

INVL Technology, UTIB – company, investing in IT businesses, listed on NASDAQ Baltic stock exchange (Nasdaq Vilnius: INC1L) from June 2014.

1 ABOUT INVL TECHNOLOGY

Name of the Issuer	Special closed-ended type private capital investment company INVL Technology
Code	300893533
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Telephone	+370 5 279 0601
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E-mail	info@invltechnology.lt
Website	www.invltechnology.lt
Legal form	Public joint-stock company
Type of the company	Closed-ended type investment company
Date and place of registration	27 June 2007 (version 42, 9th February 2015). Register of Legal Entities
Date on which the supervisory authority approved the documents on the formation of the collective investment undertaking	14 July 2016
Register in which data about the Company are accumulated and stored	Register of Legal Entities
Management company	INVL Asset Management UAB, code 126263073, licence No. VĮK-005
The depository	SEB bank AB, code 112021238, bank licence No. 2

On 14 July 2016 INVL Technology received a closed-ended type investment company licence, issued by the Bank of Lithuania. Under the company’s Articles of Association, a closed-ended type investment company (UTIB) INVL Technology will operate until 14 July 2026.

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

In 2016, the priority for INVL Technology was expansion of the regular sales channels as well as the portfolio of the managed companies.

The priority for the managed companies was new product development as well as increasing their capacity for international operations. During this period of intensive investment, the collaboration between INVL Technology managed companies is an important aspect of the value growth by 2026. It allows the companies to utilise their resources more effectively, share and take over the best-practices, use sales channels in foreign markets and together develop new specialised competences.

During 2016, six new companies have joined the portfolio of INVL Technology directly and indirectly managed companies. In 2017, this portfolio included 16 companies that implemented projects in 17 countries during the reporting period and provided services to public and private sector organisations, banks, law enforcement agencies and other organisations in various countries. In the meantime, regular market reach of INVL Technology managed companies expanded to 9 countries.

INVL Technology has investments in the Norwegian company Norway Registers Development AS with subsidiaries NRD UAB and Etronika UAB in Lithuania, Norway Registers Development East Africa Ltd. in Tanzania, Norway Registers Development Rwanda Ltd. in Rwanda, Norway Registers Development Bangladesh Ltd. in Bangladesh and Infobank Uganda Ltd. in Uganda. It has also invested in BAIP UAB with its subsidiary Acena UAB, NRD CS UAB and Algoritmu Sistemai UAB, all in Lithuania, and Estonia’s Andmevara AS with its subsidiary Andmevara SRL in Moldova.

2 SHAREHOLDERS, WHO HELD TITLE TO MORE THAN 5 % OF INVL TECHNOLOGY AUTHORISED CAPITAL AND/OR VOTES AS OF 31 December 2016

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Votes given by the shares held by the right of ownership, %	Indirectly held votes, %	Total, %
LJB investments UAB, code 300822575	2,424,152	19.91	19.91	-	19.91
Invalda INVL AB, code 121304349	1,691,737	13.90	13.90	-	13.90
Irena Ona Mišeikienė	1,466,421	12.04	12.04	-	12.04
Lietuvos draudimas AB, code 110051834	909,090	7.47	7.47	-	7.47
Kazimieras Tonkūnas	675,452	5.55	5.55	1.53 ¹	7.08
Alvydas Banys	618,745	5.08	5.08	19.91 ²	24.99

3 THE MANAGING BODIES OF INVL TECHNOLOGY

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

Investment Committee was established for operational efficiency and investment control by the decision of the Board of the Management Company INVL Asset Management. Investment Committee is the collegial investment and management decision-making body responsible for adopting decisions on the management of the Company's assets and for the representation and protection of the Company's interests.

Investment Committee consists of 4 members: Kazimieras Tonkūnas (Chairman of the IC), Vida Juozapavičienė, Vytautas Plunksnis and Nerijus Drobavičius. They are appointed and 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.

4 INVL TECHNOLOGY RESULTS AND KEY EVENTS IN 2016

Equity of the Company, after the revaluation of financial assets, as of 31 December 2016 was EUR 19.7 million or EUR 1.62 per share (compared to 1.99 euro per share at the end of 2015) and decreased 18.6 percent in 2016.

Investments of the Company amounted to EUR 16.7 million at the end of December 2016. During the year the Company invested EUR 3.8 million – biggest investments were related to the acquisition of Algoritmų sistemos UAB (by increase in share capital of Inventio UAB) and Andmevara AS. Also FINTIME UAB was established and investments were made in the share capital of managed companies. Decrease in fair value of investments amounted to EUR 4 million. The cash and cash equivalents of the Company decreased from EUR 7 million to EUR 3.1 million. Preliminary net loss of the Company in 2016 was EUR 4.5 million.

INVL Technology managed companies will be measured at their fair value at the end of 2016 using methodology approved by the management company INVL Asset Management. Upon reporting preliminary results for 2016 preliminary investment values are disclosed which can be adjusted when the Company reports net asset values.

¹ According to Part 10 of Paragraph 1 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Kazimieras Tonkunas has votes of his spouse.

² According to Part 6 of Paragraph 1 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Alvydas Banys has votes of LJB Investments, UAB a company controlled by him.

With the purpose to inform the Shareholders about the results of INVL Technology managed investments and in order shareholders would be able to estimate equity per share of the Company, the Company discloses the operating results of its largest investments as well as the key items of the assets and liabilities of the Company.

4.1 FINANCIAL ASSETS, THOUS. EUR

COMPANY	31.12.2016	31.12.2015
Vitma UAB ³	7,710	11,474
Inventio UAB	3,222	3,708
NRD group	2,870	1,773
NRD CS UAB	1,908	-
FINtime UAB	253	-
Andmevara AS	733	-
Informatikos pasaulis UAB	-	-
TOTAL	16,696	16,955

4.2 CHANGE IN FAIR VALUE OF FINANCIAL ASSETS, THOUS. EUR

Opening balance	16,955
Investment in the share capital of managed companies*	3,755
Revaluation	(4,014)
CLOSING BALANCE	16,696

* Mainly the increase of Inventio UAB share capital to finance the acquisition of Algoritmu sistemos UAB and acquisition of Andmevara AS.

4.3 KEY FINANCIAL DATA OF THE COMPANY, THOUS. EUR

	2016	2015
Change in financial assets' fair value	(4,014)	2,247
Profit (loss) before tax	(4,560)	2,449
Net profit (loss)	(4,533)	2,514
	31.12.2016	31.12.2015
Financial assets value	16,696	16,955
Money and money equivalents	3,128	6,994
Other assets	28	399
Other liabilities	142	105
Equity	19,710	24,243
TOTAL EQUITY AND LIABILITIES	19,852	24,348

During 2016 managed companies directed significant efforts towards the development of the equity products and expansion of business within regions. Expenses were not capitalised and were reported in profit (loss) statements of the respective managed companies. Also, the newly established NRD Rwanda Ltd, NRD Bangladesh Ltd and restarted company Andmevara SRL in Moldova value did not have significant impact to the total value of NRD group and for value of AS Andmevara. The decrease in the fair value of BAIP UAB had negative impact on the value of its main shareholder Vitma UAB.

The valuation of INVL Technology's investment assets in 2016 was influenced by poorer performance of its businesses due to the costs of regional expansion and development of proprietary products, non-recurring events, and a cyclical contraction of the market caused by delays in the start of a new EU structural funds investment programme.

At the same time, two of the companies controlled by INVL Technology – Algoritmu Sistemos and BAIP – announced dividends during 2016 of EUR 0.25 million and EUR 0.85 million, respectively.

Reported financial indicators of the Company are preliminary, unaudited and do not represent disclosure of the net asset value of the Company. Net asset value of the Company will be reported under the terms set in the articles of association of the Company. If audited net asset value is different from the value calculated based on preliminary financial indicators, provisions on error reporting set by Articles of Association of the Company shall not be applied.

³ includes both BAIP UAB and Acena UAB

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INVL TECHNOLOGY BUSINESS AREAS

INVL Technology operates as a cluster of B2B- and B2G-oriented IT businesses with a focus in four key areas:



Companies working in the area of **Business climate improvement and e-governance** combine legal, consultancy and information technology 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 for finance and retail sectors, state taxes, information distribution, digital licences, digital documents and other economic digital infrastructure solutions.



Companies working in the area of **IT infrastructure** provide information systems' resilience and mobility services for the largest corporate IT users, central banks and public sector organisations with high data availability requirements. Companies are acknowledged as strategic IT infrastructure architects and assist organisations to ensure their business continuity processes.



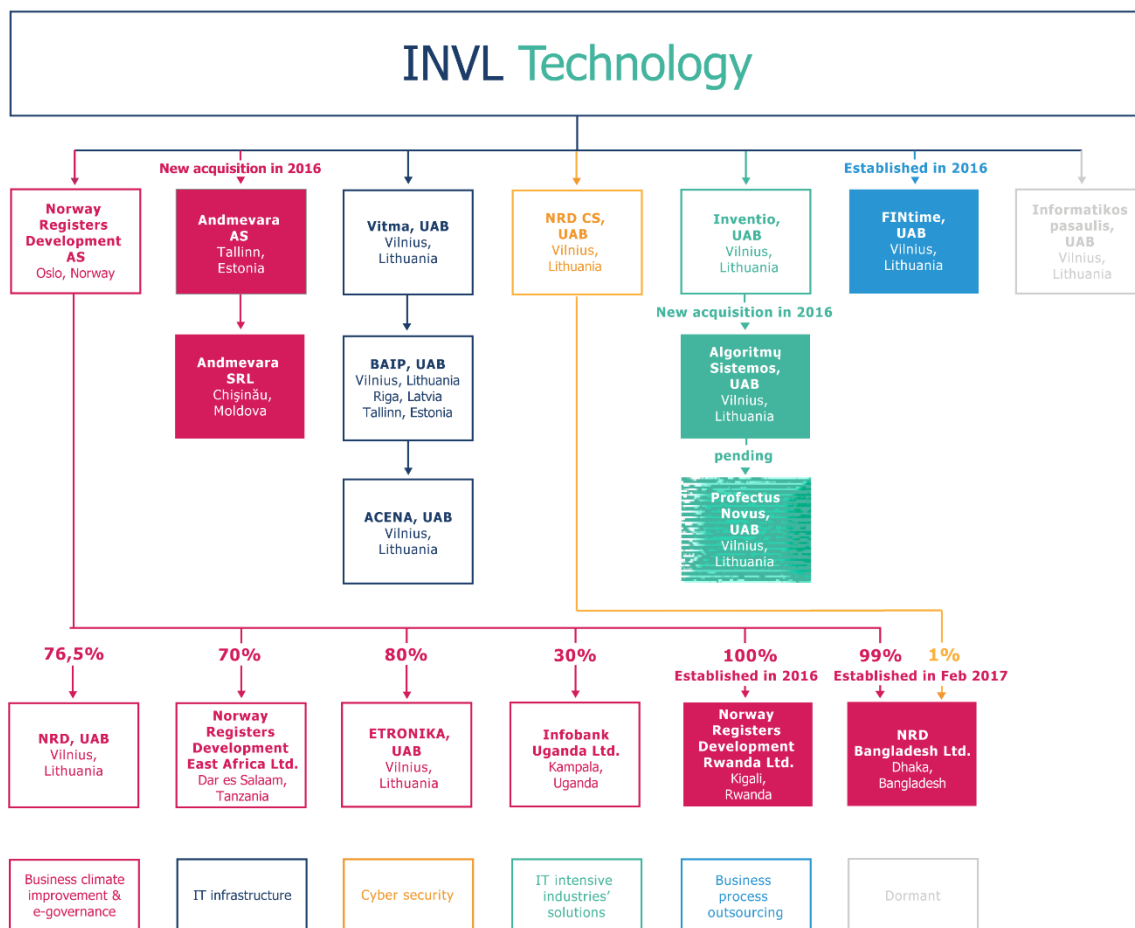
Cybersecurity companies provide technology consulting, incident response and National Computer Incident Response Teams (CIRTs/SOCs) establishment services. They are focused on the services to law enforcement, national communication regulators, CERTs, and corporate information security departments.



Companies working in the area of **IT intensive industries solutions** develop high quality, effective and reliable information systems and business process facilitating programs for large and medium-sized public organizations and enterprises. Main fields of activities include e-governance, e-health, finance, social security, environmental protection and education.

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STRUCTURE OF THE PORTFOLIO COMPANIES OF INV L TECHNOLOGY



7 KEY OPERATING RATIOS OF THE BUSINESSES

7.1 KEY PL ITEMS, THOUS EUR

	BAIP and Acena ⁴		NRD group ⁵		NRD CS	
	2016	2015	2016	2015	2016	2015
Revenue	11,100	12,149	6,015	5,953	1,577	1,523
Gross profit	3,303	2,716	4,071	4,476	846	691
EBITDA	373	1,273	(44)	809	110	191
EBIT	(59)	1,044	(158)	707	90	173
Net Profit (Loss)	(92)	1,142	(174)	565	86	141

	Andmevara ⁶	Algoritmu sistemas ⁷	Inventio Group (Inventio)
	May – December 2016	April - December 2016	31.12.2016
Revenue	899	2,215	2,215
Gross profit	743	1,739	1,739
EBITDA	(29)	431	427
EBIT	(53)	414	410
Net Profit (Loss)	(53)	413	409

The revenue of AS Andmevara reached EUR 1,940 thousand in 2016, EBITDA was negative EUR 55 thousand. The revenue of Algoritmu sistemas UAB reached EUR 2,505 thousand in 2016, EBITDA was EUR 331 thousand.

The revenue of Etronika UAB reached EUR 1,531 thousand in 2016 (EUR 1,836 thousand in 2015), EBITDA was negative and reached EUR 246 thousand (compared with positive EBITDA EUR 110 thousand 2015).

⁴ BAIP UAB acquired Acena UAB in October 2016, however, in order to disclose the performance of the IT infrastructure area, consolidated data is presented for the entire period

⁵ ETRONIKA UAB is included from the month the control was transferred, i.e. 1 July 2015

⁶ Andmevara AS is included from the month the control was transferred, i.e. 1 May 2016

⁷ Algoritmu sistemas UAB is included from the month the control was transferred, i.e. 1 April 2016

7.2 KEY BS ITEMS, THOUS EUR

	BAIP ir Acena		NRD group ⁸		NRD CS	
	2016	2015	2016	2015	2016	2015
Tangible assets	1,159	1,023	314	346	32	40
Intangible assets	359	334	734	772	1	2
Other non-current assets	68	145	43	42	1	1
Current assets	5,100	5,253	3,060	3,397	719	782
<i>of which cash</i>	1,276	746	456	868	422	76
TOTAL ASSETS	6,686	6,755	4,151	4,557	753	825
Equity	1,841	2,782	1,273	1,123	336	250
Non-current liabilities	85	115	208	321	-	-
<i>of which financial debt</i>	85	115	12	26	-	-
Current liabilities	4,760	3,858	2,670	3,113	417	575
<i>of which financial debt</i>	288	246	365	131	-	27
TOTAL LIABILITIES AND EQUITY	6,686	6,755	4,151	4,557	753	825

	Andmevara		Algoritmu sistemas		Inventio Group (Inventio)	
	2016	2015	2016	2015	2016	2015
Tangible assets	28	61	50	68	50	-
Intangible assets	11	9	1	1	1,827	-
Other non-current assets	1	-	-	2	-	-
Current assets	455	2,176	1,183	862	1,434	-
<i>of which cash</i>	296	1,673	542	442	793	-
TOTAL ASSETS	495	2,246	1,234	933	3,311	-
Equity	218	1,570	725	666	2,802	-
Non-current liabilities	-	-	-	-	-	-
<i>of which financial debt</i>	-	-	-	-	-	-
Current liabilities	277	676	509	267	509	-
<i>of which financial debt</i>	-	2	-	9	-	-
TOTAL LIABILITIES AND EQUITY	495	2,246	1,234	933	3,311	-

⁸ ETRONIKA UAB is included from the month the control was transferred, i.e. 1 July 2015

8 MAIN EVENTS DURING 12 MONTHS OF 2016

8.1 NEW ENTITIES AND ACQUISITIONS

On 29 February in Lithuania INVL Technology registered a company FINtime that provides business processes outsourcing services.

Norway Registers Development Rwanda Ltd. was established in Kigali, Rwanda on the 22 February 2016. NRD Rwanda offers full portfolio of NRD group and other INVL Technology businesses' services. In addition, backing the regional export strategy of Rwanda, it might also participate or serve in projects in Burundi and Democratic Republic of the Congo. NRD Rwanda attracts and combines the know-how of NRD group in the fields of business climate improvement and e-governance, smart IT infrastructure, cybersecurity and digital platforms for finance sector, and advance these competences in the country.

On 18 March 2016 Inventio, a subsidiary of INVL Technology, acquired 100 per cent shares of information system development company Algoritmu sistemov for EUR 2.385 million. The acquisition was completed after the permits had been issued by the Competition Council and the Commission for the evaluation of compliance of potential buyers to the national security interests.

On 20 April INVL Technology acquired 100 per cent of shares in Estonian IT company Andmevara from Estonian Ministry of the Interior for EUR 664.6 thousand. Andmevara also has a subsidiary company in Moldova.

Before the transaction, Estonian state paid out EUR 1.25 million in dividends and related taxes. A significant part of Andmevara business (processing of Estonian Population Registry) was spun-off from the Company in the beginning of 2016 and was not a part of the acquisition. Company's revenue in 2015 (before the spin-off to Ministry of Internal Affairs of Estonia) was EUR 3.433 million and net profit amounted to EUR 348 thousand. The results of Andmevara are included in the financial reports from the day the control of the companies was transferred – 1 May 2016.

On 16 November 2016 Algoritmu sistemov UAB, a business managed by INVL Technology, has signed an agreement on the acquisition of 100 per cent of the shares of Profectus Novus, a company specialised in Microsoft SharePoint-based solutions. The size of the transaction is not public. Its completion is planned in the first quarter of 2017, once the permission is obtained from the Commission on Assessment of Potential Participants Compliance with National Security Interests and company financial reports for 2016 are reviewed.

In October 2016, NRD Bangladesh Ltd. incorporation process has been initiated. NRD Bangladesh was registered on 2 February 2017. NRD Bangladesh will offer full portfolio of NRD Companies and other INVL Technology businesses services and support NRD Companies projects in South and Southeast Asia regions. NRD Bangladesh will mainly focus on the services, related to securing the digital environment as well as offer the know-how of NRD Companies in the fields of enabling the business environment & job creation, increasing efficiency of government services, smart IT infrastructure and digital platforms for finance sector.

8.2 BUSINESS CLIMATE IMPROVEMENT AND E-GOVERNANCE

NRD companies (Norway Registers Development AS with its subsidiaries NRD UAB, Etronika UAB, Norway Registers Development East Africa Ltd., Norway Registers Development Rwanda Ltd., Norway Registers Development Bangladesh Ltd. and an associated company Infobank Uganda Ltd.), continued projects in Lithuania, Tanzania, Zanzibar, Uganda, Burundi, Mauritius, the Kingdom of Lesotho and Southeast Asia, and won new international tenders.

During 2016 Norway Registeres Development AS directed significant part of internal resources for business development within different regions such as Sub Saharan Africa and Bangladesh. Expenses on these activities were reported in profit (loss) statement. Those efforts are related to the establishment of a subsidiary in Rwanda in 2016 and establishment of a subsidiary in Bangladesh in 2017 (together with NRD CS).

LARGEST PROJECTS IN LITHUANIA:

NRD UAB signed a contract with The Customs Department under the Ministry of Finance of the Republic of Lithuania for the development and operational support of Integrated Tariff Management System (ITVS) services and a contract for the assignment „Development and Maintenance of Resource Management Information System (AVS)“ with „Staticus“ UAB.

LARGEST PROJECTS IN SUBSACHARAN AFRICA:

In Tanzania NRD group implemented Unified Registry of Beneficiaries System for Tanzania Social Action Fund and began the design and development of an Online Registration System at Business Registrations and Licensing Agency (BRELA). In Zanzibar companies successfully finished the adjustment project of the Civil Registration Vital Statistics (CRVS) system.

In Uganda an agreement was signed with National Information Technology Authority-Uganda (NITA-U) for the extension of the integrated One-Stop-Centre solution (OSC). In December 2016, NRD companies launched a modern, reliable and secure digital Business Registration System (BRS) for Uganda Registration Services bureau. BRS is a part of One Stop Centre (OSC) project.

The 4th annual Cyber Defence East Africa 2016 conference-trainings, organised by NRD Companies together with NRD CS and the National Information Technology Authority - Uganda (NITA-U) took place in Kampala, Uganda on 27-29th September 2016.

In Liberia the companies signed a contract with the Ministry of Finance and Development Planning for consultancy services to upgrade Liberia Business Registry System to integrate with Standard Integrated Government Tax Administration System.

NRD East Africa in joint venture with BAIP completed two large scale modernisation projects in the National Bank of Rwanda and signed an additional agreement this year.

NRD group implemented COBIT 5 framework for the governance and management of enterprise IT at the Bank of the Republic of Burundi (BRB) as well as Pre-Investment Study for the Lesotho E-Government Infrastructure Project at the Kingdom of Lesotho.

In 2016 NRD Companies also signed a new agreement with Ministry of Justice of Mozambique for the Support services for the Registry of Legal Entities.

PROJECTS IN SMALL ISLAND STATES:

In Saint Kitts and Nevis NRD UAB in joint venture with Norway Registers Development AS signed a 6 month-long contract with the Ministry of Sustainable Development. NRD Companies will contribute to the implementation of Saint Kitts and Nevis National Statistics Development Strategy (2015-2020) by developing the Statistical Business Register.

LARGEST PROJECTS IN SOUTHEAST ASIA:

In Bangladesh, the companies continued developing Bangladesh National Computer Incident Response Team (BGD e-GOV CIRT). In the Kingdom of Bhutan, together with NRD CS and BAIP, the companies completed a national cybersecurity incident response team (BtCIRT) establishment project.

In 2016 revenue of NRD companies remained similar to 2015 and reached EUR 6.015 million. NRD companies' EBITDA (earnings before interest, tax, depreciation and amortization) in the 12 months of 2016 was a negative EUR 44 thousand, compared with a positive EBITDA of EUR 809 thousand in the same period last year.

In 2016 the biggest factor behind the change in the profit of the NRD group was Etronika's loss (EBITDA) of EUR 246 thousand compared with profit (during the period 01.07.2015 - 31.12.2016) EUR 405 thousand. In 2016, Etronika UAB directed internal resources for the development of Fintech products. Expenses on product development during 2016 were reported in profit (loss) statement and were not capitalised.

Results were also influenced by the costs related to the business expansion in Rwanda and Bangladesh as well as operating expenses in Rwanda.

Estonia-based Andmevara, which was acquired in April this year, currently serves 250 clients in Estonia and Moldova. Largest Andmevara clients include Estonian Ministry of the Interior, Ministry of Finance, Ministry of Justice, state agencies and municipalities. In February 2017 AS Andmevara became a partner for the management and development of information systems for local governments for the next 3 years. The company has stabilized its activities after processing of Estonian Population Registry was spun-off from the company and the company was privatised, and it began growing revenue in both Estonia and Moldova.

In Moldova, the company is currently implementing two projects: digitization of 4.8 million archive documents and development of an information system for data searching, storing at the e-government of Moldova as well as a contract with the Ministry of Foreign Affairs and European Integration of the Republic of Moldova for the partial digitisation of Moldova State Archive paper archive (250 thousand documents) and implementation of search system for digital documents, signed in June 2016.

In January 2017 Andmevara completed the digitisation of 650 thousand Moldovan court documents project.

Andmevara clients in Moldova also include the Parliament of the Republic of Moldova, General Prosecutor Office, Bureau for Migration and Asylum and Environmental Pollution Prevention Office.

8.3 IT INFRASTRUCTURE

BAIP UAB, which works in the area of IT infrastructure, carried out projects and signed new contracts in the Baltic States, Denmark, Norway, Rwanda and Burundi. The company implemented projects and maintenance agreements in a variety of Lithuanian institutions and organizations. BAIP also strengthened its partnerships with hardware and software vendors and qualified as a Dell Premier Partner in Lithuania.

BAIP continued development in foreign countries. BAIP revenue outside of Lithuania rose to EUR 2.7 million and amounted to 28 percent of the total revenue.

In Lithuania the company implemented projects in the National Courts Administration, State Enterprise „Infostruktūra“, Vilnius University Hospital Santariskiu Klinikos, also carried out maintenance contracts with Lithuanian Geological Survey and State Consumer Rights Protection Authority. BAIP continued to provide services for the largest retail chains and Scandinavian banks in Latvia and Estonia, and also expanded its activities in Norway.

In addition, this year, BAIP UAB together with NRD East Africa implemented three modernization projects at Rwanda's central bank with a total value of EUR 2.193 million. Two of the projects began last year and the third began this year after a new tender was won. In 2016, a new maintenance agreement was also signed with the central bank of Burundi.

In January 2017, BAIP UAB signed office equipment maintenance, service and rental contract with Orlen Lietuva AB.

In the Kingdom of Bhutan, together with NRD AS and NRD CS, the company completed a national cybersecurity incident response team (BtCIRT) establishment project.

Acena UAB has shifted to a service provider business model focusing on large corporate clients and the development of its own services and custom solutions. The company is developing business intelligence solutions and related services. Acena in a recent Microsoft Lietuva partners' event in November 2016 was awarded with two nominations – “Tomorrow of the Year” and “Analyst of the Year”.

The revenue of the IT infrastructure businesses reached EUR 11,100 thousand in the 12 months of 2016, while in the same period last year it was EUR 12,149 thousand. EBITDA and net profit in this area decreased in the 12 months of 2016 due to higher costs for international expansion and one-off costs. EBITDA was EUR 373 thousand and net loss was EUR 92 thousand. EBITDA in the same period of 2015 was EUR 1,273 thousand and net profit - EUR 1,142 thousand.

During 2016 BAIP experienced one-off EUR 332 thousand direct costs (including related legal expenses) for the illegal actions of company's service recipients. The company has taken measures to ensure the internal control procedures in order to avoid repetition in the future and plans to claim compensation for the incurred damages.

Business results in the area of IT infrastructure were also impacted by delays in the start of a new EU structural funds investment program, which has reduced public sector demand for IT services this year. Procurement under the new EU program, which is currently being set up, is expected to begin at the end of the year. Lost income in the Baltic public

sector this year has been offset by international activities and long-term service agreements with large corporate clients, namely banks and retail chains.

8.4 CYBER SECURITY

The results of the cybersecurity firm NRD CS UAB continue to be boosted by international expansion and preventative Cyber security capacity building services. Revenue of the company increased from EUR 1,523 thousand in 2015 to EUR 1,577 thousand in the same period this year. Gross profit of the company also increased from EUR 691 thousand in 2015 to EUR 846 thousand in the same period this year. The company also dedicated significant resources for research and development.

The company's EBITDA reached EUR 110 thousand in 2016 compared to EUR 191 thousand in the same period of 2015. The company's revenue from foreign markets increased by about 90 percent and made up 36 percent of total company's revenue.

In the 12 months 2016, NRD CS UAB signed new international contracts and implemented projects in Lithuania, Burundi, Bhutan and Bangladesh. In Lithuania, NRD CS implemented IT investigations modernisation project at the Police Department under the Ministry of Internal Affairs. The company also prepared a methodology for critical information infrastructure objects identification and classification.

In addition, a cooperation agreement was signed with Kaunas University of Technology (KTU) for joint research in the area of cybersecurity. KTU and NRD CS will conduct research in the University's academic computer network and laboratories, improve the network security and develop new cybersecurity methods, applicable both in Lithuania and abroad. NRD CS also implemented various initiatives to commemorate October – European Cyber Security Month – as well as advance analysis in law enforcement agencies and build community of analysts.

In Bangladesh, NRD CS UAB and NRD AS continued developing Bangladesh National Computer Incident Response Team (BGD e-GOV CIRT) and held financial fraud prevention trainings.

In the Kingdom of Bhutan, together with NRD CS and BAIP, the companies completed a national cybersecurity incident response team (BtCIRT) establishment project.

The 4th annual Cyber Defence East Africa 2016 conference-trainings, organised by NRD Companies together with NRD CS UAB and the National Information Technology Authority - Uganda (NITA-U) took place in Kampala, Uganda on 27-29th September 2016.

In Burundi, NRD CS specialists participated in the NRD group project – implemented COBIT 5 framework for the governance and management of enterprise IT at the Bank of the Republic of Burundi (BRB). In addition, a Pre-Investment Study for the Lesotho E-Government Infrastructure Project was completed in the Kingdom of Lesotho.

8.5 IT INTENSIVE INDUSTRIES' SOLUTIONS

The largest clients this year of Algoritmų Sistemų UAB, which provides solutions for IT intensive industries, were Klaipėda city municipality, Vilnius city municipality, Ministry of Environment, State Tax Inspectorate, „Susisiekimo paslaugos“ SĮ, National Health Insurance Fund and Environmental Protection Agency.

With the Ministry of Environment of the Republic of Lithuania Algoritmų Sistemų signed an agreement on a single product, packaging and waste accounting information system installation services with a total value of EUR 1.7 million.

New contracts have also been signed with National Health Insurance Fund, Anykščiai district municipality and Ukmergė district municipality.

Algoritmų Sistemų UAB, which was acquired by INVL Technology in March 2016, was profitable during the second, third and fourth quarters of 2016. Revenue of the company reached EUR 2.2 million and EBITDA EUR 431 thousand.

Algoritmų Sistemų UAB also developed its capacity for international operations and together with other INVL Technology portfolio companies started participating in international projects.