

INVL Technology is a closed-end investment company (CEF) which invests in IT businesses. It is listed on the Nasdaq Vilnius exchange. A strategy of INVL Technology is to invest in national-level European IT businesses with high globalisation potential and grow them into global players by utilizing the sales channels and intellectual capital of the managed companies.

NAME OF THE COMPANY	Special closed-end type private capital investment company INVL Technology
COMPANY CODE	300893533
START OF CEF ACTIVITIES	14-07-2016
PERIOD OF ACTIVITY	10 years (+ 2 years)
MANAGEMENT COMPANY	INVL Asset Management UAB

INVL Technology directly and indirectly managed portfolio companies are classified into 3 areas of activity:

IT SERVICES AND SOFTWARE

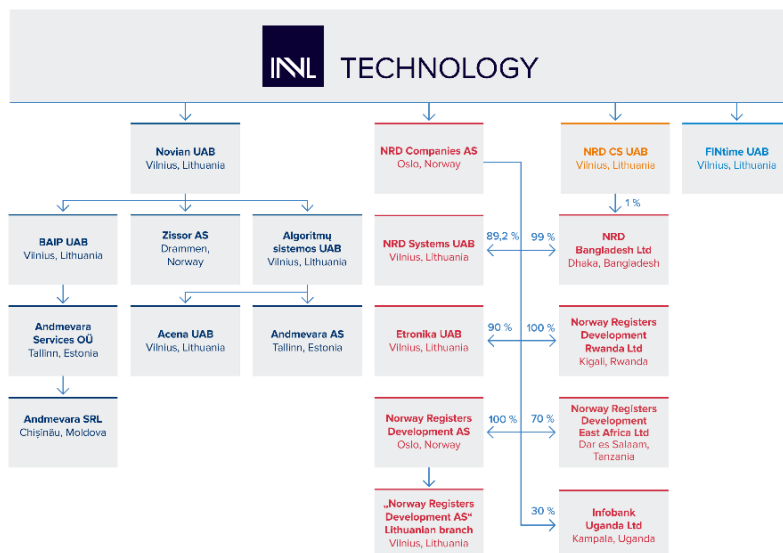
group was formed by joining the areas of IT infrastructure and IT intensive industries' solutions. Companies, operating in this functional group provide digital transformation, critical IT infrastructure architecture, installation and maintenance services, implement large scale digitisation projects, develop tax and local tax administration systems, e-lection management systems.

BUSINESS CLIMATE IMPROVEMENT AND E-GOVERNANCE

NRD Companies working in this area combine legal, consultancy and IT skills to address governance and economic digital infrastructure development challenges effectively. They develop national state-of-art registries and provide digital and mobile signature, digital platforms, digital licences.

CYBERSECURITY

companies provide technology consulting, incident response and National Computer Incident Response Teams (CIRTs/SOCs) establishment services. They are focused on the services to law enforcement, national communication regulators, CERTs, and corporate information security departments.



INVL Technology corporate structure after Novian Group consolidation (since February, 2020).

NET ASSET VALUE (EUR)

EUR	31-12-2017	31-12-2018	31-12-2019
NAV	23,811,753	28,024,654	28,958,136
NAV per share	1.9557	2.3018	2.3784

KEY FIGURES OF INVL TECHNOLOGY

THOUSAND EUR	12 months of 2018	12 months of 2019
Change in the fair value of financial assets	3,421	1,279
Dividends, interest and other incomes	1,360	185
Operating expenses	(533)	(531)
Net profit (loss)	4,213	933

THOUSAND EUR	31-12-2018	31-12-2019
Financial assets value	24,229	25,912
Cash and Cash equivalents	2,230	1,401
Bonds	1,252	920
Loans	-	808
Other assets	439	39
TOTAL ASSETS	28,150	29,080
Other liabilities	125	122
Equity	28,025	28,958
TOTAL EQUITY AND LIABILITIES	28,150	29,080

FINANCIAL ASSETS (THOUSAND EUR)

COMPANIES	31-12-2018	31-12-2019
NRD Companies (includes Etronika UAB, NRD Systems UAB, Norway Registers Development AS and others)	5,458	5,511
Novian ¹ (includes BAIP UAB, Acena UAB, Algoritmu sistemos UAB, Andmevara Services OU, Andmevara AS, Andmevara SRL, Zissor AS)	12,085	15,295
NRD CS UAB	6,455	4,880
Fintime UAB	231	226
TOTAL	24,229	25,912

CHANGE IN FAIR VALUE OF FINANCIAL ASSETS, THOUS. EUR

Opening balance (31-12-2018)	24,229
Revaluation	1,279
Increase of authorised capital of portfolio companies ²	4,673
Sale of directly managed portfolio companies to other portfolio companies ³	(4,269)
Opening balance (31-12-2019)	25,912

¹The consolidation of the Novian group was completed in 2019. BAIP UAB and Acena UAB were a part of this group, additionally Algoritmu sistemos UAB and Andmevara were incorporated to the Novian group (these two entities were directly controlled by INVL Technology), as well as the newly acquired Zissor AS. The comparative fair value of Novian (31-12-2018) was calculated as the sum of standalone values of Novian, Algoritmu sistemos UAB and Andmevara (includes Andmevara AS, Andmevara SRL and Andmevara Services OU). The change in fair value of financial assets of the Novian Group arises from the change in fair value of the portfolio companies (EUR 2,806 thousand) plus cash contributions from INVL Technology (EUR 700 thousand) that is dedicated to increase the share capital, and after deducting payments from the Novian Group companies to INVL Technology for the acquisitions (EUR -296 thousand).

²The share capital of Novian UAB was increased in 2019 due to acquisition of Zissor AS and the transfer of entities to the Novian Group which were directly controlled by INVL Technology.

³In 2019, Algoritmu sistemos UAB was acquired by Novian UAB from INVL Technology, Algoritmu sistemos UAB was controlled directly by INVL Technology. As well as it had sold directly controlled Andmevara Services OU (jointly with Andmevara SRL) and Andmevara AS to other portfolio companies BAIP UAB and Algoritmu sistemos UAB. The share price was paid fully for INVL Technology in 2019.

THE RESULTS OF INVL TECHNOLOGY PORTFOLIO COMPANIES OF 2019

NRD Companies is a global information technology and consulting group of companies specialized in governance and economic digital infrastructure development.

KEY PROFIT (LOSS) ITEMS, THOUSAND EUR⁴

	NRD Companies							
			NRD AS ⁵		NRD Systems, UAB ⁵		Etronika, UAB ⁵	
	2018	2019	2018	2019	2018	2019	2018	2019
Revenue	7,160	6,595	3,391	3,125	2,373	1,994	1,880	2,360
Gross profit	2,504	2,025	953	850	661	354	863	951
EBITDA	503	180	122	140	72	(179)	209	348
EBIT	347	(45)	120	135	35	(273)	169	252
Net Profit (Loss)	213	(89)	190	116	1	(276)	136	193

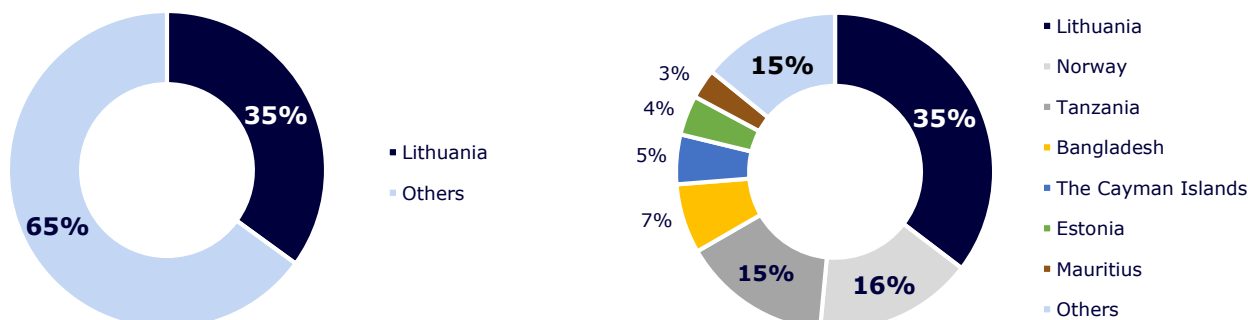
KEY BALANCE SHEET ITEMS, THOUSAND EUR⁴

	NRD Companies							
			NRD AS ⁵		NRD Systems, UAB ⁵		Etronika, UAB ⁵	
	2018	2019	2018	2019	2018	2019	2018	2019
Tangible assets	42	434	7	14	29	246	2	171
Intangible assets	496	380	15	15	3	2	369	281
Other non-current assets	249	89	873	-	15	69	21	20
Current assets	4,267	5,358	2,090	3,339	1,688	1,243	635	1,392
<i>of which cash</i>	458	478	160	65	193	273	61	107
Total assets	5,054	6,261	2,985	3,368	1,735	1,560	1,027	1,864
Equity	1,601	1,447	1,224	697	509	229	433	627
Non-current liabilities	110	505	174	-	-	135	81	354
<i>Of which financial debt</i>	-	435	162	-	-	135	-	300
Current liabilities	3,343	4,309	1,587	2,671	1,226	1,196	513	883
<i>of which financial debt</i>	560	1,248	-	676	307	359	90	322
Total liabilities and equity	5,054	6,261	2,985	3,368	1,735	1,560	1,027	1,864

⁴ Unaudited consolidated results of NRD Companies are presented.

⁵ The results of Etronika UAB and NRD Systems UAB and NRD AS are included into results of NRD Companies. The audit of standalone financial statements of these entities are in progress.

REVENUE OF NRD COMPANIES OF 2019 BY COUNTRY



Novian is a group of IT services and software companies, helping public and private sector companies to digitize and increase efficiency of their services, optimise their IT resources and ensure their critical IT availability at all times.

KEY PROFIT (LOSS) ITEMS, THOUSAND EUR

	Novian ⁶													
	IT infrastructure services						Software services						Zissor AS ⁸	
	BAIP, UAB		Andmevara Services OU/ Andmevara SRL ⁷		Algoritmų sistemos, UAB		Andmevara AS		Acena, UAB					
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Revenue	20,317	23,490	13,594	17,072	517	673	3,205	2,757	1,214	1,023	1,786	1,257	-	708
Gross profit	5,296	5,590	2,073	2,549	499	672	1,215	992	1,131	450	378	347	-	580
EBITDA	1,136	1,517	736	1,226	101	93	415	333	(70)	(108)	45	(12)	-	78
EBIT	584	717	253	652	83	76	383	228	(81)	(171)	39	(18)	-	43
Net Profit (Loss) ⁹	431	375	248	451	50	92	316	191	(82)	(229)	28	(20)	-	34

KEY BALANCE SHEET ITEMS, THOUSAND EUR

	Novian ⁶													
	IT infrastructure services						Software services						Zissor AS ⁸	
	BAIP, UAB		Andmevara Services OU/ Andmevara SRL ⁷		Algoritmų sistemos, UAB		Andmevara AS		Acena, UAB					
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Tangible assets	794	1,251	671	897	25	12	85	296	-	34	12	9	-	1
Intangible assets	1,836	1,861	91	65	-	4	1,738	1,768	4	2	1	1	-	20
Other non-current assets	2,113	6,995	772	813	-	-	86	178	-	-	50	-	-	132
Current assets	12,122	11,404	8,016	7,793	271	153	1,913	1,818	681	456	1,117	875	-	273
<i>of which cash</i>	5,450	3,540	4,042	2,016	167	29	468	595	46	218	634	596	-	70
Total assets	16,865	21,511	9,550	9,568	296	169	3,822	4,060	685	492	1,180	885	-	426
Equity	6,300	11,424	2,202	2,580	(83)	(47)	2,685	2,746	11	(218)	159	139	-	318
Non-current liabilities	1,253	687	1,253	336	-	-	-	351	-	-	-	-	-	-
<i>Of which financial debt</i>	1 253	483	1,253	328	-	-	-	155	-	-	-	-	-	-
Current liabilities	9,312	9,400	6,095	6,652	379	216	1,137	963	674	710	1,021	746	-	108
<i>of which financial debt</i>	541	1 746	11	1 205	210	130	-	66	320	345	-	-	-	-
Total liabilities and equity	16,865	21,511	9,550	9,568	296	169	3,822	4,060	685	492	1,180	885	-	426

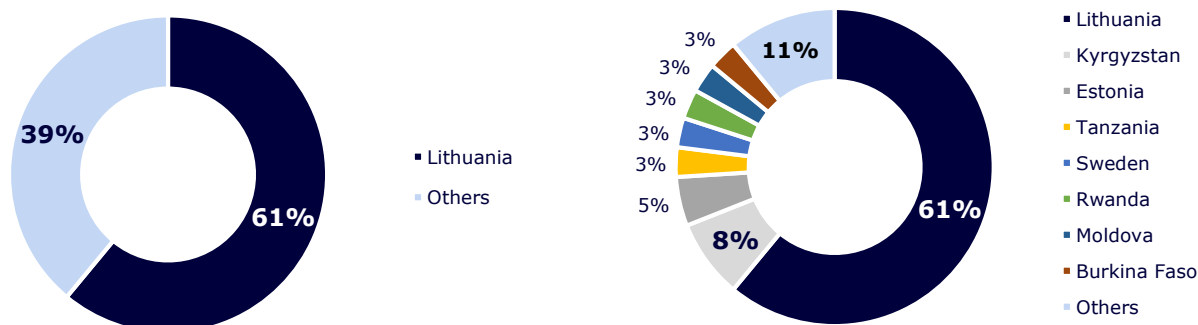
⁶ The consolidation of the Novian group was completed in 2019. BAIP UAB and Acena UAB were a part of this group, additionally Algoritmų sistemos UAB and Andmevara were incorporated to the Novian group (these two entities were directly controlled by INVL Technology), as well as the newly acquired Zissor AS. Presented unaudited aggregated Novian group results, that consist of the results of mentioned companies and Novian results. The audit of standalone financial statements of BAIP UAB, Algoritmų sistemos UAB and Zissor AS are in progress.

⁷ Represents results of Andmevara Services OU and Andmevara SRL.

⁸ As Zissor AS was acquired in 2019 Q2, the results of 2018 are not disclosed nor included in the aggregate group results.

⁹ Adjusted net profit is calculated based on the elimination of one-off impairments of investments in subsidiaries recognized in standalone reports of BAIP UAB and Algoritmų sistemos. Impairment of Acena UAB -117 thousand (additional deferred tax income of EUR 18 thousand), impairment of Andmevara AS EUR -150 thousand (additional deferred tax income of EUR 23 thousand).

REVENUE OF NOVIAN OF 2019 BY COUNTRY



NRD Cyber Security (NRD CS) NRD Cyber Security (NRD CS) establishes cybersecurity capacity and enhances cyber resilience to nations and organizations. The company specializes in the establishment and modernization of cybersecurity teams (CSIRTs) and security operations centers (SOCs) as well as cyber threat intelligence and managed security services.

KEY PROFIT (LOSS) ITEMS, THOUSAND EUR¹⁰

	NRD CS, UAB ¹¹	
	2018	2019
Revenue	3,876	2,836
Gross profit	1,793	1,345
EBITDA	560	330
EBIT	535	207
Net Profit (Loss)	460	232

KEY BALANCE SHEET ITEMS, THOUSAND EUR¹⁰

	NRD CS, UAB ¹¹	
	2018	2019
Tangible assets	48	292
Intangible assets	140	92
Other non-current assets	164	213
Current assets	2,311	1,096
<i>of which cash</i>	920	465
Total assets	2,663	1,693
Equity	840	1,069
Non-current liabilities	-	101
<i>Of which financial debt</i>	-	101
Current liabilities	1,823	523
<i>of which financial debt</i>	-	42
Total liabilities and equity	2,663	1,693

¹⁰ The audit of the financial statements of NRD CS UAB are in progress.

¹¹ Since the end of 2018 NRD CS UAB undertakes two projects of products R&D. Project are partly funded by EU. R&D expenses are not capitalized due to requirement of EU funding programmes. The total NRD CS UAB expenses regarding project execution in 2018 were EUR 115 thousand, and EUR 57 thousand was compensated, i.e. the net effect on 2018 EBIT EUR -58 thousand. The total NRD CS UAB expenses regarding project execution in 2019 were EUR 649 thousand, and EUR 373 thousand was compensated, i.e. the net effect on 2019 EBIT EUR -276 thousand. The total scope of the projects - EUR 2 123 thousand, the projects will be executed till 2021 Q1. The first sales of the developed products are forecasted in the end of 2020.

REVENUE OF NRD CS OF 2019 BY COUNTRY

