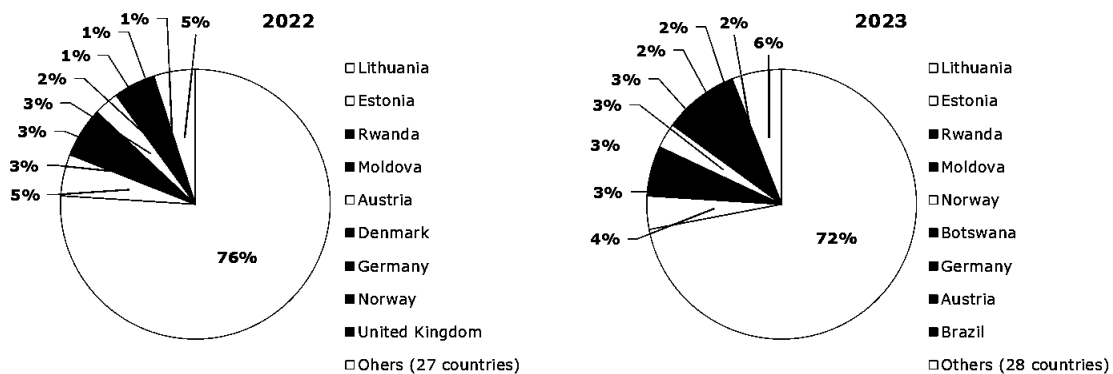
Thous. EUR	2019	2020	2021	2022	2023
<b>Revenue</b>	23,492	24,113	25,826	33,035	40,268
<b>EBITDA</b>	1,556	1,788	1,725	1,522	1,242

Novian group revenue by sector

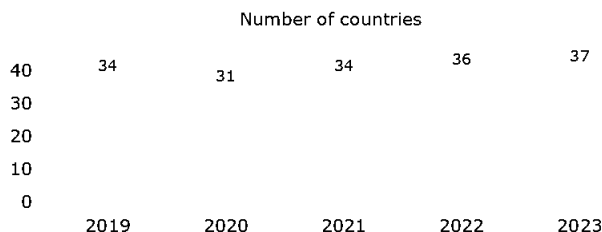


\*Excluding revenue from the finance and aviation, aeronautics sectors.

Novian group revenue by country



Thous. Eur	2022	2023	Change
Lithuania	25,134 (76%)	28,975 (72%)	3,841
Other countries	7,901 (24%)	11,293 (28%)	3,392
<b>Total</b>	<b>33,035</b>	<b>40,268</b>	<b>7,233</b>



### Key events

- On 18 April 2023, a share purchase and sale agreement was signed according to which Novian Technologies acquired Rwanda-based Norway Registers Development Rwanda Ltd (NRD Rwanda) from the NRD Companies group.
- In May 2023, Novian Technologies held its annual conference, Technology and Resilience 2023, which focused on the topic of automation.
- In mid-2023, Artūras Milašauskas became the CEO of Zissor, and Asta Urmanavičienė took on the role of CEO at Andmevara SRL.
- In July 2023, the Novian group changed the ownership structure of its companies. Through transactions within the group, Novian Technologies acquired the shares of Zissor and consolidated Novian's digitization services businesses. Additionally, to optimize the capital structure and management of the software development companies, the company Novian acquired the shares of Elsis PRO (now Novian Pro). These transactions were carried out at the companies' value on 31 March 2023.
- As of 10 October 2023, Tomas Vitkus became the CEO of Novian and Novian Systems. He replaced Evaldas Rėkus in the positions.
- On 22 November 2023, the Lithuanian Quantum Technology Association was established. It unites scientific and business organizations that aim to develop the field of quantum technologies in Lithuania and increase international competitiveness. The association was founded by Vilnius University (the Faculty of Mathematics and Informatics together with the Faculty of Physics), Lithuania's Center for Physical Sciences and Technology, and the information technology company Novian Technologies.
- On 18 December 2023, the software development company Elsis PRO changed its name to Novian Pro. The company's new name reflects its activities – the provision of software development services – and the fact that it is part of the Novian information technology group. The company joined the Novian group in 2021.
- In the first quarter of 2024 Novian has joined the Lithuanian Business Confederation.

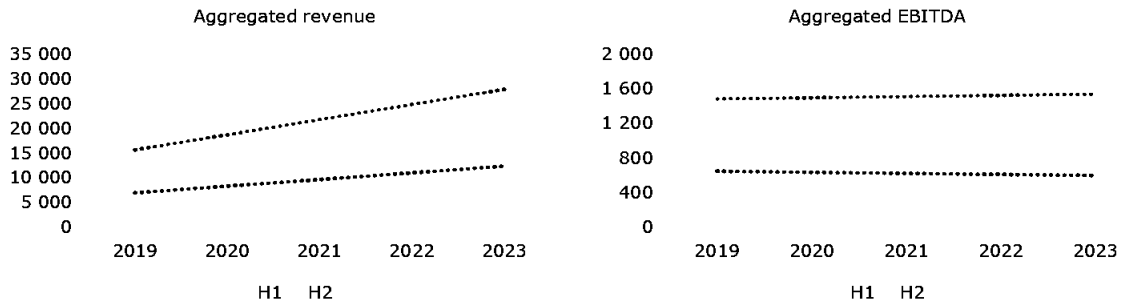
### Products and services of the Novian group

**Technologies** (Novian Technologies (Lithuania), Novian Eesti (Estonia), Zissor (Norway), Andmevara SRL (Moldova), NRD Rwanda (Rwanda))

Solutions and services	Industries where active	Technologies and methodologies	Standards & Certifications
<ul style="list-style-type: none"> <li>• Critical IT infrastructure design, deployment and maintenance, managed services</li> <li>• Cloud computing strategy and transformation implementation</li> <li>• Data storage, recovery and archiving solutions</li> <li>• Modern digital workplace strategy creation and implementation</li> <li>• Supply-chain and infrastructure lifecycle management</li> <li>• Managed printing services</li> <li>• Digitization of archives, digitization software (scanning of paper documents, hosting and storage of digital material in document systems, document processing (text recognition, metadata, segmentation, etc.))</li> <li>• Media monitoring software</li> </ul>	<ul style="list-style-type: none"> <li>• Finance and insurance</li> <li>• Wholesale and retail trade</li> <li>• Logistics and warehousing</li> <li>• ITT</li> <li>• Energy</li> <li>• Manufacturing</li> <li>• Public sector</li> <li>• Scientific institutions</li> <li>• Providers of media monitoring services</li> <li>• Magazine and newspaper publishers</li> <li>• National archives, libraries</li> <li>• Companies with archives</li> </ul>	<p><b>Methodologies:</b></p> <ul style="list-style-type: none"> <li>• CIMF v.3, Migritis, CopyPrint</li> </ul> <p><b>Technology partners:</b></p> <ul style="list-style-type: none"> <li>• Dell EMC, NVIDIA, Lenovo, IBM, Cisco, Zabbix, Prometheus, Oracle, Microsoft Azure, Google Cloud, Red Hat, Commvault, Veritas, Quantum, Dynatrace, Ivanti, N-Able, Kyocera, Microsoft, GitLab, Postgre SQL</li> </ul> <p><b>Equipment:</b></p> <ul style="list-style-type: none"> <li>• Novian digitization centre in Estonia</li> </ul> <p><b>Intellectual property:</b></p> <ul style="list-style-type: none"> <li>• Novian Eesti x-Scan document digitization software</li> <li>• Zissor Media Monitoring software</li> <li>• Zissor Archive Digitization software</li> <li>• Zissor PDF-to-Article Conversion software</li> </ul>	<p><b>Novian Technologies:</b></p> <p>ISO 9001, ISO 14001, ISO 20000-1, ISO 27001</p> <p><b>Novian Eesti:</b></p> <p>ISO 9001, ISO 27001</p>

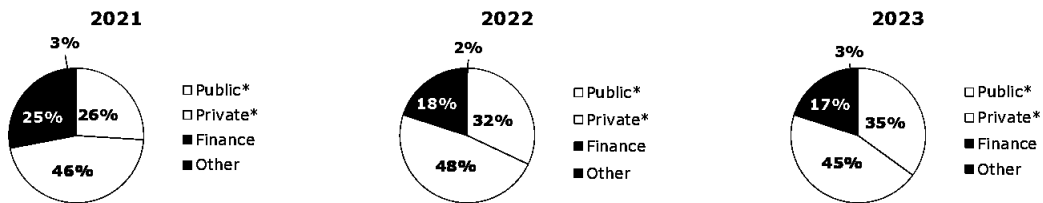


Revenue and EBITDA of Novian group technologies area, thous. EUR



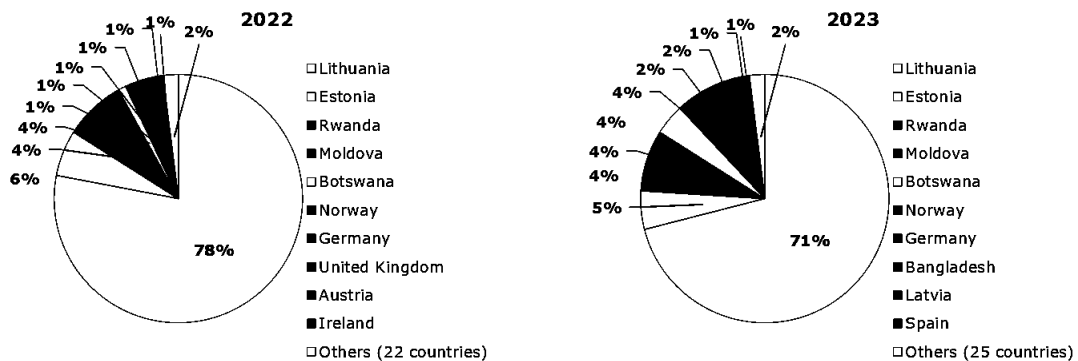
Thous. EUR	2019	2020	2021	2022	2023
<b>Revenue</b>	17,745	18,874	17,502	24,054	30,459
<b>EBITDA</b>	1,351	1,693	1,424	1,616	1,457

Revenue by sector

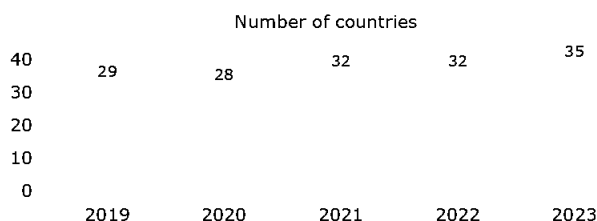


\*Excluding revenue from the finance sector.

Revenue by country



Thous. Eur	2022	2023	Change
Lithuania	18,876 (78%)	21,686 (71%)	2,810
Other countries	5,178 (22%)	8,773 (29%)	3,595
<b>Total</b>	<b>24,054</b>	<b>30,459</b>	<b>6,405</b>



## Key events

- In March 2023, Novian Technologies together with software partner Zabbix organized the Zabbix Meeting Lithuania.
- In April 2023, a share purchase and sale agreement was signed according to which Novian Technologies acquired Rwanda-based Norway Registers Development Rwanda Ltd from NRD Companies.
- During 2023, Zissor presented major upgrades to the Zissor Media System with new features including extraction of text from PDFs and automatic categorization of articles using artificial intelligence. Zissor's archive digitization software was enhanced with the ability to digitize books. A service for "extraction" and classification of digitized content was also launched.
- In April 2023, Novian Technologies participated in the Asia Climate Forum 2023, which was held in Singapore. The company presented HPC solutions for weather forecasting, climate change modelling and early warning systems.
- In May 2023 Novian Technologies held its annual conference, Technology and Resilience 2023, which focused on the topic of automation.
- In 2023, digitization services were supplemented with the possibility to operatively monitor this process. Novian Technologies provides the customer with a selected level of maintenance services.
- In 2023, the Novian Technologies team participated in 9 events organized by Red Hat in Scandinavia and the Baltic countries.
- In the first half of 2023, Novian Technologies implemented and certified an information security management system that meets the requirements of the ISO 27001 standard.
- In July 2023, Novian Technologies acquired the shares of the Norwegian company Zissor. This acquisition served to concentrate Novian's digitization companies and will enable more efficient development of data empowerment and digitization services.
- In mid-2023, Artūras Milašauskas became the CEO of Zissor and Asta Urmanavičienė became the head of Andmevara SRL.
- In September 2023, Novian Technologies and partner Dynatrace hosted a business breakfast to present a Dynatrace solution which helps more rapidly identify the causes of problems during application development and resolve problematic aspects of an application and improve internal communication between an organization's IT department teams.
- On 22 November 2023, the Lithuanian Quantum Technology Association was established. Novian Technologies was one of its founders. The association unites scientific and business organizations that aim to develop the field of quantum technologies in Lithuania and increase international competitiveness.

## Key projects

- **Vilnius University – NVIDIA GPU-accelerated infrastructure for human genome research.** This project developed GPU-accelerated infrastructure for research on the human genome. This advanced technology enables researchers to perform complex genetic computations faster and more efficiently, thus accelerating access to new knowledge in the field of biomedicine. The infrastructure uses NVIDIA GPU technologies known for their ability to process large amounts of data, thus enabling thorough genetic analysis and testing of new methods of analysis by exploiting the capabilities of machine learning neural networks. In addition to helping scientists gain a deeper understanding of the human genome, the project opens up new opportunities for the diagnosis and treatment of diseases, using existing and developing new bioinformatics analysis algorithms and techniques, including artificial intelligence.
- **Modernization of computer workstations at Lithuanian courts.** 883 laptops and accessories were upgraded at Lithuanian courts. These computers were acquired with an extended warranty and additional maintenance services in order to extend their life and minimize electronic equipment waste. This approach of renewing computer workstations with an extended warranty and additional maintenance services encourages long-term product use, thus creating value for the organization and the environment and promoting sustainable consumption. The solution was adopted on the basis of environmental and sustainability principles, with the aim of reducing the negative environmental impact and promoting a responsible product lifecycle.
- **Digitization services for the National Archives of Sweden.** The Digitization Unit at the National Archives of Sweden has selected Zissor as its provider of digitization services for the coming six years. The archive will be provided with Zissor Content System software, which automates the conversion of imaged document information, mainly publications that are being digitized, into digital content. Maintenance services are also being provided and new needs may be integrated. This contract is an extension of Zissor's work with the National Archives of Sweden since 2011. During this time, Zissor technology is estimated to have helped to digitize some 37 million pages of publications.
- **Creation of Sint Maarten Digitalization Centre and digitization of documents.** As part of the country's Digital Government Transformation Project, Novian Technologies signed a contract with Sint Maarten's National Recovery Programme Bureau, acting on behalf of the Government of Sint Maarten, and, together with Novian Eesti, started a project to establish the Sint Maarten Digitalization Centre within the Department of Informatie Voorzieningen of the Government of Sint Maarten.



The project is carried out together with Digital Leadership Team of Sint Maarten Government and will involve putting in place all infrastructure needed for this purpose, from critical IT infrastructure and software to scanners. The project also includes the recruitment and training of the necessary staff on the Island of Sint Maarten and the implementation and integration of the digitization process. The project aims to improve the delivery of public e-services and resilience to disasters. 432,000 documents (about 4.15 million pages) will be digitized; the information will be scanned and indexed using metadata, and the digitized documents will be uploaded into a document management system.

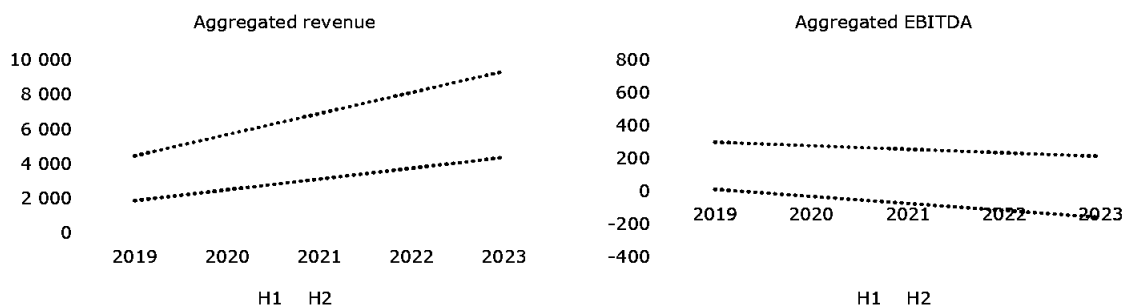
- **Deployment of cybersecurity solutions at the National Bank of Rwanda.** A new firewall solution was implemented, creating two-tier security architecture. This multi-zone security architecture was chosen to ensure the protection of sensitive information. For this solution we drew on two of the world's leading vendors in the area of security and introduced two-factor authentication for users to connect to the bank's internal systems. The project provided the National Bank of Rwanda with cyber security solutions that are in line with best practices. The solution ensures secure domestic and international banking operations.

### Software services (Novian Systems and Novian Pro (Lithuania))

Solutions and services	Industries where active	Technologies and methodologies	Standards and Certifications
<ul style="list-style-type: none"> <li>• Development and maintenance of information systems</li> <li>• Information systems integration</li> <li>• Business process digitalization</li> <li>• Performance analytics solutions</li> <li>• Robotic process automation</li> <li>• Critical resource management solutions</li> <li>• Data distribution solutions (OMG Data Distribution Service)</li> <li>• Risk management solutions</li> <li>• Big data</li> <li>• Consulting</li> </ul>	<ul style="list-style-type: none"> <li>• E-Governance</li> <li>• E-Tax</li> <li>• E-Health</li> <li>• Environmental protection</li> <li>• Smart city</li> <li>• Defence</li> <li>• Aviation and space, air navigation</li> <li>• Regulatory institutions</li> <li>• Corporations</li> <li>• Scientific institutions</li> </ul>	<p>Intellectual property:  <u>Novian Systems:</u></p> <ul style="list-style-type: none"> <li>• Masis municipal tax management software</li> <li>• Atris waste management software</li> </ul> <p><u>Novian Pro:</u></p> <ul style="list-style-type: none"> <li>• PRO.Risks risk management</li> <li>• SHIFT air traffic controller scheduling software</li> <li>• Galaxy nano-satellite communication software</li> <li>• Programming in Oracle /Java, C++, Angular, TypeScript and Microsoft.NET</li> <li>• Low code solutions</li> <li>• Process robotization</li> <li>• Big data and performance analytics, artificial intelligence</li> </ul>	<p><u>Novian Systems:</u>            ISO 9001,            ISO 27001,            ISO 14001,            ISO 20000-1</p> <p><u>Novian Pro:</u>            ISO 9001,            ISO 27001,            ISO 14001,            ISO 20000-1</p>

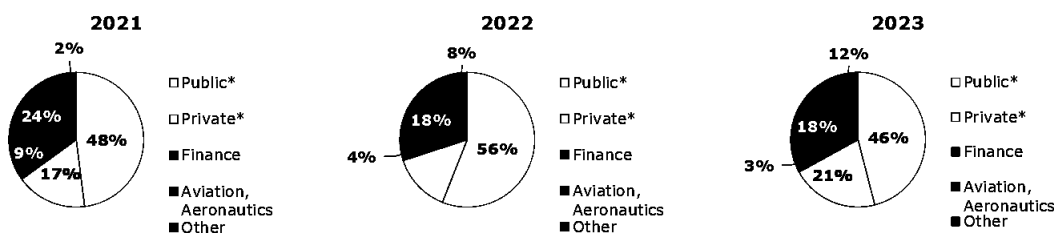


Revenue and EBITDA of Novian group software development services companies, thous. EUR



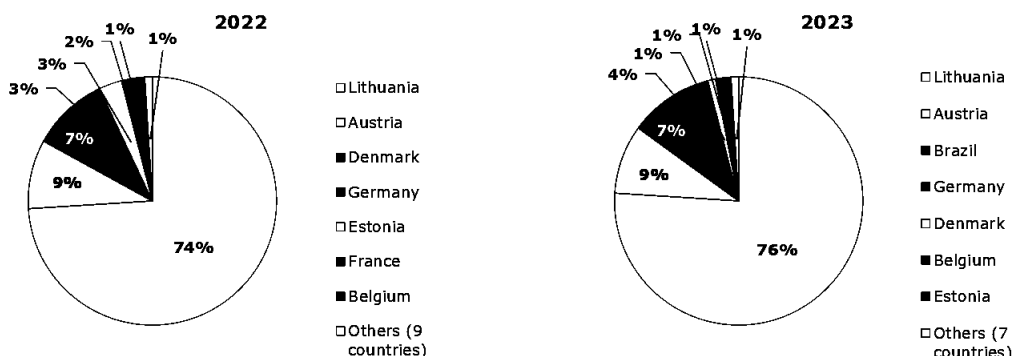
Thous. EUR	2019	2020	2021	2022	2023
<b>Revenue</b>	5,039	4,528	7,438	8,194	9,302
<b>EBITDA</b>	219	138	592	287	37

Revenue of Novian group software development services area by sector

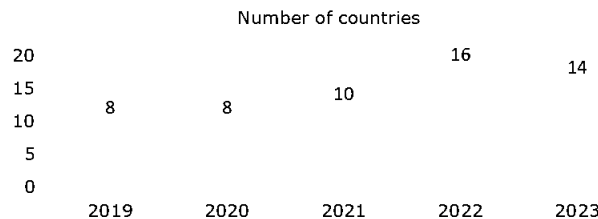


\*Excluding revenue from the finance and aviation, aeronautics sectors.

Revenue of Novian group software development services companies by country



Thous. Eur	2022	2023	Change
Lithuania	6,088 (74%)	7,050 (76%)	962
Other countries	2,106 (26%)	2,252 (24%)	146
<b>Total</b>	<b>8,194</b>	<b>9,302</b>	<b>1,108</b>



## Key events

- In May 2023, Novian Pro presented the possibilities for data exchange and management between nanosatellite constellations at the conference New Capacities and Countries in European Space 2023 held in the Netherlands. The conference was organized by the European Space Agency (ESA).
- In June 2023, Novian Systems and Novian Pro renewed their ISO 20000-1, ISO 9001 and ISO 14001 certifications, which are now valid until the end of June 2026, as well as their ISO 27001 certification, which will be valid until the end of October 2025.
- In July 2023, a transaction within the group was completed to optimize the capital structure and management of the software development companies. The company Novian acquired the shares of Elsis PRO (now Novian Pro). The transaction was carried out at the company's value on 31 March 2023.
- As Novian's software development activities have been concentrated in Lithuania and the scope of activities of the Estonian company Andmevara AS has decreased substantially over the past few years, in the middle of 2023 procedures to liquidate the company were started.
- As of 10 October 2023, Tomas Vitkus became the CEO of Novian Systems. He replaced Evaldas Rėkus.
- On 18 December 2023, the software development company Elsis PRO has changed its name to Novian Pro. The company's new name reflects its activities – the provision of software development services – and the fact that it is part of the Novian information technology group. The company joined the Novian group in 2021.
- In mid-2023, a legal dispute began over the scope and timing of Novian Systems' work under a contract to provide modernization services for the SAULĖ IS Central Public Procurement Information System. On 10 January 2024, the Public Procurement Office announced that it had also terminated the contract with the company and placed it on its List of Unreliable Suppliers. The company is attempting to resolve the situation in court or by negotiation. Despite its inclusion on the mentioned list, the company can participate in public procurement tenders so long as it provides the contracting entities with evidence that it has taken sufficient measures to demonstrate its reliability.
- In 2023, Novian Pro actively participated in international events.
- In March 2024, representatives of Novian companies participated in the international defence event "The Paris Defence and Strategy Forum" in France.

## Key projects

- **Development of a rostering system for Brazilian air traffic controllers.** Novian Pro is developing an information system for scheduling the work of Brazilian air traffic controllers. The new system will be built for Brazil's main airspace control system organization, the Department of Airspace Control (DECEA) of the Brazilian Air Force (FAB) under the Ministry of Defence. It will permit the assessment of scheduling needs for air traffic controllers at two of Brazil's four air traffic control centres – in Curitiba and Recife – based on expected flights and availability. It will also enable the assignment of personnel to shifts in keeping with their competencies and the planning of their work and rest times during shifts as well as of their long-term needs. The new system will be developed on the basis of a prototype that Novian Pro developed for DECEA in 2020.
- **AI-based X-ray image analysis system (DIRVA) for Lithuanian customs.** Novian software development companies and Rubedo Systems are creating a system that can analyse X-ray images of all types of rail freight wagons, containers and trucks from customs inspection systems, detect suspicious objects, and provide the results of the analysis. The aim is to analyse an X-ray image within 10 seconds and provide an overall assessment within 20 seconds. The system is being developed within the framework of the "Modernization of Customs Risk Management" project funded under the "Next Generation Lithuania" Economic Recovery and Resilience Facility. The new system aims to speed up analysis of X-ray images and improve detection of infringements through more accurate and objective analysis, thus making the surveillance of international trade at the country's customs posts more effective.
- **Defence projects under a European Defence Fund programme.** Novian Pro as a consortium member carries out the ODIN'S EYE II project to develop an early warning system for ballistic missile threats and has launched the SESIOP project which aims to help improve interoperability between civil and military air traffic management. The projects are funded under a European Defence Fund programme. The selected projects will help to further develop first-class EU defence capabilities in critical areas.
- **Exchange of patient information between Lithuania and EU countries.** To enable the exchange of summary patient data with national contact centres of other European Union (EU) countries, Novian Systems is expanding the information system of the Lithuanian National eHealth Contact Centre at the Centre of Registers and is also developing the necessary integrations. Following the upgrades, Lithuanian healthcare institutions will be able to see the information of visiting patients from other EU countries and Lithuanian citizens travelling to other EU countries will be able to get better quality medical care based on the summary data of their health history.



- **Smooth implementation of a business analytics tool for Mantinga.** As part of a move to a new enterprise resource planning (ERP) system by the Mantinga group, a producer of bread, snacks and frozen goods, Novian Systems upgraded its business analytics tool. After analysis, Microsoft Power BI was chosen, and a model for that business intelligence tool was developed based on the needs of the company's business management systems, data for analysis and reports. A lot of attention was also given to a smooth transition from one ERP system to the other. The project ensured a smooth changeover, so the business felt any possible changes as little as possible and retained the data it needed.



### 5.3. Cybersecurity company

NRD Cyber Security offers cybersecurity solutions, consulting, and other services. Through its activities, the company aims to create a secure digital environment for countries, governments, businesses, and citizens and have conducted projects of various scale and scope around the world.

The organisation's specialists have accumulated extensive experience in incident investigation and management, law enforcement, analysis, auditing, and other fields, are active members of international cybersecurity organisations and contribute to the development of international best practices. NRD Cyber Security certifications: ISO/IEC27001, ISO9001 and ISO14001.

NRD Cyber Security also owns NRD Bangladesh, a regional sales, project management, and implementation company with projects in South Asia.

#### Focus areas of NRD Cyber Security

- Help countries realise their visions of secure digitalisation and enable various organisations to manage cybersecurity threats.
- Create cybersecurity methodologies and standards in cooperation with international organisations such as ITU, GFCE, World Bank and others, whose activities aim to strengthen the cyber resilience of countries and individuals.
- Expand the CyberSOC managed security service and strengthen the market position in Lithuania, actively sell and provide information security auditing and consulting services, increase the number of orders for the installation of cybersecurity technologies and raise internal capabilities and service quality.
- Create and modernise security operations teams (CSIRTs and SOCs) worldwide.
- Further develop own products Natrix and CyberSet.

#### NRD Cyber Security services and products

Services	Products
<ul style="list-style-type: none"> <li>• CSIRT and SOC services</li> <li>• CyberSOC – managed security services</li> <li>• Cybersecurity capacity building</li> <li>• Audits and assessments</li> <li>• Technology solutions</li> <li>• CISO advisory</li> <li>• Training courses</li> <li>• ISO 27001 standard implementation</li> <li>• Preparation for NIS2</li> </ul>	<ul style="list-style-type: none"> <li>• Natrix – threat monitoring platform</li> <li>• CyberSet – CSIRT/SOC service automation toolkit</li> </ul>

#### More about the products

**Natrix** – Natrix is a national cybersecurity solution to ensure critical infrastructure visibility. It offers a convenient and effective way to implement a collaborative threat monitoring system within a sector a country. It has already been used in critical infrastructure in Bangladesh, Cyprus and Malta, in the Egyptian financial sector, and by NRD Cyber Security for its CyberSOC services in Lithuania.

**CyberSet** – CSIRT or SOC services enablement and automation toolkit. It works as an orchestrated set of technologies and operational procedures, which provides CSIRTs and SOCs with typical service delivery capabilities, such as security monitoring and incident management.



## NRD Cyber Security results of 2023

Key profit (loss) item, thous. EUR\*

	2022	2023
Revenue	6,079	7,411
Gross profit	2,979	3,994
EBITDA	653	1,120
EBIT	564	980
<b>Net profit (loss)</b>	<b>526</b>	<b>804</b>

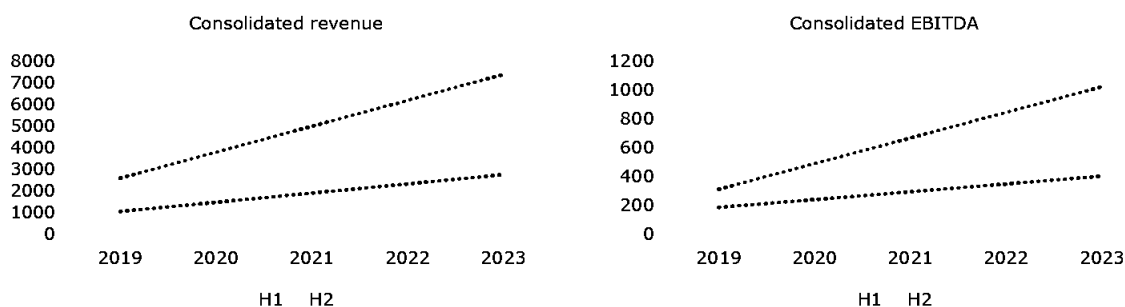
Key balance sheet items, thous. EUR\*

	31-12-2022	30-06-2023
Tangible assets	401	350
Intangible assets	23	19
Other non-current assets	199	50
Current assets	3,226	6,050
of which cash	1,332	3,640
<b>Total assets</b>	<b>3,849</b>	<b>6,469</b>
Equity	1,509	1,806
Non-current liabilities	606	1,500
Of which financial debt	196	149
Current liabilities	1,734	3,163
of which financial debt	54	60
<b>Total liabilities and equity*</b>	<b>3,849</b>	<b>6,469</b>

\*The unaudited consolidated results of the NRD Cyber Security group are presented. The results of NRD CS and NRD Bangladesh are included in the results of the NRD Cyber Security group. The audit of companies' standalone annual financial statements for 2023 are in progress.

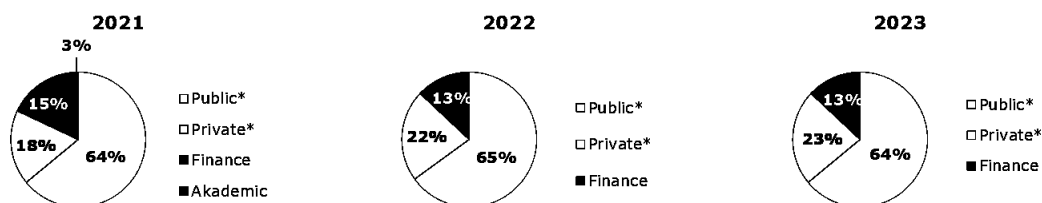


Revenue and EBITDA of NRD Cyber Security, thous. EUR



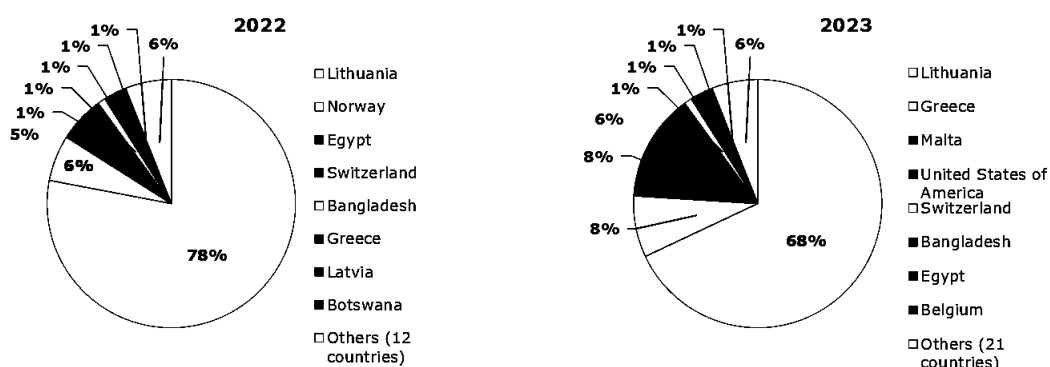
Thous. EUR	2019	2020	2021	2022	2023
<b>Revenue</b>	2,836	3,229	5,365	6,079	7,411
<b>EBITDA</b>	341	434	784	653	1,120

NRD Cyber Security revenue by sector

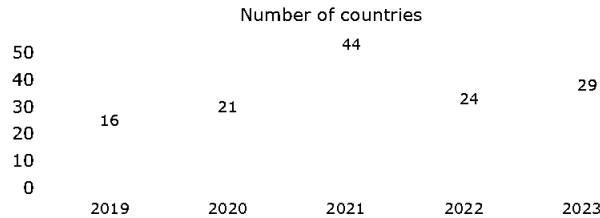


\* Excluding revenue from the finance and academic sectors.

NRD Cyber Security revenue by country



Thous. Eur	2022	2023	Change
Lithuania	4,749 (78%)	5,046 (68%)	297
Other countries	1,330 (22%)	2,365 (32%)	1,035
<b>Total</b>	<b>6,079</b>	<b>7,411</b>	<b>1,332</b>



## Main events and projects in 2023

### Lithuanian market:

- **CyberSOC managed security 24/7:** At the beginning of 2023, NRD Cyber Security launched a round-the-clock managed security services option and was the first mover in Lithuanian market. Throughout the year the number of CyberSOC clients grew as the team welcomed new customers, some of which chose the 24/7 service option.
- **The launch of SOCshare project:** In collaboration with Vilnius City Municipality, NRD Cyber Security has launched a EUR 2.9 million project focused on strengthening the maturity of the Security Operations Centres (SOCs), improve their ability to react to cyber-attacks and share information. EUR 1.4 million of the project will be financed by the European Union, while the rest will be covered by NRD Cyber Security and Vilnius City Municipality. The project will run for three years.
- **Security audits and assessments:** The organisation's specialists continued to actively help organisations assess their risks, potential cybersecurity vulnerabilities and readiness to handle cyber-attacks. IT security audits, vulnerability scans and risk assessments have been performed for both private and public sector organisations.
- **CISO advisory services:** The organisation continued to provide ongoing CISO (or Chief Information Security Officer) advisory services and signed 6 more new contracts.
- **Cybersecurity technologies:** NRD Cyber Security technology experts installed technology solutions and renewed licenses for Lithuanian critical infrastructure organisations and private sector companies, thus strengthening their technological capabilities of cyber resilience.

### Foreign markets:

- **Matrix and CyberSet:** The Matrix threat monitoring platform and the CyberSet set of technologies and operational procedures were deployed in **Malta** and enabled the country's national cybersecurity team, CSIRTMalta, to centrally monitor cyber threats and effectively deliver services to constituencies. Matrix has also been supplied for the constituents of the existing customer EG-FinCIRT. CyberSet has been either fully or partly been deployed in national CSIRTs of Trinidad and Tobago and the Bahamas.
- **CSIRT design:** NRD Cyber Security, together with the Foreign, Commonwealth and Development Office (FCDO) and the Geneva Centre for Security Sector Governance (DCAF), completed a project to design a CSIRT for the **Kosovo** energy sector. It specifies the responsibilities, internal roles, and accountabilities that this team should have. Also, it outlines what should the organisational structure be and what processes and procedures are important to implement.
- **Development of sectorial CSIRTs:** NRD Cyber Security experts have assisted the Reserve Bank of **Malawi** to properly prepare for the establishment of this team and assess the need and extent of changes required in the legal framework, resource allocation and organisational structure.
- **Other CSIRT services:** The company's experts helped the **Egyptian** financial sector security team EG-FinCIRT to properly prepare and become members of the international cyber security community FIRST.org.
- **Strengthening cyber security capabilities:**
  - In **São Tomé and Príncipe** company's experts helped to prepare for the creation of a national cybersecurity strategy. This was part of an ongoing World Bank project.
  - The employees of the **Central Bank of Nigeria** came to Lithuania to participate in a live training session "Establishing CSIRT or SOC", and gained knowledge on how to create a sectorial cybersecurity team during.
  - In **Armenia** organisation's experts performed assessment of the legal framework for the protection of critical information infrastructure. The aim of the assessment was to identify inconsistencies between best practices and the efforts the country has already been putting to strengthen its cyber resilience, and to provide recommendations on how to improve the protection of critical information infrastructure.
  - During a project in **Mongolia** the Zero Trust method has been applied in the development of national cybersecurity principles. Also, another project, the primary purpose of which is the assessment study to develop a comprehensive risk management framework (RMF).
  - In **Albania** NRD Cyber Security specialists helped the national CSIRT to prepare national cyber crisis management procedures.
  - In **Sri Lanka** the team of experts from NRD Cyber Security have created a national risk assessment model for the country.
  - In **Tajikistan**, NRD Cyber Security team compared the policy for the protection of critical information infrastructure with



- international best practices and provided insights for improvements.
- Organisation's specialists also helped **the Kingdom of Bhutan** to identify the country's CII, renew national cybersecurity strategy and prepare action plan.
- Work has started in supporting the **African Union** for the establishment and deployment of a Continental Computer Security Incident Response Team (CSIRT).
- As part of the **ITU Academy**, the company's experts conducted two virtual training sessions on "CSIRT/SOC establishment and modernisation" and "Preparing for Cyber Crisis".
- **Security audits and assessments:** A large-scale complex project with the European Union Cybersecurity Agency (ENISA) has been launched, which aims to strengthen the cyber resilience of EU countries. NRD Cyber Security assessed risks and checks the cybersecurity readiness of the Lithuanian critical infrastructure.

## Events and visibility in public space

### Lithuanian market:

- **Partnership with Verslo zinios:** To strengthen its position as a reliable partner for information security, NRD CyberSecurity continued the partnership with Verslo zinios. A dedicated article appeared on the site to mark the launch of CyberSOC 24/7 service option. Also, company's credentials and logo continue to feature in the Technologies and Innovations newsletter, which is produced by Verslo zinios.
- **Interviews and public mentions:** The company's experts have been repeatedly interviewed by various media outlets on topics such as the dangers posed by the TikTok app or the basics of cybersecurity hygiene.
- **IT manager summit:** NRD Cyber Security participated in an annual event which is dedicated for IT managers. During the summit, organisation's director V. Benetis gave a presentation on cyber security hygiene, while other team members manned the stand, introducing the newly launched CyberSOC 24/7 service option.
- **Technological solutions events:** In the spring of 2023, the company organised an overview of the latest and most relevant cybersecurity technologies "Technical demonstrations of trending cybersecurity solutions". Also, NRD Cyber Security organised a business lunch for the community of analysts who use the i2 Analyst's Notebook to introduce the new features and possibilities of this analysis tool.
- **Lithuanian Davos 2023:** Director of NRD Cyber Security V. Benetis was once again invited to participate in the annual conference for business and political leaders and present his findings on the cybersecurity ecosystem in Lithuania.
- **Webinar "Cybersecurity in practice":** The event attracted more than 300 participants and provided insights in areas such as preparation for NIS2 directive, GDPR, CISO advisory, etc.
- **ESET security days:** Participation in ESET Security Days where both V. Benetis gave a speech on cybersecurity standards and the company had a stand where NRD Cyber Security sales representatives were introducing CyberSOC 24/7 service option. After the event, V. Benetis was invited to a radio show to expand on the topic he has presented during the event.
- **Cyber resilience Lithuania 2023:** The annual cybersecurity conference organised by NRD Cyber Security once again attracted cybersecurity experts and enthusiasts.
- **Webinar with Vectra:** A technical demonstration and discussion with one of technology partners Vectra.
- **Bite Tech focus in Siauliai, Kaunas and Klaipeda:** The customer of NRD Cyber Security, a Lithuanian telecommunication conglomerate Bite Group, organised a series of events in various Lithuanian cities where NRD Cyber Security representatives presented on topics, such as NIS2 and SOC.

### Foreign markets:

- **Webinar "Demystifying CSIRT budget":** The half-hour long webinar attracted representatives from organisations and institutions from various countries who are seeking to have a national or sectorial cybersecurity team.
- **FIRST 2023 conference in Canada FIRSTCON23:** The company has participated in this conference for the second year in a row as it is the main event which gathers representatives of various CSIRTs or organisations that would like to create such teams. NRD Cyber Security not only had a stand, but also the director of the company, V. Benetis, was invited to give a presentation on training CSIRT managers "CSIRT/SOC Manager Improvement Training".
- **Global Conference on Cyber Capacity Building:** A unique conference on global cybersecurity initiatives was held in Accra, Ghana and attracted donor organisations, implementers, beneficiaries, and other stakeholders. NRD Cyber Security team organised a discussion on cyber crisis management.
- **[www.nrdcs.lt/en](http://www.nrdcs.lt/en) became [www.nrdcs.eu](http://www.nrdcs.eu):** To have better recognition and SEO positions in foreign markets, another domain with an internationally recognised ending has been acquired.



## **6. Assessment of objectives achieved in 2023**

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 83.61% 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 2023, taking into account repurchase of own shares. Equity per share increased from EUR 1.96 to EUR 3.61 per share, for a compound annual growth rate in the period of 8.5%.

INVL Technology's equity increased by 13.74% in 2023 and reached EUR 43.53 million at the end of the year. Equity per share at the end of 2023 was EUR 3.61 and increased by 13.69% during the year.

In 2023, INVL Technology did not operate in Russia or Belarus. There are no plans to develop activities in those countries in 2024.



## 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, on 6 February 2023 General Meeting of Shareholders has approved a new version of Articles of Association of the Company, which was amended in accordance with the new version of the Republic of Lithuania Law on Companies which entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market. The Company's collegial body with supervisory function – the Supervisory Board – has been eliminated. It was envisaged that the Management Company may form an Advisory Committee of the Company.

The version of Articles of Association dated 20 February 2023 is currently in force. The Articles of Association is available on the Company's website (Section in the website For investors → Legal documents → Articles of Association. Link: <https://invltechnology.lt/legal-documents/>).

### 8. Structure of the authorized capital

Structure INVL Technology authorized capital as of 31 December 2023

Type of shares	Number of shares, units	Total voting rights granted by the issued shares, units	Nominal value, EUR	Total nominal	Share of authorized capital, %
Ordinary registered shares	12,175,321	12,074,069	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

According to the data of 31 December 2023, INVL Technology has acquired 101,252 unit of own shares. INVL Technology's subsidiaries directly or on their through persons, but acting on their behalf, have not acquired any shares in of INVL Technology.

**Redemption of shares:** In 2023 the Company has not carried out the procedure of buying out its own shares.

### Purchase of shares

On 28 April 2023 the General Meeting of Shareholders of the Company has decided to approve the purchase of own shares, which is valid for 18 months from the date of adoption of this decision. The maximum purchase price of one share is the last published net asset value per share of INVL Technology, the minimum price of one share is EUR 0.29.

The Company did not initiate acquisition of own shares in 2023.

### 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

<b>Number of shares issued, units</b>	12,175,321
<b>Number of Shares with voting rights</b>	12,074,069
<b>Nominal value of one share, EUR</b>	0.29
<b>Total nominal value, EUR</b>	3,530,843.09
<b>ISIN code</b>	LT0000128860
<b>LEI code</b>	5299006UHD9X339RUR46
<b>Name</b>	INC1L
<b>Exchange</b>	AB Nasdaq Vilnius, XLIT
<b>List</b>	Baltic Secondary list
<b>Listing date</b>	4 June 2014



## Trading in the company's shares 2018 - 2022 (quarterly) on Nasdaq Vilnius

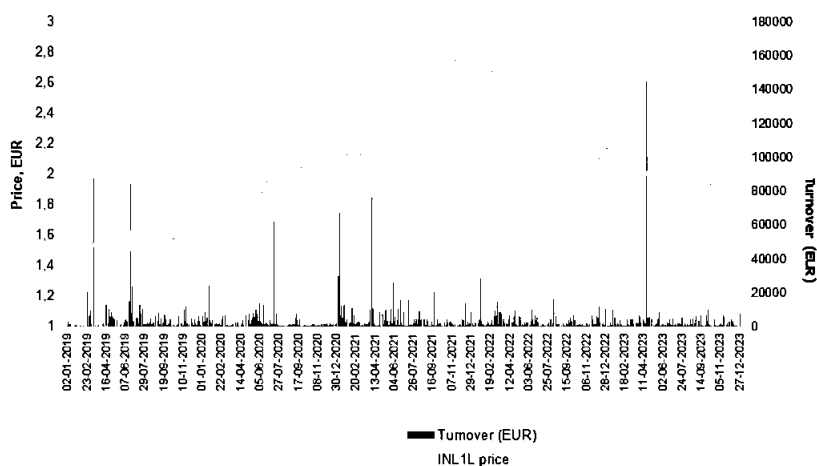
Reporting period	Price, EUR			Turnover, EUR			Last trading date	Total turnover	
	high	low	last	high	low	last		quantity	EUR
2019 1st Q	1.58	1.44	1.55	87,562.86	92.72	1,523.18	29.03.2019	95,698	146,843.81
2019 2nd Q	2.10	1.50	1.72	84,289.91	70.97	4,629.6	28.06.2019	169,929	281,909.20
2019 3rd Q	1.78	1.56	1.61	12,810.30	44.01	805	30.09.2019	87,180	142,034.35
2019 4th Q	1.80	1.57	1.76	11,613.08	1.68	777.92	30.12.2019	65,578	108,613.52
2020 1st Q	1.99	1.50	1.58	24,384.58	23.50	2,267.30	31.03.2020	74,584	139,382.05
2020 2nd Q	1.95	1.60	1.94	13,953.64	1.94	999.10	30.06.2020	83,743	153,914.18
2020 3rd Q	2.10	1.94	2.04	62,244	2.02	-	30.09.2020	73,659	147,174.92
2020 4th Q	2.14	1.79	2.08	2,233.80	2.02	-	30.12.2020	13,753	28,043.81
2021 1st Q	2.28	2.06	2.10	66,758.38	4.20	86.10	31.03.2021	137,750	294,144.84
2021 2nd Q	2.74	2.10	2.52	76,256.18	2.56	252	30.06.2021	105,506	255,230.02
2021 3rd Q	2.90	2.48	2.66	20,407.92	5.16	52.80	30.09.2021	51,749	136,701.50
2021 4th Q	2.80	2.60	2.74	13,600	8.22	8,912.98	30.12.2021	34,878	94,850.42
2022 1st Q	2.80	2.30	2.58	28,639.5	10.24	10.32	31.03.2022	66,975	171,863
2022 2nd Q	2.74	2.46	2.50	10,279.86	8.04	2,352.5	06.30.2022	44,222	116,265.78
2022 3rd Q	2.54	2.20	2.20	16,075.06	2.52	121	30.09.2022	37,747	90,968.76
2022 4th Q	2.32	2.08	2.16	11,947.74	2.26	10.8	30.12.2022	46,818	101,648.32
<b>2023 1st Q</b>	<b>2.24</b>	<b>2.00</b>	<b>2.00</b>	<b>9,738.10</b>	<b>2.10</b>	<b>-</b>	<b>31.03.2023</b>	<b>37,522</b>	<b>79,769.08</b>
<b>2023 2nd Q</b>	<b>2.14</b>	<b>1.97</b>	<b>1.99</b>	<b>144,698.20</b>	<b>2.10</b>	<b>5,306.69</b>	<b>30.06.2023</b>	<b>116,895</b>	<b>235,186.20</b>
<b>2023 3rd Q</b>	<b>2.02</b>	<b>1.86</b>	<b>1.91</b>	<b>7,097.43</b>	<b>1.95</b>	<b>4,216.80</b>	<b>29.09.2023</b>	<b>41,102</b>	<b>80,167.58</b>
<b>2023 4th Q</b>	<b>1.96</b>	<b>1.78</b>	<b>1.90</b>	<b>9,875.92</b>	<b>5.56</b>	<b>7,475.95</b>	<b>29.12.2023</b>	<b>41,995</b>	<b>78,761.41</b>

## Trading in shares 2019 – 2023

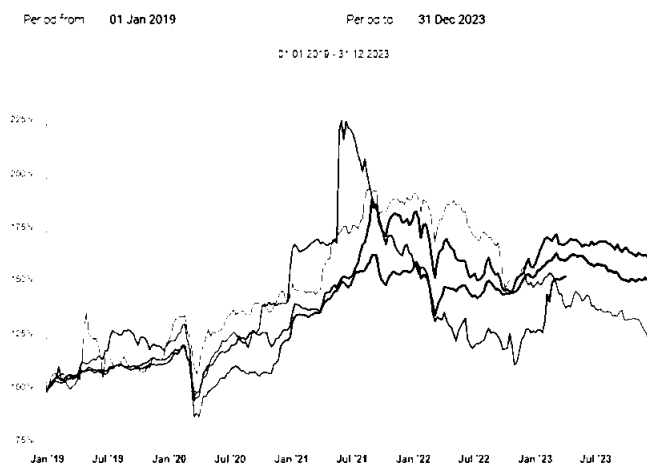
Share price, EUR	2019	2020	2021	2022	2023
<b>Open</b>	1.44	1.76	2.12	2.76	2.16
<b>High</b>	2.10	2.14	2.90	2.80	2.24
<b>Low</b>	1.44	1.50	2.06	2.08	1.78
<b>Medium</b>	1.64	1.92	2.37	2.46	2.00
<b>Last</b>	1.76	2.08	2.74	2.16	1.90
<b>Turnover, shares</b>	418,385	245,739	329,883	195,762	237,514
<b>Turnover, EUR</b>	679,400.88	468,514.96	780,926.78	480,745.86	473,884.27
<b>Total number of trades</b>	605	891	1,576	1,270	1,335



### Change of turnover and share price of INVL Technology



### Change of share price of INVL Technology and indexes<sup>1</sup>



INDEX   EQUITY	OPENING VALUE	CLOSING VALUE	CHANGE %
■ OMX_Baltic_Benchmark_G	873.81	1,442.41	+65.07
■ OMX_Vinius_G	616.9	946.76	+53.47
■ OMX_Baltic_Technology_GI	827.1	1,275.81	+54.25
■ INCL - INVL Technology	1.44	1.9	+31.94

### Change of share price of INVL Technology and indexes in 5 years period (From 1st June 2023 OMX Baltic Technology GI index is suspended)

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



## Capitalization, 2019-2023

Last trading date	Number of shares	Last price, EUR	Capitalisation, EUR
29.03.2019	12,175,321	1.55	18,871,748
28.06.2019	12,175,321	1.72	20,941,552
30.09.2019	12,175,321	1.61	19,602,267
30.12.2019	12,175,321	1.76	21,428,565
31.03.2020	12,175,321	1.58	19,237,007
30.06.2020	12,175,321	1.94	23,620,123
25.09.2020	12,175,321	2.04	24,837,655
29.12.2020	12,175,321	2.08	25,324,668
31.03.2021	12,175,321	2.10	25,568,174
30.06.2021	12,175,321	2.52	30,681,808
30.09.2021	12,175,321	2.66	32,386,353
31.12.2021	12,175,321	2.74	33,360,379
31.03.2022	12,175,321	2.58	31,412,238
30.06.2022	12,175,321	2.50	30,438,303
30.09.2022	12,175,321	2.20	26,785,706
31.12.2022	12,175,321	2.16	26,298,693
<b>31.03.2023</b>	<b>12,175,321</b>	<b>2.00</b>	<b>24,350,642</b>
<b>30.06.2023</b>	<b>12,175,321</b>	<b>1.99</b>	<b>24,228,889</b>
<b>29.09.2023</b>	<b>12,175,321</b>	<b>1.91</b>	<b>23,254,863</b>
<b>29.12.2023</b>	<b>12,175,321</b>	<b>1.90</b>	<b>23,133,110</b>

## 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<sup>2</sup>.

The company did not allocate dividends during the reporting period.

It should be noted that during the period of the Company's operation, the Company's General Meeting of Shareholders did not take a decision on the payment of dividends, and therefore no dividends were paid to the shareholders.

## Indicators related to the shares\*

	2021	2022	2023
<b>Book value per share, EUR**</b>	2.99	3.17	<b>3.61</b>
<b>Price to book value (P/Bv)</b>	0.92	0.68	<b>0.53</b>

\*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://inltechnology.lt/financial-information-and-reports/>.

\*\*The nominal value per share is – EUR 0.29

<sup>2</sup> This information should not be treated as a tax consultation.



## 11. Shareholders

### 11.1. 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 2023.

Name of the shareholder or company	Number of shares held by the right of ownership	Share of the authorized capital held, %	Share of the votes, %		
			Share of votes given by the shares held by right of ownership, %	Indirectly held votes, %	Total, %
<b>LJB investments, UAB, Code 300822575, A. Juozapavičiaus Str. 9A, Vilnius</b>	2,424,152	19.91	19.91	-	19.91
<b>INVL Life, UADB Code 305859887 Gynėjų Str. 14, Vilnius</b>	1,873,678	15.39	15.39	-	15.39
<b>Invalda INVL, AB, Code 121304349, Gynėjų Str. 14, Vilnius</b>	-	-	-	17.22 <sup>1</sup>	17.22
<b>Irena Ona Mišeikienė</b>	1,466,421	12.04	12.04	-	12.04
<b>Lietuvos draudimas, AB, Code 110051834, J. Basanavičiaus Str. 12, Vilnius</b>	909,090	7.47	7.47	-	7.47
<b>Kazimieras Tonkūnas</b>	675,452	5.55	5.55	1.52 <sup>2</sup>	7.07
<b>Alvydas Banys</b>	618,745	5.08	5.08	19.91 <sup>3</sup>	24.99

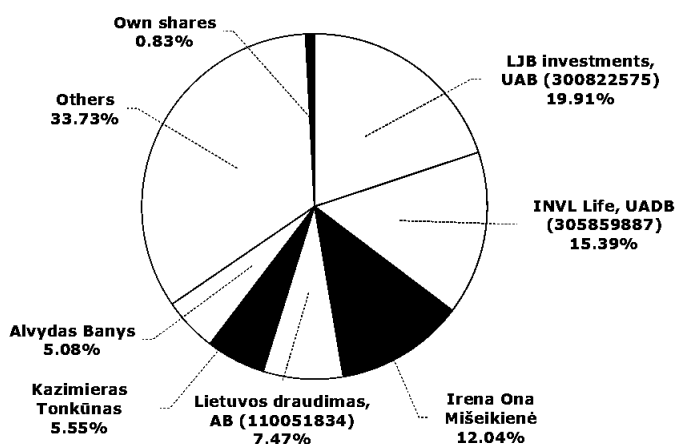
<sup>1</sup> It is considered that Invalda INVL has the votes of the controlled companies INVL Asset Management UAB and INVL Life UADB.

<sup>2</sup> It is considered that Kazimieras Tonkunas has the votes of his spouse.

<sup>3</sup> It is considered that Alvydas Banys has votes of LJB Investments, UAB a company controlled by him.

At 31 December 2023, a total of **3,773** shareholders (including INVL Technology) owned shares of INVL Technology (versus 3,689 at 31 December 2022). There are no shareholders entitled to special rights of control.

Votes as of 31 December 2023





Distribution of securities by investors' groups as of 31 December 2023

Investors	Shareholders		Share of votes given by the owned shares (percentage)
	Number of shareholders	Number of shares	
Private persons	3,735	5,637,398	46.69
Legal persons (excepting Company)	37	6,436,671	53.31
Own shares	1	101,252	-

Distribution of securities by investors' groups as of 31 December 2023

Investors	Shareholders		Share of votes given by the owned shares (percentage)
	Number of shareholders	Number of shares	
Lithuania	3,610	11,826,939	97.95
Other EU members	130	121,645	1.01
Non-EU countries	32	125,485	1.04
Own shares	1	101,252	-
<b>Total</b>	<b>3,773</b>	<b>12,175,321</b>	

## 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

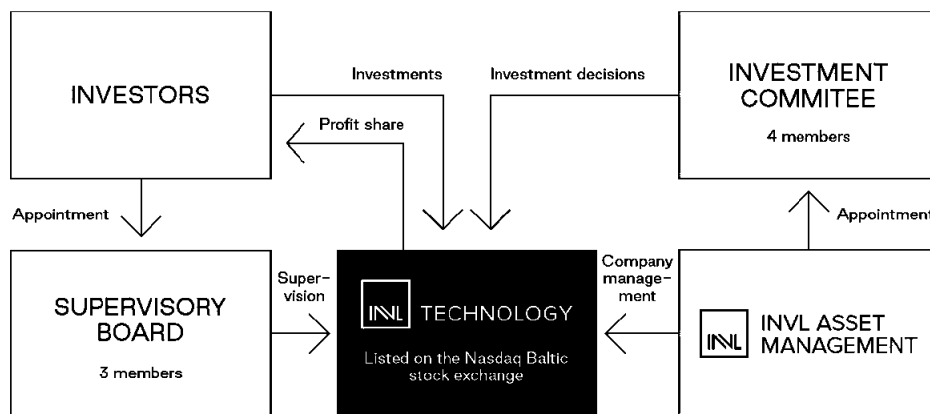
The Company is managed in accordance the Governance Code of Nasdaq Vilnius for the companies listed on the regulated market. Refer to the Appendix No 2 to the Annual Report for the compliance report. In its activities the Company follows the Law on Companies, the Law on Securities, the Law relating to 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. CEO of the Management Company until 31st November 2023 was Laura Križinauskienė, from 1st of December - Paulius Žurauskas.

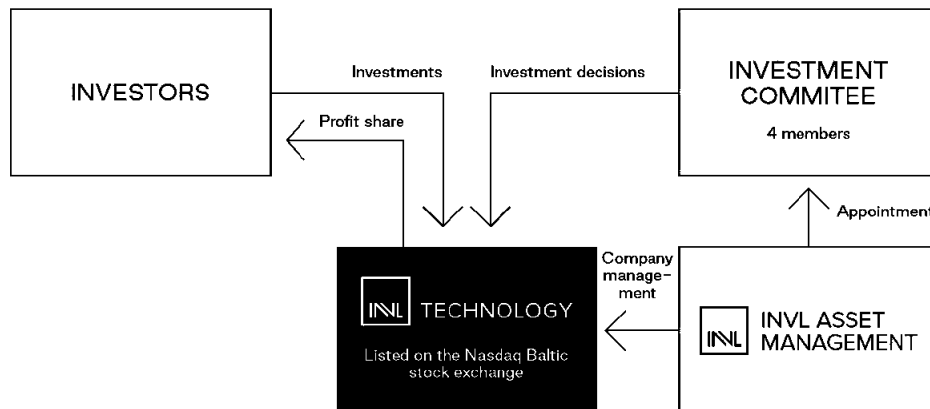
Investment Committee was established for operational efficiency and investment control by the decision of the Board of the Management Company INVL Asset Management. Investment Committee is the collegial investment and management decision-making body responsible for adopting decisions on the management of the Company's assets and for the representation and protection of the Company's interests. In 2021 a Supervisory Board was formed. By the decision of the General Meeting of Shareholders which was held on 6 February 2023 a Supervisory Board as collegial management body was eliminated.

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 until 20 February December 2023



Structure of the management of the Company from 20 February 2023





## 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;
- 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 documents related to the agenda, draft resolutions on every item of the agenda, documents that have to be submitted to the General Ordinary Shareholders Meeting and other information related to the realization of shareholders' rights are published on the Company's website [www.invltechnology.lt](http://www.invltechnology.lt) section For investors, and also by prior agreement available at the premises of the Company, located at Gyneju str. 14, Vilnius (hereinafter – "the Premises of the Company") during working hours. Phone for information +370 5 279 0601.

The shareholders are entitled:

- 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 Str. 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](mailto: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;
- 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 Str. 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](mailto: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);

- 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 Str. 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](mailto: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](mailto: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.

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](http://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 Str. 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 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 3 (three) General Shareholders Meetings of INVL Technology, UTIB during 2023:

- **6 February 2023** The resolutions of the Extra-Ordinary General Shareholders' Meeting of INVL Technology have been published. The shareholders of the Company were introduced with the recommendation of the Company's Management company on the amendment of the terms of the share option, the approval of the terms of the share option, the new wording of the Articles of Association and the provisions of depository services. The shareholders have approved the amendment of the terms of the share option, and new terms of the share option. Also the shareholders have decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and to approve a new version of the Articles of Association to replace the full text of the Articles of Association (without additionally approving the amendments to the individual sections of the Articles of Association), as well as to repeal the Supervisory board remuneration policy. Shareholders also approved the conclusion of a contract with the PricewaterhouseCoopers for the audit of the Company's annual financial statements for 2023. This Shareholders Meeting also revoked the resolutions of Company's Shareholders Meeting of 29 April 21 by which it was decided: (a) to change the Company's provider of depository services from AB SEB Bankas (company registration number 112021238) to AB Šiaulių Bankas (company registration number 112025254); (b) to terminate (or otherwise end) the Company's depository services agreement with AB SEB Bankas (company registration number 112021238); (c) to enter into a new depository services agreement between the Company and AB Šiaulių Bankas (company registration number 112025254). The Shareholders have decided that the Depository Services Agreement No. 2016-05 (with all amendments and additions) between the Company and AB SEB Bankas (company registration number 112021238) remains in effect.
- **28 April 2023** The resolution of the Ordinary General Meeting of Shareholders of INVL Technology have been published. The shareholders of the Company were introduced with the annual report for 2022 and an independent auditor's report on the financial statements and annual report of the Company, with of Company's investment committee's recommendation on the draft of the profit (loss) distribution (including the formation of the reserve) and draft of the remuneration policy. The shareholders approved the remuneration report, as a part of the annual report of the Company for the year 2022, the stand-alone financial statements for 2022 of the Company and decided on profit distribution of the Company. The shareholders were introduced to the Company's Management Company's statement on the share purchase price, determine the rules of purchasing of own shares of the Company, approved the new wording of INVL Technology Policy on Transactions with Related



Parties and new wording of the Regulations of the Audit Committee. During the meeting the shareholders were introduced to activity report of the Company's audit committee.

- **6 June 2023** At the Extra-Ordinary General Shareholders' Meeting, the shareholders approved the terms of stock options for the employees of the Company's subsidiaries.

## 12.2. The Management Company, Investment Committee and Supervisory board

No management bodies shall be formed in the Company.

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 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.
- in other circumstances in compliance with applicable legislation.

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 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.

At the time of announcement of this Annual report there are 4 members of the Investment Committee: Kazimieras Tonkūnas (Chairman), Nerijus Drobavičius, Vida Tonkūnė, Vytautas Plunksnis. During the reporting period 48 meetings of the Investment Committee were held.

From 2021, the Company had a collegial supervisory body – the Supervisory Board. The Supervisory Board is the collegial body supervising the Company's activities. 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.

The Supervisory Board operating during the reporting period consisted of 3 members – Gintaras Rutkauskas (The Chairman), Audrius Matikiūnas and Indrė Mišėkytė. Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, at the Extraordinary general meeting of shareholders held on 6 February 2023 shareholders have decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and to approve a new version of the Articles of Association replacing the full text of the Articles of Association (without additionally approving the amendments to the individual sections of the Articles of Association). The new version of the Articles of Association was registered on 20th February 2023.

During the reporting there were no meetings of the Supervisory Board of the Company.



### 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 that was eliminated by the decision of the Extraordinary general meeting held on 6 February 2023. The Company's management bodies are not formed.

The General Manager of the Management company – Laura Križinauskienė (until 30 November, 2023), Paulius Žurauskas (from 1 December, 2023).

Darius Šulnis (the chairman), Nerijus Drobavičius and Vytautas Plunksnis are members of the Board of the Management company. On 16th January 2023 the Board of Management Company was re-elected for the new 4 years of office. 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), Nerijus Drobavičius, Vida Tonkūnė, Vytautas Plunksnis.

There were 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 str. 14, Vilnius) - CEO

#### The term of office

2023–2027

#### 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  
Since May 2013 Invalda INVL AB – CEO  
2011–2013 Invalda, AB – advisor  
2006–2011 Invalda AB – president  
2002–2006 Invalda Real Estate, UAB (current name Inreal Valdymas) – director  
1994–2002 FBC Finasta, AB – director

#### Owned number of shares in INVL Technology

-

#### Participation in other companies

- Invalda INVL, AB (code 121304349, Gynėjų str. 14, Vilnius) – CEO
- Šiaulių bankas, AB (code 112025254, Tilžės Str. 149, Šiauliai) – Member of the Supervisory Board
- Litagra, UAB (code 304564478, Savanorių ave. 173, Vilnius) – Member of the Board
- INVL Asset Management, UAB (code 126263073, Gynėjų Str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member, managing partner
- FERN Group, UAB (code 306110392, Granito Str. 3-101, Vilnius) – Member of the Supervisory Board



## Nerijus Drobavičius

Member of the Board, Member of the Investment Committee

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

### The term of office

2023–2027

### Educational background and qualifications

Vytautas Magnus University, Bachelor's degree in Business management and Master's degree in Banking and finance.

### Work experience

From August 2018 – Private Equity Partner of INVL Asset Management UAB  
Since 2014 works at Invalda INVL AB group  
Since 2015 till August 2018 Head of Finance unit 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

### Owned number of shares in INVL Technology

4,472

### Participation in other companies

- BSGF Sanus, UAB (code 304924481, Gynėjų St. 14, Vilnius) – Director
- InMedica, UAB (codas 300011170, L. Asanavičiūtės St. 20–201, 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, partner
- 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
- Reneso, UAB (code 302941941, Gynėjų Str. 14, Vilnius) – Director
- Sugrasta, UAB (code 305287386, Pranapolio Str. 11, Vilnius) – Director
- BSGF Salt Invest, closed-end investment company for informed investors (code 306193648, Gynėjų Str. 14, Vilnius) – fund manager
- BSGF Salt, UAB (code 306193153, Gynėjų Str. 14, Vilnius) – Director
- Egles sanatorija, UAB (code 301026531, Eglės g. 1, Druskininkai) – Member of the Board
- MiniVet Holding, UAB (code 306127331, Gynėjų Str. 14, Vilnius)
- Bališkių individualių gyvenamųjų namų statybos bendrija (code 300027032, Pranapolio str. 11, Vilnius) – Chairmen of the Association



## Vytautas Plunksnis

Member of the Board, Member of  
the Investment Committee

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

### The term of office

2023–2027

### 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 licence (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

### Owned number of shares in INVL Technology

5,259

### Participation in other companies

- INVL Asset Management, UAB (code 126263073, Gynėjų Str. 14, Vilnius) managed fund INVL Baltic Sea Growth Fund – Investment Committee Member
- Eco Baltia AS (code 40003309841, Maskavas Str. 240-3, Rīga, Latvia) – Chairman of the Supervisory Board
- Eco Baltia vide, SIA (code 40003309841, Ropažu nov., Stopiņu pag., Rumbula, Getliņu iela 5) – Member of the Supervisory Board
- Ecoservice, UAB (code 123044722, Dunojaus Str. 29, Vilnius) – Chairman of the Board
- B2Y, SIA (code 40103243404, Maskavas Str. 322A, Rīga, Latvia) – Chairman of the Board
- Homecourt Sp. z o.o., (code 0001039212, UL. Grzybowska 2 / 29, 00-131 Warszawa, Poland) – Member of the Management Board
- Metal-Plast Spółka z o.o., (code 0001007622, Ciernie 157b, 58-160 Świebodzice, Poland) – Member of the Supervisory Board
- Norway Registers Development AS (code NO 985 221 405 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board
- NRD Systems, UAB (code 111647812, Gynėjų str. 14, Vilnius) – Member of the Board
- NRD CS, UAB (code 303115085, Gynėjų str. 14, Vilnius) – Member of the Board
- Novian Systems, UAB (code 125774645, Gynėjų str. 14, Vilnius) – Chairman of the Board
- NRD Companies AS (code NO 921 985 290 MVA, Lokketangen 20 B, 1337 Sandvika, Norway) – Member of the Board
- BC Moldova-Agroindbank SA (MAIB) (code 1002600003778, Constantin Tănase Str. 9/1, Chisinau, Moldova) – Chairman of the Supervisory Board
- Investuotoju Asociacija (code 302351517, Konstitucijos ave. 23, Vilnius) – Chairman of the Board



**Laura  
Križinauskienė**

CEO of the Management company  
until 30 November 2023

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 investiciju valdymas (currently INVL Asset Management)

**Owned number of shares in INVL Technology**

-



**Paulius  
Žurauskas**

CEO of the Management company  
from 1 December 2023

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

**Educational background and qualifications**

Vilnius Univeristy, Faculty of Economics, Masters degree in Banking (Economist qualification)

**Work experience**

2023 m. UAB „INVL Asset Management“ – Head of Asset Management

2019–2023 Luminor Bank AS Lithuanian branch – Head of the financial markets department in the Baltic States

2012–2014 SEB Banka, AS – Head of the financial markets department

2005–2019 held various positions in SEB bankas, AB – Dealer, Head of financial instruments sales department, Head of the capital market department in the Baltic States

2004–2005 FMI Finasta, AB – Finance broker

**Owned number of shares in INVL Technology**

-

**Participation in other companies**

- FMI INVL Financial Advisors, UAB (code 304049332, Gynėjų St. 14, Vilnius) – Member of the Board
- IPAS INVL Asset Management (code 40003605043, Elizabetes St. 10B-1, Ryga, Latvija) – Member of the Supervisory Board
- AS INVL atklātais pensiju fonds (code 40003377918, Elizabetes St. 10B-1, Ryga, Latvija) – stebėtojų tarybos narys



## 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.

### Owned number of shares in INVL Technology

675,452

### Participation in other companies

- 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
- Novian 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 Str. 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

185,429

### 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) – Member 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



**Gintaras  
Rutkauskas**

Chairman of the Supervisory Board until 20 February 2023

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**The term of office**

From 2021 until 20 February 2023

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**Educational background and qualifications**

2005 Baltic Management Institute (BMI), International Executive Master of Business Administration (MBA)

2001 m. Financial broker's licence Nr. S031 (consultant)

1988–1993 m. Kaunas University of Technology, Radio Electronics Engineer

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**Work experience**

More than 20 years of experience in managing various types of financial investments. During the career, was working for international and Lithuanian financial institutions representing their interests in the Baltic, Eastern European, and Middle Eastern markets:

Since 2005 Lietuvos Draudimas's Investment Director

2001–2005 Head of Financial Instruments Sales Department Nordea bank

1998–2001 m. Treasury Manager at Societe Generale bank, Vilnius



**Audrius  
Matikiūnas**

Member of the Supervisory Board until 20 February 2023

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**The term of office**

From 2021 until 20 February 2023

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**Educational background and qualifications**

2010 Mykolas Romeris university, Master of Laws

2008 Mykolas Romeris university, Bachelor of Laws

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**Work experience**

Since 2022 INVL Asset Management – Head of Legal of the Group

Since 2022 INVL Asset Management, UAB – Products Manager

Since 2022 INVL Life, UADB – Products Manager

Since 2022 INVL Asset Management, UAB – Chairman of the Investment Committee

2021–2022 Alternative Investment Selection Team Leader at INVL Asset Management, UAB

Since 2018 member of the Board at investment manager Mundus, UAB

2016–2022 Head of Legal and Product Management team in Private Equity unit at INVL Asset Management, UAB

2012–2016 compliance officer at SEB bankas, AB

2010–2012 lawyer bankas Finasta, AB

2007–2010 lawyer at SEB bankas, AB



**Indrė  
Mišeikytė**

Member of the Supervisory Board  
until 20 February 2023

#### **The term of office**

From 2021 until 20 February 2023

#### **Educational background and qualifications**

Vilnius Gedimino Technical University. Faculty of Architecture. Master in Architecture

#### **Work experience**

Since 2018 INVL Baltic Farmland, AB - Member of the Board  
 Since 2012 Invalda INVL, AB - Member of the Board, advisor  
 2013–2019 Invalda Privatus Kapitalas, AB - Advisor  
 2002–2019 Inreal Valdymas, UAB - Architect  
 2000–2002 Gildeta, UAB - Architect

## **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 and dismissed by the general meeting of shareholders at the request of the Management Company 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 general meeting of shareholders 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.
- to provide opinion regarding the transactions with Company related party, according to the clause 37(2), parts 1 and 5 of the Law on Companies, provide evaluation regarding transactions, indicated in clause 37 (2), parts 11 and 12 of the Law on Companies, and perform other duties, if any, according to the procedures and conditions, approved by the Management Company of the Company, which shall be prepared by the Management Company, according to the clause 37(2), part 11 of the Law on Companies;
- observe the process of preparation of financial reports of the Company and submit recommendations on ensuring the liability of it.
- 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.

### **14.1. 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.

## 14.2. Structure of the Audit Committee

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

### The 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

From 2022 – Individual consulting activity  
 2013–2022 Chief Operating Officer at Biotechpharma UAB  
 2010–2012 Senior Director, Operations. TEVA Biopharmaceuticals (USA)  
 2004–2010 CFO for Baltic countries, Teva Pharmaceuticals  
 2001–2004 m. CFO, Sicor Biotech  
 1999–2001 Senior Manager, PricewaterhouseCoopers  
 1994–1999 Senior Auditor, Manager, Coopers & Lybrand.

### Owned number of shares in INVL Technology

-



**Danguė  
Pranckėnienė**

Independent member of the Audit

**The term of office**

2023–2027

**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 Stephens Vilnius, UAB (previous name Verslo auditas)  
1996–1997 Audit Manager, Deloitte & Touche  
1995–1996 Lecturer, Vilnius Gediminas Technical University  
1982–1983 Lecturer, Vilnius University

**Owned number of shares in INVL Technology**

-

**15. Information on the Issuer's payable management fee, the amount 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 was 0.625 percent while after its end it shall be 0.5 percent of the weighted average capitalization 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 481 thous. management fee and a Success fee of EUR 4,906 thous was calculated for the management company.

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. According to Article 23 (3) of the Law on Financial Statements of Enterprises of the Republic of Lithuania, the Company must publish the Remuneration Report from the year 2021. As the Company does not have any employees, in the appendix no. 5 the Company discloses the remuneration of the General Manager of the Management Company, members of Board of the Management Company and members of the UTIB Investment Committee appointed by the Management Company (hereinafter – the Management). The remunerations of the General manager and Board members of the Management Company are calculated on the basis of the proportion of the Management Company's management income (including management and success fee revenues) received from the Company within the total income of the Management Company. The remunerations of the members of the Investment Committee of the Company are calculated in accordance with the part of the time actually allocated to the Company's management (for more details see Appendix 5 to the Annual Report).

According to the decision of the General Meeting of the Shareholders of the Company held 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.

During the reporting period Company's management bodies did not receive dividends or bonuses from the company. There were no assets transferred, no guarantees granted, no bonuses have been 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 2023, the company paid no remuneration to the Management Company for accounting services, these services are included in the management fee.

During 2023, the total remuneration for the members of the Audit Committee of the Company amounted to EUR 1,204.



## 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 2023.

### 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 str. 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 bankas AB (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 its managing bodies, members of the formed committees, 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 (official offering) of the Company.

There are no agreements of the Members of the Supervisory Board, the Company and the Members of the Board, Members of the Investment Committee 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.

### 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. When managing this risk, the Management Company will pay sufficient attention to the monitoring of global trends and the formation of adequate personnel policy by ensuring that the Company's investments would change subject to technology change.



## **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. Managing this risk, it will be sought to ensure the efficient activities and communication of the Company, thus increasing the attractiveness of its Shares to a wider circle of investors.

## **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.

### **Risk of 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. To manage this risk, the Management Company will seek to follow the most recent practice in the application of the tax legal acts reasonably articulated by the tax administrator; however, it cannot be considered that this risk has been eliminated.

### **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 Company'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. To manage this risk, the Management Company will seek to consider potential unfavourable scenarios of economic development when concluding the transactions of financing the Company's activities.

### **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. The Management Company will manage this risk by seeking that before the conclusion of non-EUR denominated transactions, the exchange rates of the respective currencies against the Euro would be examined and they would be constantly monitored.

### **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. The Management Company will seek to ensure that the Company takes reasonable and economically justifiable measures when evaluating the counterparties in transactions and their ability to properly perform the assumed obligations.



## **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. Managing this risk, the Management Company will take measures so that the Company has sufficient information about the market situation and adopt decisions on the sale of the Company's investments based on such information.

## **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. The Management Company will seek to take measures in order to ensure that insolvency is localised and would not cause a negative impact on the activities of the companies controlled by the Company.

## **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. The Management Company will provide the Shareholders with all information specified by law which would enable the Shareholders to take respective decisions regarding the possession or sale of Shares, having regard to the Company's financial situation.



## **Risk factors related to the Company's shares**

### **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) 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. Managing this risk, the Management Company will seek to inform the shareholders, within the terms established by law, about the Company's financial results so that the shareholders could plan their cash flows accordingly.

### **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 organization 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, that 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. To manage this risk, only the property appraisers who can ensure the high quality of services will be selected.

#### **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. When managing this risk, the Management Company will seek to use the maximally broad network of business contacts in order to conduct transactions the knowledge of which is not sufficiently wide to create significant competition.

#### **Risk related to the duty to redeem shares of the Company**

The applicable legal acts provide for the duty of the Company in certain circumstances to redeem its shares from the shareholders who demanded such redemption. 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 may be forced to sell its investments urgently, which can significantly reduce the return earned by the Company from the sale of investments. The respective measures are provided for the management of this risk in 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. Managing this risk, it will be sought to have in place an effective regulation monitoring system and participate in associated business structures which can have a lawful impact on legislative processes that are significant to the Company.

#### **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. Managing this risk, the Management Company will seek to organise the Company's activities by ensuring the optimal tax regime applicable to it.

## Other risks

### Risk of breach of diversification requirements

There is a risk that more than 30% of the Net Asset Value of the Company will be invested in transferable securities or Money Market Instruments of one start-up company and/or transferable securities or Money Market Instruments issued by an existing company, and such non-compliance with diversification requirements will last for more than 4 years from the date of the permission of the Supervisory Authority to approve the Company's incorporation documents and select the Depositary. The management of this risk shall be aimed at increasing the value of other Operating Companies in the Company's portfolio in order to meet the requirements for investment diversification.

### The global credit crisis may have an impact on higher borrowing costs and the availability of borrowed capital

The availability of borrowed capital may be limited in Europe as a result of the ongoing recession and financial difficulties, leading to an increase in borrowing costs. The difficult economic situation in Greece, Spain, Cyprus and other EU Member States can negatively affect the financial situation of banks operating in Europe. In addition, the risk of lower consumer confidence can have a negative impact on financial markets and economic conditions in the European Union and globally, which could have significant negative consequences on the Group's activities in a variety of ways: (i) it may be difficult or impossible to raise capital to cover further acquisitions of the Group and existing debts and liabilities; (ii) the risk of the Group's difficult financial situation may increase as a result of the current economic situation.

Investments into the shares are related to higher-than-average long-term risk. The Company cannot guarantee that the shareholders will recover the invested funds.

## Sustainability risks factors and their impacts

### Sustainability risk

Sustainability risk means an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. The materialisation of this risk could have a negative impact on the value of the Company's net assets and the assets of the Company's Shareholders. In order to mitigate this risk, the Management Company also assesses the sustainability factors and associated sustainability risks relevant to the specific investment being analysed and applies its Policy on Responsible Investment and Integration of Sustainability Risks.

### Waste risk

There is a risk that Operating Companies will not properly manage computer waste or other electronic waste. This waste contains hazardous metals that, if not handled properly, can pose a risk to the environment and health. In order to avoid this risk, the Company will encourage the Operating Companies to recycle computer waste and other electronic waste (if possible).

### Geopolitical risk

There is a risk that the Company operations may be affected by geopolitical changes (e.g., state conflicts, internal conflicts of neighbouring countries, uprisings or wars), and as a result the value of the Company's investments may decrease or the Company's investments may not be realised at the desired time. The routine monitoring of the geopolitical situation by the Management Company should contribute to the management of this risk.

### Management and human resources risk

The success of the Company's investment will largely depend on the decisions made by the managers of the companies controlled (directly or indirectly) by the Company, as well as the decisions made by the people responsible for the management of the Company, and the experience and abilities of the said people. There is no guarantee that the same persons will manage the companies controlled (directly or indirectly) by the Company, as well as the Management Company for the entire term of the Company's activities. The Management Company will seek to implement a promotion policy that ensures that key personnel motivation to participate in the Company's and its investment activities until the end of the term of the Company's activities.

### Risk of corruption

The company will invest in countries where the level of corruption is significantly higher than in Lithuania or other European Union countries. There is a risk that due to corruption, the Company's investments may be impaired. The potential impact of the risk, the probability of its occurrence and, accordingly, the risk to the Company's operations is medium.

## 22. The main indicators 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. Management company 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 period

There are no new investments during the reporting period. INVL Technology does not plan new investments, if there are any, INVL Technology will seek to carry them out through already managed companies.

## 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, and their effect, unless, the nature of the arrangements and their disclosure would cause serious harm to the issuer

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 about any control systems in the employee share plan that are not exercised directly by employees

The Company has no employees, therefore, the application of the matter is not relevant.

## 26. Information on the related parties' transaction

Information on the related parties' transactions is disclosed in an annual financial statements' 16 note of explanatory notes for the year of 2023.

## 27. 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, members of the Supervisory Board controlling shareholders' or other related parties' obligations to the issuer and their private interests.

## 28. Company's non-financial results. Information related to social responsibility, environment, including climate action, employees, anti-corruption, and anti-bribery issues, including bribery of foreign officials when concluding international business transactions

### 28.1. 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.

### 28.2. Employees

At the end of 2023, as well as in 2022 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.

### 28.3. Environmental protection and actions regarding climate change

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. The Company is not committed to achieving climate change goals, but assesses and, if necessary, takes appropriate actions to manage risks related to climate issues. The Company is improving its processes and regularly reviews opportunities to address and meet specific climate change targets.

### 28.4. Information about activities of the Company in the field of research and development

INVL Technology did not deliver major research and expansion projects in 2023.



## 28.5. Implementation of international sanctions

Taking into account the increased geopolitical tension in the region and the European Union and its allies tightening and consolidating new sanctions and restrictive measures against the Russian Federation, the Republic of Belarus and/or related entities due to actions that harm the territorial integrity, sovereignty and independence of Ukraine, the Management Company and the Company follow the relevant information on updates of implemented sanctions and restrictive measures and promptly ensures the proper and timely implementation of sanctions and restrictive measures. The management of the Company has been transferred to the management company "INVL Asset Management" UAB. The Management company has updated and approved requirements for the Prevention of money laundering and terrorist financing and the implementation of international sanctions, which determine the procedures for the implementation of international sanctions and the persons responsible for them. Procedures related to the implementation of international sanctions are regularly reviewed and updated.

In order to ensure the proper implementation of international sanctions of the European Union, the United Nations and/or other organizations whose sanctions are implemented in the Republic of Lithuania, the Management company performs an inspection before entering into a transaction or starting a business relationship (as well as periodically during the validity of such transactions/relationships), which allows to determine whether these entities are not subject to United Nations, European Union or national sanctions.

During 2023 sanctioned persons were not identified, the Company did not conduct activities in sanctioned countries. The Company adheres to zero tolerance regarding issues related to the risks of money laundering and terrorist financing and the implementation of international sanctions.

## 28.6. Fight against corruption and bribery

To reduce the risk of external and internal bribery, the Company applies internal procedures that ensure the transparency of operations by preventing the possibility of involvement in criminal offences. The Company expects appropriate behaviour from its employees and partners, however it cannot assess the diversity of all possible situations.

The management of the company is transferred to the Management Company. In its activities, the latter has approved the Code of Ethics, which establishes the general standards of ethical of the Management Company, which the employees of the Management Company must comply with in their activities. This is a set of business conduct guidelines intended to develop employees' moral competence, help them understand the organisation's values, rationally organise their activities, create positive working relationships, make the right and best decisions based on the principles of business ethics (including intolerable actions related to bribery of foreign officials (and not only) when concluding international business transactions and other actions related to bribery).

## 28.7. Additional non-financial information, the disclosure of sustainability-related 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 2023 was 73), 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 Regulation (EU) 2019/2088 of the European Parliament and Council on sustainability related disclosures in the financial services sector ("SFDR") and Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment ("Taxonomy"), the financial product must provide information in the periodic report on how and to what extent the environmental and social features are ensured (Article 8 according to the SFDR) or information on the environmental objectives to which it contributes and a description on investments in sustainable economic activity (Article 9 according to the SFDR).

The Issuer does not promote environmental and/or social characteristics, nor it has sustainable investment as its objective and discloses information under Article 6 of SFDR. The investments underlying the Issuer do not consider the European Union criteria for environmentally sustainable economic activities.

When making investment decisions, the Company currently does not consider the principal adverse impacts of investment decisions on sustainability factors, as defined in SFDR. In the Company's assessment, the possibilities of information collection are limited.

According to the SFDR, 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.

## 29. Data on the publicly disclosed information

The information publicly disclosed of INVL Technology during 2023 is presented on the company's website [www.invltechnology.lt](http://www.invltechnology.lt). Also company publishes all publicly available information on the Nasdaq Vilnius website.

Summary of publicly disclosed information of 2023 is given below

Date of disclosure	Brief description of disclosed information
13.01.2023	Convocation of the General Extraordinary Shareholders Meeting of INVL Technology and draft resolutions on agenda issue
06.02.2023	Resolutions of the General Extraordinary Shareholders Meeting of INVL Technology



07.02.2023	INVL Technology signed the amendment of the Depository Services Agreement
20.02.2023	The new wording of the Articles of Association of INVL Technology was registered
23.02.2023	News from INVL Technology managed companies: Notice on the terms of the reorganisation of Novian Systems UAB and ELSIS PRO UAB
28.02.2023	INVL Technology received permission to change the Articles of Association
10.03.2023	Regarding the approval of INVL Technology prospectus
13.03.2023	Correction: Regarding the approval of INVL Technology prospectus
06.04.2023	Audited results of INVL Technology of 2022
06.04.2023	Announcement of the net asset value of INVL Technology as of 31 December 2022
06.04.2023	Presentation of INVL Technology
06.04.2023	Convocation of the General Ordinary Shareholders Meeting of INVL Technology and draft resolutions on agenda issue
11.04.2023	Information about shares issued by INVL Technology and votes granted
18.04.2023	News from INVL Technology managed companies: NRD Cyber Security's income grew by 13% giving an increased gross profit of 27% in 2022
19.04.2023	News on companies INVL Technology owns: Novian Technologies acquired Rwanda-based Norway Registers Development Rwanda Ltd. from NRD Companies
26.04.2023	Enlight Research analyses INVL Technology's financial results for 2022
28.04.2023	Resolutions of the General Ordinary Shareholders Meeting of INVL Technology
28.04.2023	INVL Technology Interim information for 3 months of 2023
28.04.2023	Announcement of the net asset value of INVL Technology as of 31 March 2023
09.05.2023	News from INVL Technology managed companies: NRD Companies Reports Revenue Increase In 2022
15.05.2023	Convocation of the General Extraordinary Shareholders Meeting of INVL Technology and draft resolutions on agenda issue
05.06.2023	News from INVL Technology managed companies: Novian's revenue grew 28% in 2022 to EUR 33 million
06.06.2023	Resolutions of the General Extraordinary Shareholders Meeting of INVL Technology
05.07.2023	News from INVL Technology managed companies: Novian revises the ownership structure of its businesses
28.08.2023	INVL Technology results for 6 months of 2023
28.08.2023	Announcement of the net asset value of INVL Technology as of 30 June 2023
28.08.2023	Presentation of INVL Technology
31.08.2023	News from INVL Technology managed companies: NRD Cyber Security net profit increased by 49% in H1 of 2023
11.09.2023	News from INVL Technology managed companies: In the first half of 2023, NRD Companies expands its global footprint and reports significant revenue increase
13.09.2023	News from INVL Technology managed companies: Novian's revenue increased 27.6% in the first half of 2023 to EUR 18.5 million
02.10.2023	Enlight Research on INVL Technology: Portfolio companies' 6-month earnings exceeded expectations
27.10.2023	Information about shares issued by INVL Technology and votes granted
30.10.2023	Announcement of the net asset value of INVL Technology as of 30 September 2023
30.10.2023	INVL Technology results for 9 months of 2023
12.12.2023	INVL Technology investor's calendar for 2024



Summary of the notifications on transactions in INVL Technology shares concluded by managers of the Company during 2023

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
-	-	-	-	-	-	-	-	-

Explanations:

AUTO – automated trade concluded on a regulated market.

XOFF – trade concluded outside the regulated market.

### 30. Information about the audit company

The company does not have approved audit company selection criteria. The Extraordinary General Shareholders' Meeting of the Company, held on 6 February 2023, has decided to conclude an agreement with UAB PricewaterhouseCoopers to carry out of the audit of the annual financial statements of the INVL Technology for 2023 year and establish the payment in the amount of EUR 11,500 per year plus indexation (price increase) based on the average annual inflation published by the Department of Statistics under the Government of the Republic of Lithuania in April of 2023, calculated based on the harmonized index of consumer prices (HICP) (VAT will be calculated and paid additionally in accordance with the order established in legal acts). The Board of the Management Company of INVL Technology reserves the right to increase the remuneration of the audit company by no more than 25 percent of the total remuneration approved by this decision if the scope of audit work changes significantly.

In 2023 the accrued cost of audit services was EUR 16,777 after inflation indexation (including VAT, as the Company is not a subject to VAT and does not have right to a deduction).

<b>Audit company</b>	PricewaterhouseCoopers, UAB
<b>Address of the registered office</b>	J. Jasinskio St. 16B, LT-03163, Vilnius
<b>Code</b>	111473315
<b>Telephone</b>	(8 5) 239 2300
<b>E-mail</b>	vilnius@lt.pwc.com
<b>Website</b>	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
<b>Norway Registers Development AS</b>	Code: NO-985 221 405 MVA Address: Løkketangen 20 B, 1337 Sandvika, Norway Legal form: private limited liability company Registered: 23-12-2002	Legal, consultancy and project management knowledge center	Phone + 370 696 57105 E-mail info@nrd.no www.nrdcompanies.com
<b>Norway Registers Development AS Lithuanian branch</b>	Code: 304897486 Address: Gynėjų Str. 14, Vilnius, 01109 Legal form: private limited liability company Registered: 22-08-2018	Legal, consultancy and project management knowledge center	Phone + 370 696 57105 E-mail info@nrd.no www.nrdcompanies.com
<b>NRD Companies AS</b>	Code: NO-921 985 290 Address: Løkketangen 20 B, 1337 Sandvika, Norway Legal form: private limited liability company Registered: 18-01-2019	Management of financial asset	Phone +370 696 57105 E-mail info@nrd.no www.nrdcompanies.com
<b>NRD Systems UAB</b>	Code: 111647812 Address: Gynėjų Str. 14, Vilnius 01109 Legal form: private limited liability company Registered: 15-10-1998	Information system design and maintenance	Phone +370 696 57105 E-mail info@nrd.no www.nrdcompanies.com
<b>ETRONIKA UAB</b>	Code: 125224135 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 30-03-2000	Development and implementation of e-banking, smart retail, mobile applications for finances, e-commerce and e-government	Phone +370 696 57105 E-mail info@nrd.no www.nrdcompanies.com
<b>Norway Registers Development East Africa Ltd.</b>	Code: 88597 Address: 3rd floor, Elite tower, Azikiwe Street/Jamhuri street, Dar es Salaam, Tanzania Legal form: private limited liability company Registered: 13-01-2012	The company has been suspended in March 2020	
<b>Infobank Uganda Ltd.</b>	Code: 193144 Registered: 03-12-2014	A specialized company providing reliable information on business entities in Uganda. Currently does not perform any activities	
<b>Novian UAB</b>	Code: 121998756 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 25-06-1993	Investment into information technology companies.	Phone +370 5 2190 000 www.novian.io
<b>Novian Technologies UAB</b>	Code: 301318539 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 03-12-2007	Design, maintenance and development of critical IT infrastructure; design, implementation and maintenance of high-performance computing clusters; managed critical IT infrastructure services; digital transformation strategy consulting. Data center architecture and redesign, operations start-up, training and maintenance	Phone +370 5 2190 000 E-mail info.technologies@novian.lt Website www.novian.io



<b>Novian Eesti OÜ</b>	Code: 14552803 Address: Pärnu mnt 186, 11314 Tallinn, Estonia Legal form: private limited liability company Registered: 27-08-2018	IT infrastructure maintenance, digitization and hosting services	Phone +372 671 5188 E-mail info@novian.ee www.novian.ee
<b>Zissor AS</b>	Code: 986 845 550 Address: Bragernes Torg 6, 3017 Drammen, Norway Legal form: private limited liability company Registered: 04-05-2004	Media monitoring and digitization services	Phone +47 228 38 500 E-mail post@zissor.com www.zissor.com
<b>Andmevara SRL</b>	Code: 1013600014121 Address: Şciusev A. 89, sec. Buiucani, Chisinau, Moldova Legal form: private limited liability company Registered: 17-04-2013	IT infrastructure maintenance, digitization and hosting services	Phone +370 69887941 E-mail a.urmanaviciene@novian.lt
<b>Norway Registers Development Rwanda Ltd.</b>	Code: 105378191 Address: 3rd floor, Centenary House, Plot No: 1381, KN 4 Ave, Kiyovu, Nyarugenge District, Kigali, Rwanda Legal form: private limited liability company Registered: 22-02-2016	Regional sales, project management, project support and maintenance company for group projects in Rwanda, Burundi and Democratic Republic of the Congo.	E-mail info.technologies@novian.lt www.novian.io
<b>Novian Systems UAB</b>	Code: 125774645 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 15-10-2001	Development of information systems, projects using artificial intelligence, big data, process robotization solutions. National scale projects, projects for municipalities, business analytics and process automation solutions.	Phone +370 5 2734 181 E-mail info.systems@novian.lt www.novian.lt
<b>Novian Pro UAB</b>	Code: 300064148; Address: Gynėjų Str. 14, Vilnius (for correspondence); Legal form: private limited liability company Registered: 29-10-2004	Development of information systems and software for the energy, aviation, space, public administration and defence sectors.	Phone +370 37 474011 E-mail: info.pro@novian.lt www.novian.io
<b>NRD CS UAB</b>	Code: 303115085 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 06-08-2013	Internal CIRT establishment, technologies. Digital forensics laboratories, related consultations. Security Operations Center (SOC)	Phone +370 5 219 1919 E-mail info@nrdfs.lt www.nrdfs.eu
<b>NRD Bangladesh Ltd.</b>	Code: C-135712/2017 Address: Eastern Commercial Complex, Room No.1/11, (1st floor), 73, Kakrail, Dhaka, Bangladesh Legal form: private limited liability company Registered: 02-02-2017	A sales, project execution and warranty service company contributing to NRD CS operations in the South Asia region.	Phone+88 017 131 22331 E-mail: bkb@nrd.no www.nrdfs.com
<b>FINtime UAB</b>	Code: 304192355 Address: Gynėjų Str. 14, Vilnius Legal form: private limited liability company Registered: 29-02-2016	Financial and accounting services	Phone +370 694 95141



## APPENDIX 2. CORPORATE GOVERNANCE REPORTING FORM

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 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 should be treated regarded as the Board of the company.

### 2. Structured table for disclosure

Principals / recommendations	Yes/No/Not applicable	Comment
<b>Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' rights</b> The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.		
1.1. 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 of the company, should be subject to approval of the general meeting of shareholders.	No	Due to the nature of the Company's activities, the Management Company is responsible for making the Company's investment decisions (decisions regarding the acquisition and sale of the Company's assets).



<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>Yes</p>	<p>In accordance with the provisions of legal acts, the Company must enable shareholders to participate in the General Meeting of Shareholders and vote by means of electronic communication, as well as submit a voting instruction when it is required by shareholders whose shares hold at least 1/10 of all votes.</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. 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</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>



1.10. Members of the company's collegial management body, heads of the administration<sup>3</sup> 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.

Yes

Representatives of the Company's Management Company always attend the Company's General Meetings of shareholders, i.e. a member of the Board or a member of the Investment Committee or a representative responsible for the Company's financial statements.

**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

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.

Yes/Not applicable

The Supervisory Board operating during the reporting period acts in good faith for the benefit of the Company and its shareholders.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.

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.

Yes/Not applicable

The Supervisory Board operating during the reporting period treats all shareholders fairly and impartially.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.

<sup>3</sup>For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions



<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/Not applicable</p>	<p>The Supervisory Board, operating during the reporting period, was independent in passing decisions.</p> <p>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</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/Not applicable</p>	<p>The Supervisory Board members, operating during the reporting period, were impartial in passing decisions and clearly voice their will regarding the decisions passed.</p> <p>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</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/Not applicable</p>	<p>The supervisory board, operating during the reporting period, was provided with all necessary information.</p> <p>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</p>



**2.2. Formation of the supervisory board**

The procedure of the formation of the supervisory board should ensure proper resolution of conflicts of interest and effective and fair corporate governance.

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.

Yes/Not applicable

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.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.

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.

Yes/Not applicable

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.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.

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.

Yes/Not applicable

Chair of the supervisory board is a person whose current or past positions constitute no obstacles to carry out impartial activities.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.



<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/Not applicable</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>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</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/Not applicable</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>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</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/Not applicable</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>Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.</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.

Not applicable

The supervisory board conducted an evaluation of its activities once a year. The evaluation of the performance of the Supervisory Board was carried out by the members of the Supervisory Board filling in the self-evaluation form of the Supervisory Board's performance approved by the Supervisory Board.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, and to envisage in the Company's Articles of Association that the Management Company may form an Advisory Committee of the Company, and has approved a new version of the Articles of Association.

**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

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.

Not applicable

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. Until 20 February 2023 the Company had 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.

3.1.2. As a collegial management body of the company, the management board performs the functions assigned to it by the Law and in the articles of association of the company, and in such cases where the supervisory board is not formed in the company, it performs inter alia the supervisory functions established in the Law. By performing the functions assigned to it, the management board should take into account the needs of the company's shareholders, employees and other interest groups by respectively striving to achieve sustainable business development.

Not applicable

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. Until 20 February 2023 the Company had a Supervisory Board.

The Management Company of the Company is responsible for convocation and organisation of the General Meeting of Shareholders, giving notices about publicly 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.

3.1.3. The management board should ensure compliance with the laws and the internal policy of the company applicable to the company or a group of companies to which this company belongs. It should also establish the respective risk management and control measures aimed at ensuring regular and direct liability of managers.

Not applicable

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. Until 20 February 2023 the Company had a Supervisory Board.

The compliance with the laws and the provisions of the Company's internal policies is ensured by the Management Company and its employees.



3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance<sup>4</sup> on Internal Controls, Ethics and Compliance are applied at the company in order to ensure adherence to the applicable laws, rules and standards.

Not applicable

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. During the reporting period, the Company had a Supervisory Board.

The Management Company of the Company has approved the Code of Ethics, which establishes the ethical standards relevant to the activities of the Company.

3.1.5. When appointing the manager of the company, the management board should take into account the appropriate balance between the candidate's qualifications, experience and competence.

Not applicable

Dėl Bendrovės veiklos pobūdžio, joje kolegialūs organai nėra sudaromi. Bendrovės valdymas yra perduotas Valdymo įmonei, kuri vykdo Bendrovės valdybos ir vadovo funkcijas. Bendrovėje iki 2023 m. vasario 6 d. ataskaitiniu laikotarpiu veikė Stebėtojų taryba.

Valdymo įmonės vadovai ir investicinius sprendimus priimančios asmenys privalo būti nepriekaištingos reputacijos ir turėti reikalingą kvalifikaciją ir darbo patirtį, leidžiančias tinkamai eiti pareigas.

Visų Valdymo įmonės vadovų ir investicinius sprendimus priimančių asmenų kandidatūros yra patvirtintos Lietuvos banko.

### 3.2. Formation of the Board

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.

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 decision-makers 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.

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.

Not applicable

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.

3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company.

Due to the nature of the Company's activities, collegial 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.

All member of the Board of the Management Company are familiarized with their duties, the structure of the Management Company and the Company and the Company and operations of the Company.

<sup>4</sup> Link to the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance: <https://www.oecd.org/da/anti-bribery/44884389.pdf>



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.

Due to the nature of the Company's activities, collegial 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 member of the Board of the Company's Management Company are elected for a 4-year term, with the possibility of being individually re-elected for a new term.

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.

Due to the nature of the Company's activities, collegial 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.

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.

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 number of the Company's Investment Committee meetings.

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 independent<sup>10</sup>, 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.

Not applicable

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

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.

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.

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.

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.



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.

Not applicable

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 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.

Yes / No

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. Until 20 February 2023 the Company had a Supervisory Board.

The Board of the Management Company and Investment Committee closely cooperated with the members of the Supervisory Board (until 20 February 2023).

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.

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. Until 20 February 2023 the Company had a Supervisory Board.

Meetings of the Management Company's Board and the Company's Supervisory Board (until 20 February 2023) are held at such intervals as to ensure uninterrupted resolution of essential issues of the Company's management and supervision.

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.

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. Until 20 February 2023 the Company had a Supervisory Board.

The Board of the Management Company and the Supervisory Board (until 20 February 2023) 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.



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.

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. Until 20 February 2023 the Company had a Supervisory Board.

When the Board of the Management Company and the Supervisory Board (until 20 February 2023) of the Company have to speak on the same issue, their meetings are coordinated.

**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 committees<sup>5</sup>.

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.

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 Meeting of Shareholders.

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.

<sup>5</sup> Teises 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 nares reguliuojamoje rinkoje), privalo sudaryti audito komitetą (teises aktai nūmato išimčių, kada audito komiteto funkcijas gali atlikti priežiūros funkcijas atliekantis kolegialus organas).



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.

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 Meeting of Shareholders.

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.

## 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 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.

Not applicable

Due to the Company's management type and an absence of employees, the Nomination Committee is not formed.

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.



**5.3. Remuneration committee**

The main functions of the remuneration committee should be as follows:

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;

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;

3) review, on a regular basis, the remuneration policy and its implementation.

Not applicable

Due to the Company's management type, the Remuneration Committee is not formed.

**5.4. Audit committee**

5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee

Yes

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.

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.

Yes

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 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.



<p>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.</p>	<p>Yes</p>	<p>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.</p>
<p>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.</p>	<p>No</p>	<p>Due to the Company's management type and considering that the Company has no employees, the Audit Committee of the Company does not examine if the Company complies the functions stated in 5.4.5.</p>
<p>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.</p>	<p>Yes / No</p>	<p>In accordance with the provisions of the Audit Committee, the Audit Committee submits its activity reports to the Annual General Meeting of Shareholders.</p>

**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.

<p>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.</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. Until 20 February 2023 the Company had a Supervisory Board.</p> <p>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.</p>
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**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

<p>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</p>	<p>Yes</p>	<p>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 (until 20 February 2023) had a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders.</p> <p>Remuneration policies are reviewed in accordance with legal requirements.</p>
<p>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.</p>	<p>Yes</p>	<p>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.</p>



<p>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.</p>	<p>Yes / No</p>	<p>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 (until 20 February 2023) had a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders.</p> <p>The remuneration of the members of the Supervisory Board does not depend on the performance of the company.</p>
<p>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.</p>	<p>Not applicable</p>	<p>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 (until 20 February 2023) had a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders.</p> <p>According to the policies, the Company does not have the policy of termination payments.</p>
<p>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.</p>	<p>Yes / No</p>	<p>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 (until 20 February 2023) had a separate remuneration policy, which is approved by the Company's General Meeting of Shareholders.</p> <p>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 INVVL AB at his choice. Their payment on a <i>pro rata</i> 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.</p>
<p>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.</p>	<p>Yes</p>	<p>The Company publishes a remuneration report on its website.</p>
<p>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 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.</p>	<p>Taip/Ne</p>	<p>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 (until 20 February 2023) had a separate remuneration policy, This policy and its amendments are approved by the Company's General Meeting of Shareholders.</p>



**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 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 companies and their relationships by specifying the final beneficiary;	Yes	Published on the Company's website.
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. Until 20 February 2023 the Company had 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.



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/No	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	Information is provided in interim and annual reports.
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.)	No	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	No	The Company does not prepare 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 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 2023, 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 2023 year, as due to the nature of the Company's activities, collegial management body is not formed in the Company.
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 1 January 2022)

### **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 2023. 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 2023 "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 Company provides information regarding the level of risk, risk management, and implemented internal control systems, as well as the measures, in Clause 19 of financial report of 2023.

### **4. Information regarding significant directly or indirectly managed holdings**

The Company provides information regarding the significant directly or indirectly managed holdings in Note 4 of the financial statement of 2023.

### **5. Information relating to transactions with related parties, according to the Law on Companies article 372 (by specifying the counterparty**

*(legal form, name, code, register of the legal entity in which the person is stored, premises (address); name, surname, address of the natural person and the value of the transaction)*

According to Article 10, part 3 of the Law on Companies, the provisions of Article 37 are not applicable to the transactions concluded with a subsidiary company, if the owner of all shares is this joint-stock company. In addition, the provisions of Article 37 is not applicable when the transaction or the total amount of such transactions per financial year do not exceed 1/10 of a joint stock company whose shares are allowed to be traded on the regulated market, the value of the assets specified in the latest balance sheet. Considering the above, transactions with subsidiary companies are presented when the joint-stock company is not the owner of all shares or the value of the transactions exceeds 1/10 of the Company's assets. The Company has not entered into transactions to be published in accordance with the above provisions.

### **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. of the Annual Report of 2023.

## 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 2023.

The board members of the management company, General Manager of the management company, and the members of the Investment Committee of the company, members of the Supervisory Board, operating during the reporting period act in accordance with the Rules of Procedure of the Board, Provisions of the General Manager, and Provisions of the Investment Committee, Rules of Procedure of the Supervisory Board. In addition to this, the board members of the Management company, General Manager of the Management company, and the members of the Investment Committee and members of the Supervisory Boards 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

This requirement is not applicable to the Company in accordance with Part 2 of Article 23(1) of the Law on Enterprise Accountability of the Republic of Lithuania. However, it should be noted, that 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, believes 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, believes 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 accordance 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 provides 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.lt/lt/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.

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

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 2023

The equity and the net asset value of INVL Technology, a company that invests in IT businesses, amounted to EUR 43.53 million at the end of 2023, or EUR 3.6052 per share, and grew 13.7% during the year.

The company had a net profit last year of EUR 5.2 million, an increase of 144.2% compared to 2022. According to the unaudited figures, the aggregated revenues of the company's business holdings increased 24,6 % in 2023 to EUR 62,57 million.

During 2023, accounting for the effect of dividends that were paid, the value of the cyber-security company NRD Cyber Security grew 48% to EUR 14.1 million, the value of NRD Companies, which works in in business climate improvement and e-governance, increased 51% to EUR 11.0 million, and the value of the Novian group of IT service businesses increased 12% to EUR 19.7 million.

### 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 37<sup>3</sup> 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. From 26 July 2021 till 20 February 2023 the Company had a collegial supervisory body – Supervisory Board. On 29 April 2021 the Company's General Meeting of Shareholders approved the remuneration policy of the Company's 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.

Considering that a new version of the Republic of Lithuania Law on Companies entered into effect on 30 November 2022 and according to the provisions of section 1 of article 78 therein, the requirement to form a collegial body with supervisory functions no longer applies to investment companies specified in the Republic of Lithuania Law on Collective Investment Undertakings with the legal form of a public limited liability company whose shares are admitted to trading on a regulated market, on 6 of February 2023 the General Meeting of Shareholders has decided to eliminate the Company's collegial body with a supervisory function – the Supervisory Board, therefore, the remuneration policy of the Supervisory Board from 6 February 2023 are not relevant.

### 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 II or III tier 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.

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.

### 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. 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 general director or the 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 as well as other criteria provided for in the law.

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 or their equivalent (stock options, pension and insurance contributions). 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 2023 will be allocated in 2024, after the approval of the financial statements for 2023. 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 table below presents the remuneration amounts allocated and paid to Management for 2023.

Breakdown of wages allocated and paid during 2023

Name, Surname, Position, ID code	1. Regular remuneration, Thous. EUR			2. Variable remuneration, thous. EUR		3. One-time payments, in thous. EUR	4. Contributions to pension funds, thous. EUR	5. Total remuneration, in thous. EUR	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 date	4.44	-	-	6.34	-	-	1.24	12.02	52.74
Paulius Žurauskas, General manager of the Company (from 1 December 2023) ID code – sensitive date	2.44	-	-	-	-	1.32	0.02	3.78	34.96
Darius Šulnis, Chairman of the Board of the Management company ID Code – sensitive data	1.57	-	-	-	-	-	-	1.57	-
Nerijus Drobavičius, member of the Board of the Management company, ID code – sensitive date	2.94	-	-	1.71	-	6.34	0.02	11.01	73.12
Vytautas Plunksnis, Member of the Board of the Management Company and Investment Committee, ID Code – sensitive date	2.16	-	-	-	-	-	0.43	2.59	-
Kazimieras Tonkūnas, Chairman of the Investment Committee, ID code – sensitive data	251.70	-	-	-	-	-	19.42	271.12	-
Vida Tonkūnė, Member of the Investment Committee, ID code – sensitive data	24.37	-	-	-	-	-	0.08	24.45	-
Audrius Matikiūnas, Member of the Supervisory Board, A. k. neskelbiamas	-	-	-	-	-	-	-	-	-
Indrė Mišeikytė, Member of the Supervisory Board, A. k. neskelbiamas	-	-	-	-	-	-	-	-	-
Gintaras Rutkauskas, Chairman of the Supervisory Board, A. k. neskelbiamas	-	-	-	-	-	-	-	-	-

\*The variable remuneration component for 2023 will be allocated in 2024, after approval of financial statements for 2023.



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

Due to the fact that the management of the Company is delegated to the Management Company and its management bodies are not formed, and the Company itself does not have employees, the annual changes in remuneration and the full-time equivalent changes in average remuneration, based on the employees of the Company who are not members of the management bodies, cannot be compared. It is also not possible to provide information on the annual changes in the remuneration of the members of the Supervisory Board and the average remuneration, as the members of the Supervisory Board do not receive remuneration.

Since only the remunerations of the members of the Investment Committee of the Company are calculated on the basis of the actual part of the 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, therefore, the table below reflects only the remunerations of the members of the Investment Committee and the financial results of the Company.

Remuneration of Investment Committee	2019 (thous. EUR)	2019 (thous. EUR)	2020 (thous. EUR)	2021 (thous. EUR)	2023 (thous. EUR)
Kazimieras Tonkūnas, Chairman of the Investment Committee	206.28	205.43	207.55	251.71	271.12
Vida Tonkūnė, Member of the Investment Committee	24.78	24.83	25.20	24.93	24.45
Vytautas Plunksnis, Member of the Investment Committee	3.72	4.24	4.06	4.02	2.59
Nerijus Drobavičius, Member of the Investment Committee	3.32	3.73	6.60	7.06	11.01

\* Total remuneration received from the Company and other companies of the Group.

Results of the Company	2019 (thous. EUR)	2020 (thous. EUR)	2021 (thous. EUR)	2022 (thous. EUR)	2023 (thous. EUR)
Net profit per share*	0.08	0.39	0.22	0.18	0.43
Net profit	933	4,767	2,621	2,115	5,165
Assets	29,080	35,404	38,651	38,447	48,888

\*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](http://www.invltechnology.lt).



BDO AS  
Bygdøy allé 2  
Postboks 1704 Vika  
0121 Oslo

## Uavhengig revisors beretning

Til generalforsamlingen i Nrd Companies AS

### Konklusjon

Vi har revidert årsregnskapet til Nrd Companies AS.

#### Årsregnskapet som består av:

- Balanse per 31. desember 2023
- Resultatregnskap, utvidet resultatregnskap for 2023
- Kontantstrømoppstilling for regnskapsåret avsluttet per 31. desember 2023
- Noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

#### Etter vår mening:

- Oppfyller årsregnskapet gjeldende lovkrav, og
- Gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret i samsvar med forenklet anvendelse av internasjonale regnskapsstandarder etter regnskapsloven § 3-9.

### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under Revisors oppgaver og plikter ved revisjonen av årsregnskapet. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

### Styret og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med forenklet anvendelse av internasjonale regnskapsstandarder etter regnskapsloven § 3-9. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvike selskapet eller legge ned virksomheten, eller ikke har noe realistisk alternativ til dette.



## Revisors oppgaver og plikter ved revisjonen av årsregnskapet

---

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:  
<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

Steffen Amundsen  
statsautorisert revisor  
(elektronisk signert)

Penneo Dokumentnøkkel: 81M4B-NBMGA-71YZW-K6KEA-4KXZ-TFPPP



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## Amundsen, Steffen

Statsautorisert revisor

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KAZIMIERAS TONKŪNAS

2025-01-28 09:46:00 GMT+2

Pasikrifik: Pārāšas


 Kvalifisert elektronisk påriss

MINDAUGAS GLODAS

2025-01-28 10:06:28 GMT+2

Pasikrifik: Pārāšas

Powered by: Usholat

 Kvalifisert elektronisk påriss

VIDA TONKŪNE

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Pasikrifik: Pārāšas

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## NRD COMPANIES AS

ÅRSREGNSKAPET ER AVLAGT I HENHOLD TIL REGNSKAPSLOVEN § 3-9 OG FORSKRIFT OM FORENKLET IFRS FASTSATT AV FINANSDEPARTEMENTET 7. FEBRUAR 2022, PRESENTERT MED UAVHENGIG REVISORS BERETNING.

### Adresse og firmakode

Løkketangen 20 B, 1337 Sandvika, Norway.

Firmakode 921 985 290



NRD COMPANIES AS  
921 985 290

## Resultatregnskap

	Note	2023	2022
Inntekter		0	0
<b>Sum inntekter</b>		<b>0</b>	<b>0</b>
Lønnskostnad	2,3,9	-28 668	-28 668
Annen driftskostnad	4	-152 794	-204 165
<b>Driftskostnader</b>		<b>-181 462</b>	<b>-232 833</b>
<b>Driftsresultat</b>		<b>-181 462</b>	<b>-232 833</b>
<b>Finanskostnader</b>			
Finansinntekter		26	1
Finansielle kostnader		-555 836	-64 186
<b>Resultat før skatt</b>		<b>-737 272</b>	<b>-297 019</b>
Skattekostnad	6	0	0
<b>Årets resultat</b>		<b>-737 272</b>	<b>-297 019</b>
<b>Andre inntekter og kostnader</b>			
Poster som kan omklassifiseres til resultatet i fremtidige perioder		0	0
Poster som ikke vil bli omklassifisert til resultat i fremtiden		0	0
<b>Totalresultat</b>		<b>-737 272</b>	<b>-297 019</b>
Overført til annen egenkapital		-737 272	-297 019

De medfølgende notene er en integrert del av dette årsregnskapet.



NRD COMPANIES AS  
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## Balanse

	Note	31.12.2023	31.12.2022	01.01.2022
<b>EIENDELER</b>				
<b>Anleggsmidler</b>				
Finansielle eiendeler	1	31 227 116	30 661 407	30 661 407
<b>Sum anleggsmidler</b>		<b>31 227 116</b>	<b>30 661 407</b>	<b>30 661 407</b>
<b>Omløpsmidler</b>				
Kundefordringer	10	248 205	248 205	248 205
Bankinnskudd, kontanter etc.	1	48 662	22 799	12 978
<b>Sum omløpsmidler</b>		<b>296 867</b>	<b>271 004</b>	<b>261 183</b>
<b>SUME EIENDELER</b>		<b>31 523 983</b>	<b>30 932 412</b>	<b>30 922 590</b>

## EGENKAPITAL OG GJELD

### Egenkapital

Aksjekapital	5	27 565 406	27 565 406	27 565 406
Annen egenkapital		1 654 036	2 391 308	2 688 327
<b>Total egenkapital</b>		<b>29 219 442</b>	<b>29 956 714</b>	<b>30 253 733</b>

### Gjeld

Gjeld til selskaper i samme konsern	1,8	2 141 613	880 000	640 000
<b>Sum langsiktig gjeld</b>		<b>2 141 613</b>	<b>880 000</b>	<b>640 000</b>

### Kortsiktig gjeld

Leverandørgjeld	1	146 260	80 696	16 509
Annen kortsiktig gjeld		16 668	15 002	12 348
<b>Sum kortsiktig gjeld</b>		<b>162 928</b>	<b>95 698</b>	<b>28 857</b>

<b>Sum gjeld</b>		<b>2 304 541</b>	<b>975 698</b>	<b>668 857</b>
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<b>SAMLET EGENKAPITAL OG GJELD</b>		<b>31 523 983</b>	<b>30 932 412</b>	<b>30 922 590</b>
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De medfølgende notene er en integrert del av dette årsregnskapet.



**Styret i NRD Companies AS**

Vilnius, 28. januar 2025

\_\_\_\_\_  
Kazimieras Tonkūnas

Styreleder/Chairman of the Board

\_\_\_\_\_  
Vida Tonkūnė

Styremedlem/Board member

\_\_\_\_\_  
Vytautas Plunksnis

Styremedlem/Board member

\_\_\_\_\_  
Mindaugas Glodas

Daglig leder/General Manager



NRD COMPANIES AS  
921 985 290

### Endringer i egenkapital

	Aksjekapital	Annen egenkapital	SUM
Saldo per 31. desember 2021	27 565 406	2 688 327	30 253 733
Netto resultat (underskudd) for 2022	-	-297 019	-297 019
Saldo per 31. desember 2022	27 565 406	2 391 309	29 956 714
Netto resultat (underskudd) for 2023	-	-737 272	-737 272
Saldo per 31. desember 2023	27 565 406	1 654 036	29 219 442

De medfølgende notene er en integrert del av dette årsregnskapet.



NRD Companies AS  
921 985 290

### Kontantstrøm

<b>Kontantstrømmer fra operasjonelle aktiviteter</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Resultat før skattekostnad		-737 272	-297 019
+ Tap / - gevinst ved salg av anleggsmidler		0	0
+/- Endring i kundefordringer		0	0
+/- Endring i leverandørgjeld		65 564	64 187
+/- Endring i andre tidsavgrensningsposter		1 666	2 654
= Netto kontantstrøm fra operasjonelle aktiviteter		-670 042	-230 178
<b>Kontantstrømmer fra investeringsaktiviteter</b>			
- Utbetalinger ved kjøp av aksjer og andeler		-565 709	0
= Netto kontantstrøm fra investeringsaktiviteter		-565 709	0
<b>Kontantstrømmer fra finansieringsaktiviteter</b>			
- Innbetaling ved opptak av langsiktig gjeld		1 261 613	240 000
= Netto kontantstrøm fra finansieringsaktiviteter		1 261 613	240 000
= Netto endring i kontanter mv		25 863	9 822
+ Beholdning av kontanter ved årets begynnelse		22 799	12 978
= Kontantbeholdning ved årets utgang		48 662	22 799
<b>Kontantbeholdning mv framkommer slik:</b>			
Kontanter og bankinnskudd ved årets utgang		47 749	20 899
Skattetrekkinnskudd o.l. ved årets utgang		913	1 901
= <b>Kontantbeholdning ved årets slutt</b>	<b>1</b>	<b>48 662</b>	<b>22 799</b>



## Note Regnskapsprinsipper

NRD Companies AS er et aksjeselskap registrert i Norge. Selskapets hovedkontor er lokalisert på Løkketangen i Sandvika.

## Grunnlag for utarbeidelse av årsregnskapet

Årsregnskapet er avlagt i henhold til regnskapsloven § 3-9 og forskrift om forenklet IFRS fastsatt av Finansdepartementet 7. februar 2022. Dette innebærer i hovedsak at måling og innregning følger internasjonale regnskapsstandarder (IFRS) og presentasjon og noteopplysninger er i henhold til norsk regnskapslov og god regnskapsskikk. Unntak fra måling og innregning etter full IFRS er forklart under.

Regnskapet legger til grunn prinsippene i et historisk kost regnskap.

For alle tidligere perioder, inkludert perioden avsluttet per 31. desember 2022, har selskapet utarbeidet årsregnskapet i samsvar med norsk regnskapslov og god regnskapsskikk (NGAAP). Årsregnskapet for perioden avsluttet 31. desember 2023, er første gang selskapet utarbeider årsregnskapet i samsvar med forenklet IFRS. Henviser til omtale av Førstegangsansvendelse av IFRS for mer informasjon om overgangen.

## Konsolidering (konsernregnskap)

Selskapet er ikke pliktig til å presentere konsernregnskap etter IFRS 10.4:

- Selskapet er et heleid datterforetak og alle dets eiere er informert om at det ikke presenterer konsernregnskap.
- Selskapet har ikke gjeld- eller egenkapitalinstrumenter som omsettes i et offentlig marked, utenlandsk børs eller marked utenom børs.
- Selskapet har ikke innsendt og er heller ikke i ferd med å innsende sitt finansregnskap til et børstilsyn eller annen reguleringsmyndighet, og
- Selskapets morforetak, INVL Technology UTIB, er et investeringsforetak i Litauen som har offentlig tilgjengelig finansregnskap og hvor datterforetak måles til virkelig verdi over resultatet.

## Datterselskap

Datterselskap vurderes etter kostmetoden. Slike investeringer er målt til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte, konsernbidrag og andre utdelinger fra datterselskap er inntektsført i samme år som det er avsatt i givers regnskap. Det er gjennomføres i så fall en påfølgende nedskrivningsvurdering for investeringen.

## Tilknyttet selskaper

Selskapet har investeringer i tilknyttede selskaper. Tilknyttede selskaper er enheter hvor selskapet har betydelig innflytelse, men ikke kontroll eller felles kontroll, over den finansielle og operasjonelle styringen. Tilknyttet selskap er innregnet etter kostmetoden i selskapsregnskapet.



## Estimater og forutsetninger

Ledelsen har brukt estimater og forutsetninger som har påvirket eiendeler, gjeld, inntekter, kostnader samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet.

Dette gjelder særlig verdifall på investeringer. Fremtidige hendelser kan medføre at estimatene endrer seg. Estimater og de underliggende forutsetningene vurderes løpende, og er basert på beste skjønn og historisk erfaring. Endringer i regnskapsmessige estimater innregnes i den perioden endringene oppstår. Hvis endringene også gjelder fremtidige perioder fordeles effekten over inneværende og fremtidige perioder.

## Vurderinger

Ved utarbeidelse av årsregnskapet har ledelsen gjort enkelte vesentlige vurderinger basert på kritisk skjønn knyttet til anvendelse av regnskapsprinsippene. Dette redegjøres for i det følgende:

## Valuta

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på måletidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden under andre finansposter.

## Skatt

Skattekostnad består av betalbar skatt og endring i utsatt skatt. Forpliktelser og eiendeler ved utsatt skatt er beregnet på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt skattemessig underskudd til fremføring ved utgangen av regnskapsåret.

En eiendel ved utsatt skatt er regnskapsført når det er sannsynlig at selskapet vil ha tilstrekkelige skattemessige overskudd i senere perioder til å nyttiggjøre skattefordelen. Likeledes vil selskapet redusere eiendel ved utsatt skatt i den grad selskapet ikke lenger anser det som sannsynlig at det kan nyttiggjøre seg av den utsatte skattefordelen.

Forpliktelser og eiendeler ved utsatt skatt er målt basert på forventet fremtidig skattesats. Skattesatsen er for tiden 22 prosent.

## Klassifisering av balanseposter

Eiendeler klassifiseres som omløpsmiddel når selskapet forventer å realisere eiendelen, eller har til hensikt å selge eller forbruke den i selskapets ordinære driftssyklus. Videre er eiendeler som primært holdes for omsetning eller som forventes realisert innen tolv måneder etter rapporteringsperioden også å anse som omløpsmidler. Tilsvarende gjelder også eiendeler i form av kontanter eller kontantekvivalenter, med mindre disse er underlagt begrensninger som gjør at den ikke kan veksles eller



benyttes til å gjøre opp en forpliktelse i minst tolv måneder etter rapporteringsperioden. Alle andre eiendeler klassifiseres som anleggsmidler.

Forpliktelser klassifiseres som kortsiktig når de forventes å bli gjort opp i selskapets ordinære driftssyklus, når de primært holdes for omsetning, eller dersom forpliktelsen forfaller til oppgjør innen tolv måneder etter rapporteringsperioden, eller foretaket ikke har en ubetinget rett til å utsette oppgjøret av forpliktelsen i minst tolv måneder etter rapporteringsperioden. Eventuelle vilkår for forpliktelsen, som etter motpartens valg kan føre til at den gjøres opp ved utstedelse av egenkapitalinstrumenter, påvirker ikke forpliktelsens klassifisering. Alle andre forpliktelser klassifiseres som langsiktige.

## **Fordringer**

Kundefordringer og andre fordringer måles ved førstegangsinnregning til virkelig verdi, med etterfølgende måling til amortisert kost i henhold til den effektive rentemetoden justert for avsetning for estimert tap. For regnskapsprinsipper knyttet til tapsavsetninger, se «Avsetninger for tap på finansielle eiendeler» under.

Fordringer som forventes oppgjort innen ett år klassifiseres som omløpsmidler, i motsatt fall klassifiseres de som anleggsmidler.

## **Finansielle instrumenter**

Et finansielt instrument er enhver kontrakt som gir opphav til en finansiell eiendel for et foretak og en finansiell forpliktelse eller et egenkapitalinstrument for et annet foretak.

### **Finansielle eiendeler**

Selskapets finansielle eiendeler er:

- Aksjer i datterforetak og tilknyttet foretak,
- Kundefordringer,
- Kontanter og kontantekvivalenter.

Klassifiseringen av finansielle eiendeler ved førstegangsinnregning avhenger av karakteristika ved de kontraktsmessige kontantstrømmene til eiendelen, og hvilken forretningsmodell selskapet legger til grunn i styringen av sine finansielle eiendeler. Med unntak for kundefordringer som ikke har et betydelig finansieringselement, innregner selskapet en finansiell eiendel til virkelig verdi tillagt, hvis den finansielle eiendelen ikke er målt til virkelig verdi med verdiendringer over andre inntekter og kostnader, transaksjonskostnader.

Selskapet klassifiserer sine finansielle eiendeler i fire kategorier:

- Finansielle eiendeler målt til amortisert kost
- Finansielle eiendeler målt til virkelig verdi med verdiendringer over andre inntekter og kostnader med reklassifisering av akkumulerte gevinster og tap til resultatet



- Egenkapitalinstrumenter vurdert til virkelig verdi med verdiendringer over andre inntekter og kostnader uten reklassifisering av akkumulerte gevinster og tap til resultatet

## Finansielle eiendeler målt til amortisert kost

Selskapet måler finansielle eiendeler til amortisert kost hvis følgende betingelser er oppfylt:

- Den finansielle eiendelen holdes i en forretningsmodell hvor formålet er å motta kontraktsfestede kontantstrømmer, og
- Kontraktsvilkårene for den finansielle eiendelen gir opphav til kontantstrømmer som utelukkende består av betaling av hovedstol og renter på gitte datoer.

Etterfølgende måling av finansielle eiendeler målt til amortisert kost gjøres ved bruk av effektiv rentesmetode og er gjenstand for tapsnedskrivning. Gevinst og tap føres i resultat når eiendelen er fraregnet, modifisert eller nedskrevet.

Selskapets finansielle eiendeler til amortisert kost inkluderer kundefordringer og andre kortsiktige innskudd.

## Finansielle eiendeler målt til virkelig verdi med verdiendringer over andre inntekter og kostnader

Selskapet har ingen eiendeler som måles til virkelig verdi med verdiendringer over andre inntekter og kostnader.

## Fraregning av finansielle eiendeler

En finansiell eiendel (eller, hvis aktuelt, en del av en finansiell eiendel eller en del av en gruppe med like finansielle eiendeler) er fraregnet (tatt ut av selskapets konsoliderte balanseoppstilling) hvis:

- Den kontraktsfestede retten til å motta kontantstrømmer fra den finansielle eiendelen utløper, eller
- Selskapet har overført den kontraktsfestede retten til å motta kontantstrømmene fra den finansielle eiendelen eller beholder retten til å motta kontantstrømmene fra en finansiell eiendel, men samtidig forplikter seg til å overføre disse til en motpart; og enten
  - a. Selskapet har overført det vesentligste av risiko og fordeler forbundet med eiendelen, eller
  - b. Selskapet har hverken overført eller beholdt det vesentligste av risiko og fordeler forbundet med eiendelen, men har overført kontrollen av eiendelen.

## Finansielle forpliktelser

Finansielle forpliktelser er, ved førstegangsinnregning, klassifisert som lån eller forpliktelser. Lån og forpliktelser innregnes til virkelig verdi justert for direkte henførbare transaksjonskostnader.

## Lån og forpliktelser

Etter førstegangsinnregning vil rentebærende lån bli målt til amortisert kost ved bruk av effektiv rentesmetode. Gevinster og tap føres i resultat når forpliktelsen er fraregnet.



Amortisert kost er beregnet ved å ta hensyn til enhver rabatt eller premie knyttet til kjøpet, eller kostnader og avgifter som er en integrert del av den effektive renten. Effektiv rente presenteres som finanskostnader i resultatregnskapet.

Forpliktelser er målt til deres nominelle beløp dersom effekten av diskontering er ubetydelig.

#### Fraregning av finansielle forpliktelser

En finansiell forpliktelse fraregnes når forpliktelsen er innfridd, kansellert eller utløpt. Når en eksisterende finansiell forpliktelse erstattes med en ny forpliktelse fra samme långiver hvor vilkårene er vesentlig endret, eller vilkårene på en eksisterende forpliktelse er vesentlig modifisert, fraregnes den opprinnelige forpliktelsen og en ny forpliktelse innregnes. Forskjellen i balanseført verdi innregnes i resultat.

#### Avsetninger for tap på finansielle eiendeler

Selskapet anvender en forenklet metode for beregning av tapsavsetninger for kundefordringer. Selskapet måler dermed tapsavsetningen basert på forventet kredittap over levetiden for hver rapporteringsperiode, og ikke basert på 12-måneders forventet tap. Selskapet har laget en avsetningsmatrise som er basert på historiske kredittap, justert for fremadrettede faktorer for den spesifikke kunde og den generelle økonomiske situasjonen.

#### Avsetninger

En avsetning innregnes når selskapet har en forpliktelse (rettslig eller selvpålagt) som en følge av en tidligere hendelse og det er sannsynlig (mer sannsynlig enn ikke) at det vil skje et økonomisk oppgjør som følge av denne forpliktelsen samt at beløpets størrelse kan måles pålitelig. Hvis effekten er betydelig, beregnes avsetningen ved å neddiskontere forventede fremtidige kontantstrømmer med en diskonteringsrente før skatt som reflekterer markedets prissetting av tidsverdien av penger og, hvis relevant, risikoer spesifikt knyttet til forpliktelsen.

#### Anvendelse av nye og/eller endrede IFRSer og IFRIC-fortolkninger

Følgende standarder, endringer i eksisterende standarder og fortolkninger har tredd i kraft for inneværende periode:

- IFRS 17 Forsikringskontrakter;
- Opplysning om regnskapsprinsipper (endringer i IAS 1 Presentasjon av finansregnskap og IFRS Practice Statement 2 Foreta vesentlighetsvurderinger);
- Definisjon av regnskapsestimater (endringer i IAS 8 Regnskapsprinsipper, endringer i regnskapsestimater og feil);
- Utsatt skatt knyttet til eiendeler og forpliktelser som oppstår fra en enkelt transaksjon (Endringer i IAS 12 Inntektsskatt); og
- Internasjonal skatterreform – pilar to modellregler (endring av IAS 12 Inntektsskatt) (med umiddelbar virkning ved utstedelse av endringene og med tilbakevirkende kraft).



Selskapet har vurdert disse endringene og fortolkningene og konkludert med at de ikke har vesentlig innvirkning på selskapets regnskap og er derfor ikke omtalt i detalj i notene til regnskapet.

På datoen for avleggelse av dette regnskapet har selskapet ikke førtidsimplementert følgende nye og reviderte IFRS-standarder, endringer og fortolkninger som er utgitt, men som ennå ikke er tredd i kraft:

- **Endringer i IFRS 16 Leieforpliktelse:** ved salg og tilbakeleie som krever at selger-leietaker fastsetter «leiebetalinger» eller «reviderte leiebetalinger» på en slik måte at selger-leietaker ikke innregner noen del av gevinsten eller tapet som er knyttet til bruksretten som selger-leietaker har beholdt (i kraft for regnskapsår som begynner 1. januar 2024 eller senere).
- **Endringer i IAS 1 Presentasjon av finansregnskap:** Klassifisering av forpliktelser som kortsiktige eller langsiktige som krever at et foretaks rett til å utsette oppgjøret av en forpliktelse i minst tolv måneder etter rapporteringsperioden må ha substans og må eksistere på slutten av rapporteringsperioden. Klassifisering av en forpliktelse påvirkes ikke av sannsynligheten for at foretaket vil utøve sin rett til å utsette oppgjøret i minst tolv måneder etter rapporteringsperioden.
- **Endringer i IAS 1 Presentasjon av finansregnskap:** Langsiktige forpliktelser med lånebetingelser. Dersom et foretaks rett til å utsette oppgjøret er betinget av at foretaket oppfyller bestemte betingelser, påvirker slike betingelser hvorvidt denne retten eksisterer ved slutten av rapporteringsperioden, dersom foretaket er pålagt å oppfylle betingelsene på eller før slutten av rapporteringsperioden, og ikke dersom foretaket er pålagt å oppfylle betingelsene etter rapporteringsperioden. Endringene gir også en klargjøring av hva som menes med «oppgjør» i forbindelse med klassifisering av en forpliktelse som kortsiktig eller langsiktig. (i kraft for regnskapsår som begynner 1. januar 2024 eller senere).

Selskapet vurderer for tiden virkningen av disse nye regnskapsstandardene og endringene. Ledelsen i selskapet forventer ikke at innføringen av disse standardene, endringene og fortolkningene som er nevnt ovenfor, vil ha vesentlig innvirkning på selskapets regnskaper i fremtidige perioder.

#### **Kontanter og kontantstrømoppstilling**

Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer. Kontantstrømoppstillingen er utarbeidet etter den indirekte metode.

#### **Hendelser etter balansedagen**

Ny informasjon etter balansedagen om selskapets finansielle stilling på balansedagen er hensyntatt i årsregnskapet. Hendelser etter balansedagen som ikke påvirker selskapets finansielle stilling på balansedagen, men som vil påvirke selskapets finansielle stilling i fremtiden er opplyst om dersom dette er vesentlig.



## **Førstegangsanvendelse av IFRS**

Selskapet har utarbeidet årsregnskap og sammenligningsinformasjon som er i samsvar med forenklet anvendelse av IFRS pr 31. desember 2023. Ved utarbeidelsen av årsregnskapet for 2023, har selskapet også utarbeidet en åpningsbalanse pr 1. januar 2022.

Frem til 31. desember 2022 er selskapets årsregnskap utarbeidet i samsvar med norsk regnskapslov og god regnskapsskikk (NGAAP). Dette årsregnskapet er det første som utarbeides i samsvar med forenklet IFRS.

Ledelsen har analysert effekten av å implementere forenklet IFRS for selskapets regnskap. Ledelsen har konkludert med at førstegangsanvendelsen av forenklet IFRS ikke har medført noen vesentlige justeringer for noen av regnskapslinjene.

- Finansielle eiendeler består av aksjer i datterselskap og tilknyttede selskap, og måles etter kostmetoden med fradrag for akkumulerte nedskrivninger. De ble målt tilsvarende under NGAAP. Det foreligger ingen vesentlige endringer mellom disse måleprinsippene.
- Kundefordringer måles etter amortisert kost både under IFRS og NGAAP. Ledelsen har vurdert virkningen av forventet tapsavsetning etter IFRS 9. Ledelsen har konkludert med at virkningen ikke er vesentlig. Det foreligger ingen vesentlige endringer.
- Bankinnskudd måles etter amortisert kost både under IFRS og NGAAP. Det foreligger ingen vesentlige endringer.
- Forpliktelser til selskaper i samme konsern måles etter amortisert kost både under IFRS og NGAAP. Det foreligger ingen vesentlige endringer.
- Leverandørgjeld måles etter amortisert kost både under IFRS og NGAAP. Det foreligger ingen vesentlige endringer.
- Andre kortsiktige forpliktelser består av avsetninger for forpliktelser og måles til beste estimat av de utgifter som kreves for å gjøre opp en eksisterende forpliktelse ved slutten av rapporteringsperioden. Det foreligger ingen vesentlige endringer mellom IFRS og NGAAP.

Utarbeidede estimater pr 1. januar 2022 og 31. desember 2022 er i samsvar med estimatene som er utarbeidet i samsvar med NGAAP.



	Balanse i henhold til NGAAP	Effekt av innføring av IFRS	01.01.2022 Balanse i henhold til IFRS
<b>Eiendeler</b>			
<b>Anleggsmidler</b>			
Finansielle eiendeler	30 661 407	0	30 661 407
<b>Omløpsmidler</b>			
Kundefordringer	248 205	0	248 205
Bankinnskudd, kontanter osv.	12 978	0	12 978
<b>Sum eiendeler</b>	<b>30 922 590</b>	<b>0</b>	<b>30 922 590</b>
<b>Egenkapital og gjeld</b>			
<b>Egenkapital</b>			
Aksjekapital	27 565 406	0	27 565 406
Annen egenkapital	2 688 327	0	2 688 327
<b>Langsiktig gjeld</b>			
Forpliktelser til selskaper i samme konsern	640 000	0	640 000
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	16 509	0	16 509
Andre kortsiktige forpliktelser	12 348	0	12 348
<b>Sum egenkapital og gjeld</b>	<b>30 922 590</b>	<b>0</b>	<b>30 922 590</b>

	Balanse i henhold til NGAAP	Effekt av innføring av IFRS	31.12.2022 Balanse i henhold til IFRS
<b>Eiendeler</b>			
<b>Anleggsmidler</b>			
Finansielle eiendeler	30 661 407	0	30 661 407
<b>Omløpsmidler</b>			
Kundefordringer	248 205	0	248 205
Bankinnskudd, kontanter osv.	22 799	0	22 799
<b>Sum eiendeler</b>	<b>30 932 412</b>	<b>0</b>	<b>30 932 412</b>
<b>Egenkapital og gjeld</b>			
<b>Egenkapital</b>			
Aksjekapital	27 565 406	0	27 565 406
Annen egenkapital	2 391 308	0	2 391 308
<b>Langsiktig gjeld</b>			
Forpliktelser til selskaper i samme konsern	880 000	0	880 000
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	80 696	0	80 696
Andre kortsiktige forpliktelser	15 002	0	15 002
<b>Sum egenkapital og gjeld</b>	<b>30 932 412</b>	<b>0</b>	<b>30 932 412</b>



	Resultat- regnskap etter NGAAP	Effekt av innføring av IFRS	31.12.2022 Resultatregnskap i henhold til IFRS
Inntekter	0	0	0
<b>Sum inntekter</b>	<b>0</b>	<b>0</b>	<b>0</b>
Lønnskostnad	-28 668	0	-28 668
Annen driftskostnad	-204 165	0	-204 165
<b>Sum driftskostnader</b>	<b>-232 833</b>	<b>0</b>	<b>-232 833</b>
<b>Driftsresultat</b>	<b>-232 833</b>	<b>0</b>	<b>-232 833</b>
Finansielle inntekter	1	0	1
Finansielle kostnader	-64 186	0	-64 186
<b>Resultat før skatt</b>	<b>-297 018</b>	<b>0</b>	<b>-297 019</b>
Skattekostnad	0	0	0
<b>Årets resultat</b>	<b>-297 019</b>	<b>0</b>	<b>-297 019</b>
<b>Andre inntekter og kostnader</b>			
Poster som kan omklassifiseres til resultatet i fremtidige perioder	0	0	0
Poster som ikke vil bli omklassifisert til resultat i fremtiden	0	0	0
<b>Totalresultat</b>	<b>-297 019</b>	<b>0</b>	<b>-297 019</b>



NRD COMPANIES AS  
921 985 290

### Note 1 – Finansielle instrumenter

Klassifikasjon av finansielle instrumenter

Klassifikasjon av finansielle instrumenter  
31.12.2023

<b>Eiendeler</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Finansielle eiendeler*	0	0	0	0
Kundefordringer	248 205	0	0	248 205
Bankinnskudd, kontanter etc.	48 662	0	0	48 662
<b>Sum finansielle eiendeler</b>	<b>296 867</b>	<b>0</b>	<b>0</b>	<b>296 867</b>

Finansielle eiendeler består av aksjer i datterforetak og tilknyttede foretak og regnskapsføres etter kostmetoden.

<b>Forpliktelses</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Gjeld til selskaper i samme konsern	2 141 613	0	0	2 141 613
Leverandørgjeld	146 260	0	0	146 260
<b>Sum finansielle forpliktelses</b>	<b>2 287 873</b>	<b>0</b>	<b>0</b>	<b>2 287 873</b>



## Klassifikasjon av finansielle instrumenter 31.12.2022

<b>Eiendeler</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Finansielle eiendeler*	0	0	0	0
Kundefordringer	248 205	0	0	248 205
Bankinnskudd, kontanter etc.	22 799	0	0	22 799
<b>Sum finansielle eiendeler</b>	<b>271 004</b>	<b>0</b>	<b>0</b>	<b>271 004</b>

Finansielle eiendeler består av aksjer i datterforetak og tilknyttede foretak og regnskapsføres etter kostmetoden.

<b>Forpliktelser</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Gjeld til selskaper i samme konsern	880 000	0	0	880 000
Leverandørgjeld	80 696	0	0	80 696
<b>Sum finansielle forpliktelser</b>	<b>960 696</b>	<b>0</b>	<b>0</b>	<b>960 696</b>



## Klassifikasjon av finansielle instrumenter 01.01.2022

<b>Eiendeler</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Finansielle eiendeler*	0	0	0	0
Kundefordringer	248 205	0	0	248 205
Bankinnskudd, kontanter etc.	12 978	0	0	12 978
<b>Sum finansielle eiendeler</b>	<b>261 183</b>	<b>0</b>	<b>0</b>	<b>261 183</b>

Finansielle eiendeler består av aksjer i datterforetak og tilknyttede foretak og regnskapsføres etter kostmetoden.

<b>Forpliktelser</b>	<b>Finansielle eiendeler og gjeld vurdert til amortisert kost</b>	<b>Finansielle instrumenter til virkelig verdi med verdiendring over resultat</b>	<b>Finansielle instrumenter til virkelig verdi over andre inntekter og kostnader</b>	<b>Sum</b>
Gjeld til selskaper i samme konsern	640 000	0	0	640 000
Leverandørgjeld	16 509	0	0	16 509
<b>Sum finansielle forpliktelser</b>	<b>656 509</b>	<b>0</b>	<b>0</b>	<b>656 509</b>

Selskapet benytter følgende verdsettelseshierarki ved beregning av virkelig verdi for finansielle instrumenter:

- Nivå 1: Noterte priser i et aktivt marked for gjeldende eiendeler eller forpliktelser.
- Nivå 2: Noterte priser i et aktivt marked for lignende eiendeler eller forpliktelser, eller annen verdsettelsesmetode hvor all vesentlig input er basert på observerbare markedsdata.
- Nivå 3: Verdsettelsesteknikker som i hovedsak ikke er basert på observerbare markedsdata. Typiske metoder kan da være bruk av ulike multipler, kontantstrømsanalyser, sammenlignbare transaksjoner og lignende.

Selskapet har ingen finansielle eiendeler som vurderes etter virkelige verdi over resultatet.



Tabellen under viser selskapets investeringer i ikke-konsoliderte datterforetak tilknyttede foretak pr 31. desember 2023.

<u>Selskap</u>	<u>Investeringsbeløp</u>	<u>Eierandel Prosent</u>	<u>Beliggenhet</u>	<u>Egenkapital</u>	<u>Resultater 2023</u>
NRD systems UAB	3 564 192	95,91%	Lithuania	3 135 279	3 325 929
NRD EA	0	70%	Tanzania	N/A – enhet ikke operativ	N/A – enhet ikke operativ
Etronika UAB	3 502 493	94%	Lithuania	12 175 249	3 211 712
Infobank Uganda Ltd	0	30%	Uganda	N/A – enhet ikke operativ	N/A – enhet ikke operativ
Norway Registers Development AS	24 156 181	100%	Norway	9 307 894	2 747 230
NRD Bangladesh	4 250	1%	Bangladesh	(523 155)	(182 298)

## Finansiell risikostyring

Risikostyringsfunksjonen i selskapet utføres av ledelsen og dekker finansielle risikoer (kredittrisiko, likviditetsrisiko, markedsrisiko, valutarisiko og renterisiko), og juridisk risiko. Hovedmålet med funksjonen for håndtering av finansielle risikoer er å etablere risikonivå og sørge for at eksponeringen mot risikoer holder seg innenfor disse nivåene. Funksjonene for håndtering av juridisk risiko er utformet for å sikre korrekt implementering av interne retningslinjer juridisk risiko.

Selskapets finansielle forpliktelser består av leverandørgjeld og annen gjeld. Selskapet har ulike kategorier av finansielle eiendeler bestående av investeringer i ikke-konsoliderte datterselskaper, kundefordringer og kontanter og kontantekvivalenter.

Selskapets formål er å oppnå mellomlang til langsiktig avkastning på investeringer i nøye utvalgte unoterte private selskaper som opererer innen informasjonsteknologisektoren.

De viktigste risikoene knyttet til finansielle instrumenter er markedsrisiko (inkludert valutarisiko, renterisiko og prissvingningsrisiko), likviditetsrisiko, konsentrasjonsrisiko og kredittrisiko. Risikoene er beskrevet nedenfor.

### Valutarisiko

Selskapet har ingen vesentlige løpende eksponeringer eller transaksjoner i andre valutaer, slik at valutaeksponeringen vurderes som lav. enn euro, og er derfor ikke utsatt for valutarisiko.



## Renterisiko

Selskapet har ikke eksponering mot eksterne rentebærende lån, og ingen av investeringsobjektene har slike lån.

## Prisrisiko

Selskapets investeringer er utsatt for prissvingningsrisiko som følge av usikkerhet knyttet til fremtidige verdier av investeringer som ikke handles i et aktivt marked. For å håndtere denne risikoen gjennomgår ledelsen resultater fra investeringsobjektene kvartalsvis og opprettholder regelmessig kontakt med ledelsen i investeringsobjektene for forretningsutvikling og daglige driftsforhold.

Informasjonsteknologisektoren og markedet for informasjonsteknologi endrer seg raskt. Det er derfor en risiko for at uforutsette markedsendringer kan redusere verdien av selskapets investeringer eller avkastningen på investeringsobjektene.

## Likviditetsrisiko

Selskapets policy er å opprettholde tilstrekkelig kontanter og kontantekvivalenter for å kunne oppfylle sine forpliktelser på en gitt dato i samsvar med de strategiske planene. Selskapet vil kunne få tilstrekkelig finansiering fra morforetaket etter behov.

## Kredittrisiko

Kredittrisiko oppstår fra kontanter og kontantekvivalenter, utestående saldoer på kundefordringer og andre fordringer, samt utestående saldoer på utlån. Selskapet har ikke operativ drift, og har således en lav eksponering for kredittrisiko.

## Kapitalforvaltning

Selskapets primære mål med kapitalforvaltning er å sikre at selskapet opprettholder en sterk kredittverdighet og sunne kapitalforhold for å støtte virksomheten og maksimere avkastningen for aksjonærene. Kapitalforvaltningen utføres ved å overvåke aktivitetene til de enkelte datterselskapene for å sikre at deres kapital er tilstrekkelig til å opprettholde fortsatt drift.

Ledelsen for enhetene overvåker for å sikre at datterselskapene har nødvendig kapital og finansiering, og at de gir selskapets ledelse nødvendig informasjon.

Selskapets kapital består av aksjekapital og opptjent egenkapital. Selskapet forvalter sin kapitalstruktur og gjør justeringer i lys av endringer i økonomiske forhold og risikoer spesifikke for selskapets virksomhet. For å opprettholde eller justere kapitalstrukturen kan selskapet utstede nye aksjer, redusere aksjekapitalen eller justere utbytteutbetalingene til aksjonærene.

I løpet av 2023 ble det ikke gjort endringer i målene, retningslinjene eller prosessene for kapitalforvaltning.



## Note 2 - Tjenestepensjonsordning (OTP)

Selskapet er ikke forpliktet til å ha tjenestepensjonsordning (OTP).

## Note 3 - Antall årsverk

Antall sysselsatte årsverk i regnskapsåret: 1

## Note 4 - Revisjon

Godtgjørelse til revisor	2023	2022
Revisjon	100 000	155 263
<b>Sum godtgjørelse til revisor</b>	<b>100 000</b>	<b>155 263</b>

## Note 5 - Aksjekapital

Aksjeklasse	Antall aksjer	Aksjenes pålydende	Bokført verdi
Ordinære aksjer	520 102	53	27 565 406

Aksjonær	Antall aksjer	Eierandel %	Aksjeklasse
INVL Technology UTIB	520 102	100,00	Ordinære



## Note 6 - Spesifikasjon av skatt

<b>Skattepliktig inntekt</b>	<b>2023</b>	<b>2022</b>	
Resultat før skatt	-737 272	-297 019	
Permanente forskjeller	406 326	7 338	
<b>Skattepliktig inntekt</b>	<b>-330 947</b>	<b>-289 681</b>	
<b>Midlertidige forskjeller knyttet til:</b>	<b>01.01.2023</b>	<b>31.12.2023</b>	<b>Endring</b>
Fremførbart underskudd	-584 232	-915 179	330 947
<b>Netto forskjeller</b>	<b>-584 232</b>	<b>-915 179</b>	<b>330 947</b>
Skattereduserende forskjeller som ikke kan utlignes	584 232	915 179	-330 947
<b>Sum midlertidige forskjeller som påvirker betalbar skatt</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Utsatt skatt 31.12.2023 basert på 22 %</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Note 7 - Lån og sikkerheter til ledende personer, eiere mv

Det er ikke gitt lån eller sikkerhet til medlemmer av styrende organer.

## Note 8 - Transaksjoner med nærstående parter

Transaksjoner med Norway Registers Development AS:

	<b>2023</b>	<b>2022</b>	<b>01.01.2022</b>
Utestående lån	2 141 613	880 000	640 000



## Note 9 - Lønnskostnader

Spesifikasjon av lønnskostnader	2023	2022
Lønn	25 126	25 126
Arbeidsgiveravgift	3 543	3 543
Pensjonskostnader	0	0
Andre relaterte ytelser	0	0
<b>Sum</b>	<b>28 668</b>	<b>28 668</b>

Lønn utbetales kun til daglig leder. Styret mottar ikke lønnsutbetalinger eller andre utbetalinger.

## Note 10 – kundefordringer

Forventet tap ved verdifall på selskapets kundefordringer vurderes ut fra individuelle og generelle vurderinger. Selskapets ledelse analyserer og evaluerer kundefordringer basert på kredittrisiko, som er basert på historisk og fremtidsrettet informasjon. Gjeldende estimater kan endres vesentlig som følge av endringer i markedssituasjonen eller i landets økonomi. Den bokførte verdien av kundefordringene er oppført i balansen.

På balansetidspunktene har ledelsen gjort en konkret vurdering og konkludert med at avsetning til forventet tap på kundefordringer ikke er vesentlig.

	2023	2022	01.01.2022
Kundefordringer	248 205	248 205	248 205
Avsetning til forventet tap	0	0	0
<b>Bokført verdi av kundefordringer</b>	<b>248 205</b>	<b>248 205</b>	<b>248 205</b>



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## Resultatregnskap

	Note	2023	2022
<b>Driftskostnader</b>			
Lønnskostnad	1, 2	-28 668	-28 668
Annen driftskostnad	3	-152 794	-204 165
<b>Sum driftskostnader</b>		<b>-181 462</b>	<b>-232 833</b>
<b>Driftsresultat</b>		<b>-181 462</b>	<b>-232 833</b>
<b>Finansinntekter</b>			
Annen finansinntekt		26	1
<b>Sum finansinntekter</b>		<b>26</b>	<b>1</b>
<b>Finanskostnader</b>			
Annen rentekostnad		-157 178	-64 186
Annen finanskostnad		-398 658	0
<b>Sum finanskostnader</b>		<b>-555 836</b>	<b>-64 186</b>
<b>Netto finans</b>		<b>-555 810</b>	<b>-64 186</b>
<b>Resultat før skattekostnad</b>		<b>-737 272</b>	<b>-297 019</b>
<b>Årsresultat</b>		<b>-737 272</b>	<b>-297 019</b>
<b>Totalresultat</b>		<b>-737 272</b>	<b>-297 019</b>
<b>Overføringer</b>			
Annen egenkapital		-737 272	-297 019
<b>Sum overføringer</b>		<b>-737 272</b>	<b>-297 019</b>



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## Balanse

	Note	31.12.2023	31.12.2022
<b>EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Finansielle anleggsmidler</b>			
Investeringer i aksjer og andeler		31 227 116	30 661 407
<b>Sum finansielle anleggsmidler</b>		<b>31 227 116</b>	<b>30 661 407</b>
<b>Sum anleggsmidler</b>		<b>31 227 116</b>	<b>30 661 407</b>
<b>Omløpsmidler</b>			
<b>Fordringer</b>			
Kundefordringer		248 205	248 205
<b>Sum fordringer</b>		<b>248 205</b>	<b>248 205</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	4	48 662	22 799
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>48 662</b>	<b>22 799</b>
<b>Sum omløpsmidler</b>		<b>296 867</b>	<b>271 004</b>
<b>SUM EIENDELER</b>		<b>31 523 983</b>	<b>30 932 412</b>



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### Balanse

	Note	31.12.2023	31.12.2022
<b>EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	5, 6	27 565 406	27 565 406
<b>Sum innskutt egenkapital</b>		<b>27 565 406</b>	<b>27 565 406</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	6	1 654 036	2 391 308
<b>Sum opptjent egenkapital</b>		<b>1 654 036</b>	<b>2 391 308</b>
<b>Sum egenkapital</b>		<b>29 219 442</b>	<b>29 956 714</b>
<b>Gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld		2 141 613	880 000
<b>Sum annen langsiktig gjeld</b>		<b>2 141 613</b>	<b>880 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		146 260	80 696
Skyldige offentlige avgifter	4	3 038	3 698
Annen kortsiktig gjeld		13 629	11 304
<b>Sum kortsiktig gjeld</b>		<b>162 928</b>	<b>95 697</b>
<b>Sum gjeld</b>		<b>2 304 541</b>	<b>975 697</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>31 523 983</b>	<b>30 932 412</b>

Bærum, 29.04.2024

Kazimieras Tonkunas  
styrets leder

Vytautas Plunksnis  
styremedlem

Vida Juozapaviciene  
styremedlem

Mindaugas Glodas  
daglig leder



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## Noter

### Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk for små foretak.

#### Klassifisering og vurdering av balanseposter

Anleggsmidler er eiendeler bestemt til varig eie eller bruk. Eiendeler som er knyttet til varekretsløpet er klassifisert som omløpsmidler. Fordringer klassifiseres som omløpsmidler hvis de forfaller til betaling innen ett år etter transaksjonsdagen. Tilsvarende klassifiseres gjeld som kortsiktig hvis gjelden forfaller til betaling innen ett år. Langsiktig gjeld er gjeld som forfaller senere enn ett år etter transaksjonsdagen. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet. Anleggsmidler vurderes til anskaffelseskost. Varige anleggsmidler avskrives etter en fornuftig avskrivningsplan. Anleggsmidlene nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Langsiktig gjeld med unntak av andre avsetninger balanseføres til nominelt beløp på etableringstidspunktet.

#### Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.

#### Forøvrig er følgende regnskapsprinsipper anvendt:

Forsikret pensjonsforpliktelse er ikke balanseført - kostnaden er lik premien. Fordringer og gjeld i utenlandsk valuta er verdsatt til kursen ved regnskapsårets slutt. Kursgevinster og kurstap i utenlandsk valuta føres som finansinntekt og finanskostnad.

Selskapet har ikke endret regnskapsprinsipp fra 2022 til 2023.

### Note 1 - Lønnskostnader

Spesifikasjon av lønnskostnader	2023	2022
Lønn	25 126	25 126
Arbeidsgiveravgift	3 543	3 543
Pensjonskostnader	0	0
Andre relaterte ytelser	0	0
<b>Sum</b>	<b>28 668</b>	<b>28 668</b>

### Note 2 - Obligatorisk tjenestepensjon

Virksomheten er ikke pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon.

### Note 3 - Revisjon

Godtgjørelse til revisor	2023	2022
Revisjon	100 000	155 263
Andre tjenester	0	0
<b>Sum godtgjørelse til revisor</b>	<b>100 000</b>	<b>155 263</b>



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## Note 4 - Bankinnskudd

	31.12.2023
I posten for bankinnskudd inngår egen konto for bundne skattetrekksmidler med	913
Skyldig skattetrekk	-912

## Note 5 - Aksjekapital

Aksjeklasse	Antall aksjer	Aksjenes pålydende	Bokført verdi
Ordinære	520 102	53	27 565 406

Aksjonærer	Antall aksjer	Eierandel %	Aksjeklasse
INVL Technology	520 102	100,00	Ordinære

## Note 6 - Egenkapital

	Aksjekapital	Opptjent egenkapital	Sum
Egenkapital 31.12.2022	27 565 406	2 391 308	29 956 714
Årsresultat	0	-737 272	-737 272
<b>Egenkapital 31.12.2023</b>	<b>27 565 406</b>	<b>1 654 036</b>	<b>29 219 442</b>

## Lån og sikkerhetsstillelse til ledende personer, eiere med videre

Det er ikke gitt lån eller sikkerhetsstillelse til medlemmer av styrende organer.

## Antall årsverk

Antall årsverk sysselsatt i regnskapsåret: 1

## Spesifisering av skatt

Skattepliktig inntekt	2023	2022
Resultat før skatt	-737 272	-297 019
Permanente forskjeller	406 326	7 338
<b>Skattepliktig inntekt</b>	<b>-330 947</b>	<b>-289 681</b>

## Midlertidige forskjeller - utsatt skatt/skattefordel

Utsatt skatt/utsatt skattefordel i balansen avsettes på grunnlag av forskjeller mellom regnskapsmessige og skattemessige verdier i henhold til norsk regnskapsstandard for skatt.

Midlertidige skatteøkende og skattereduserende forskjeller som kan utlignes er nettopført.

**NRD COMPANIES AS****921 985 290**

<b>Midlertidige forskjeller knyttet til:</b>	<b>01.01.2023</b>	<b>31.12.2023</b>	<b>Endring</b>
Fremførbart underskudd	-584 232	-915 179	330 947
Kortsiktig gjeld	0	0	0
Andel skattepliktig avsatt utbytte	0	0	0
<b>Netto forskjeller</b>	<b>-584 232</b>	<b>-915 179</b>	<b>330 947</b>
Skattereduserende forskjeller som ikke kan utlignes	584 232	915 179	-330 947
<b>Sum midlertidige forskjeller som påvirker betalbar skatt</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Utsatt skatt 31.12.2023 basert på 22 %</b>	<b>0</b>	<b>0</b>	<b>0</b>



NRD Companies AS

921 985 290

2025.02.10

The reason for not submitting consolidated financial statements is that NRD Companies AS using the exemption under IFRS 10.

Marius Buivydas

**contus**  
**CONTUS ØKONOMI AS**  
Autorisert regnskapsførerselskap  
Org.nr. 913 731 689 MVA