



TECHNOLOGY

Special Closed-Ended Type Private Capital Investment Company 's
INVL Technology Results for 9 months of 2017

Translation note:

This version of the Interim Report for the 9 months of 2017 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.

Content

1	General information about the Company (Issuer') and other companies comprising the Issuer's group	3
	Information on company's goals and strategy.....	3
	Information about the portfolio companies of INVL Technology	4
	Structure of the portfolio companies of INVL Technology on the Report day.....	4
2.	The results of INVL Technology for 9 months of 2017.....	5
	Key figures of INVL Technology, thous. EUR	5
	Financial assets, thous. eur	5
	Change in fair value of financial assets, thous. eur	6
3.	The results of INVL Technology portfolio companies for 9 months of 2017	6
4.	Significant investments made in 9 months of 2017	8
5.	Significant Company's and its managed companies' events of the 9 months 2017	8
	Business climate improvement and e-governance.....	10
	IT infrastructure.....	13
	Cybersecurity	13
	IT intensive industries solutions	14
6.	Other information.....	15
	Shares and shareholders	15
	Management of the Company	17

1 General information about the Company (Issuer') and other companies comprising the Issuer's group

Name of the Company	Special closed-end type private capital investment company INVL Technology
Code	300893533
Address	Gynėjų str. 14, LT-01109 Vilnius, Lithuania
Telephone	+370 5 279 0601
Fax	+370 5 279 0530
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; 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. V JK-005
Depository	SEB Bank, AB, code 112021238, bank licence No. 2

INFORMATION ON COMPANY'S GOALS AND STRATEGY

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 (CEF) INVL Technology will operate until 14 July 2026, with a possible extension for two more years.

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.

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.

INVL Technology has investments in the Norwegian company Norway Registers Development AS with subsidiaries NRD Systems (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 sistemas UAB, all in Lithuania, Estonia's Andmevara AS with its subsidiary Andmevara SRL in Moldova, and in the Finland company's Nordic Cyber Security Oy with Deltagon Group Oy.

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

INFORMATION ABOUT THE PORTFOLIO COMPANIES OF INVL TECHNOLOGY

INVL Technology operates as a cluster of IT businesses working with large corporate and government entities 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.

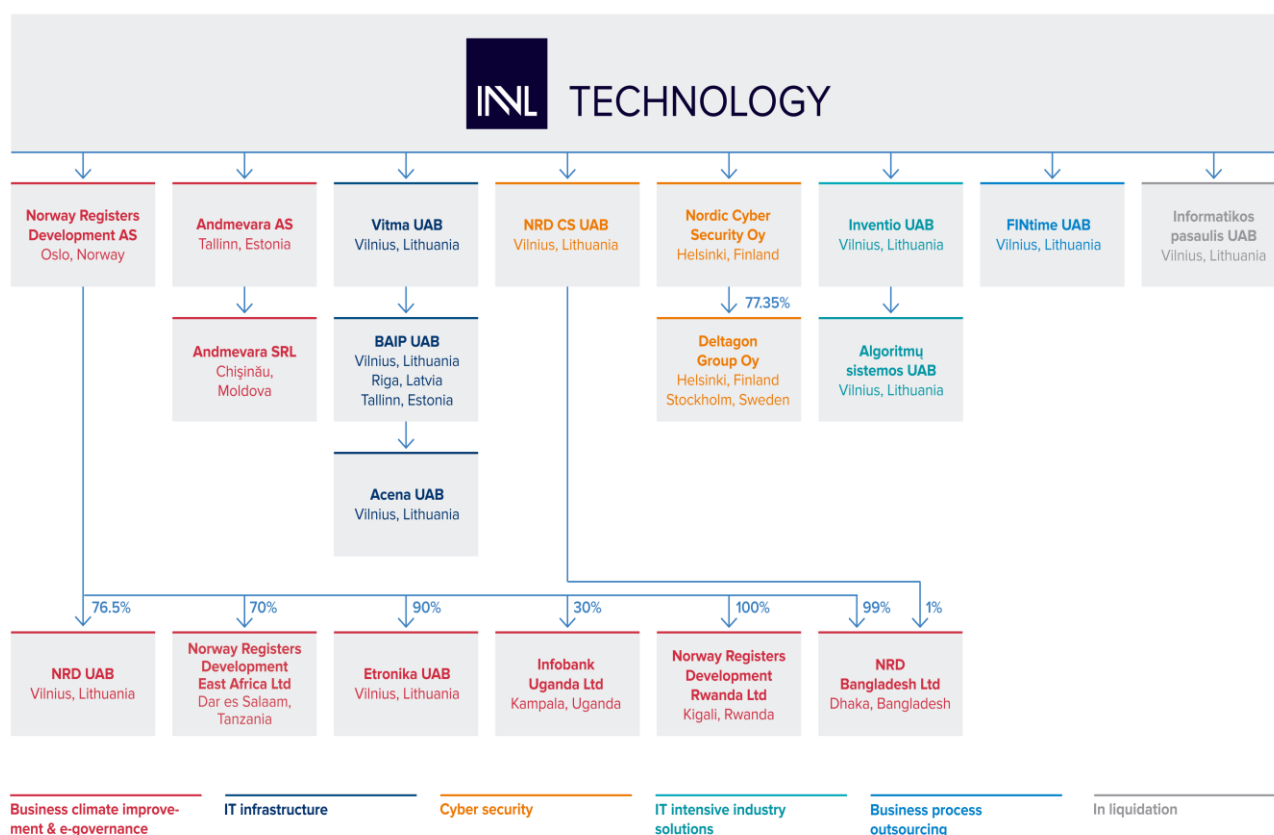


Cybersecurity companies provide technology consulting, incident response and National Computer Incident Response Teams (CIRTs/SOCs) establishment services. They are focused on the services to law enforcement, national communication regulators, CERTs, and corporate information security departments.



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.

STRUCTURE OF THE PORTFOLIO COMPANIES OF INVL TECHNOLOGY ON THE REPORT DAY



2. The results of INVL Technology for 9 months of 2017

Equity of the Company and the Company's net asset value as of 30 September 2017 was **EUR 19,941,795.21** or **EUR 1.6379 per share**.

Investments of the Company to managed companies amounted to EUR 21.9 million at the end of September 2017. Increase in fair value of investments amounted to EUR 5.2 million in nine months of 2017.

The change was due to the increase of EUR 5 million dedicated to increase the share capital of Nordic Cyber Security Oy and acquire Deltagon Group Oy, also EUR 329 thousand decrease in the investment value by dividends paid by Inventio UAB and increase in EUR 544 thousand by revaluation of investments.

The cash and cash equivalents of the Company decreased from EUR 3.1 million to EUR 50 thousand in nine months of 2017. The net profit of the Company amounted to EUR 214 thousand.

KEY FIGURES OF INVL TECHNOLOGY, THOUS. EUR

	2016 Q3	2017 Q3
Change in the fair value of financial assets	3,491	5,215
Profit (loss) before taxes	(591)	214
Net profit (loss)	(592)	214
	31.12.2016	30.09.2017
Financial assets value	16,696	21,911
Cash and Cash equivalents	3,128	50
Other assets	27	39
TOTAL ASSETS	19,851	22,000
Other liabilities	123	2,059
<i>of which financial debt</i>	0	1,953
Equity	19,728	19,941
TOTAL EQUITY AND LIABILITIES	19,851	22,000

FINANCIAL ASSETS, THOUS. EUR

Company	31.12.2016	30.09.2017
Vitma UAB *	7,710	7,788
Inventio UAB**	3,222	3,061
Nordic Cyber Security Oy***	-	5,000
NRD Companies	2,870	3,120
NRD CS UAB	1,908	2,110
FINtime UAB	253	289
Andmevara AS	733	543
Informatikos pasaulis UAB	-	-
Total	16,696	21,911

* Includes both BAIP, UAB and Acena, UAB

**Includes Algoritimų sistemos UAB

*** Includes Deltagon Group Oy

CHANGE IN FAIR VALUE OF FINANCIAL ASSETS, THOUS. EUR

Opening balance	16,696
Investments in the purchase of new businesses	5,000
Dividends paid by subsidiaries	(329)
Acquisitions of assets available for sale*	2,096
Redemptions of assets available for sale *	(2,096)
Revaluation	544
OPENING BALANCE	21,911

*Assets available for sale consisted of purchase of bonds issued by UAB BAIP, including accrued interest and redemption

3. The results of INVL Technology portfolio companies for 9 months of 2017
KEY PROFIT (LOSS) ITEMS, THOUSAND EUR

	BAIP and ACENA		NRD Companies	
	2016 Q III	2017 Q III	2016 Q III	2017 Q III
Revenue	7,071	8,136	4,239	4,272
Gross profit	2,283	2,410	3,068	3,055
EBITDA	202	491	(278)	213
EBIT	(120)	151	(367)	89
Net Profit (Loss)	(145)	74	(370)	186

	NRD CS		ALGORITMU SISTEMOS ¹		ANDMEVARA AS ²	
	2016 Q III	2017 Q III	2016 Q III	2017 Q III	2016 Q III	2017 Q III
Revenue	893	1,784	1,305	1,601	569	839
Gross profit	560	933	1,094	1,349	447	620
EBITDA	52	235	304	154	(24)	(173)
EBIT	38	222	292	141	(41)	(189)
Net Profit (Loss)	33	202	292	169	(41)	(190)

¹ ALGORITMU SISTEMOS UAB is included from the month the control was transferred, i.e. 1 April 2016.

² Andmevara AS is included from the month the control was transferred, i.e. 1 May 2016.

KEY BALANCE SHEET ITEMS, THOUSAND EUR

	BAIP ir ACENA		NRD Companies		NRD CS	
	31-12-2016	30-09-2017	31-12-2016	30-09-2017	31-12-2016	30-09-2017
Tangible assets	1,176	1,054	314	277	32	34
Intangible assets	359	363	593	493	1	5
Other non-current assets	308	64	43	67	1	2
Current assets	4,637	3,971	2,964	2,712	720	1,776
<i>of which cash</i>	1,276	142	456	387	422	194
Total assets	6,480	5,452	3,914	3,549	754	1,817
Equity	1,829	1,842	1,109	1,320	320	521
Non-current liabilities	85	103	229	119	-	-
<i>Of wich financial debt</i>	85	103	12	-	-	-
Current liabilities	4,566	3,507	2,576	2,110	434	1,296
<i>of which financial debt</i>	288	-	365	333	-	414
Total liabilities and equity	6,480	5,452	3,914	3,549	754	1,817

	ALGORITHMŲ SISTEMOS ³		ANDMEVARA AS ⁴	
	31-12-2016	30-09-2017	31-12-2016	30-09-2017
Tangible assets	50	41	29	14
Intangible assets	1	1	11	7
Other non-current assets	-	-	-	-
Current assets	1,132	1,275	455	287
<i>of which cash</i>	542	65	296	41
Total assets	1,183	1,317	495	308
Equity	674	743	218	28
Non-current liabilities	-	-	-	-
<i>Of wich financial debt</i>	-	-	-	-
Current liabilities	509	574	277	280
<i>of which financial debt</i>	-	150	-	-
Total liabilities and equity	1,183	1,317	495	308

³ Algorithmu sistemos UAB is included from the month the control was transferred, i.e. 1 April 2016.

⁴ Andmevara AS is included from the month the control was transferred, i.e. 1 May 2016.

	DELTAGON GROUP ⁵		NORDIC CYBER SECURITY ⁶	
	31-12-2016	30-09-2017	31-12-2016	30-09-2017
Tangible assets	-	22	-	-
Intangible assets	-	-	-	-
Other non-current assets	-	836	-	4,882
<i>Of wich investments in subsidiaries</i>	-	-	-	4,882
Current assets	-	1,110	-	118
<i>of which cash</i>	-	567	-	118
Total assets	-	1,968	-	5,000
Equity	-	1,294	-	4,993
Non-current liabilities	-	116	-	-
<i>Of wich financial debt</i>	-	-	-	-
Current liabilities	-	558	-	7
<i>of which financial debt</i>	-	28	-	-
Total liabilities and equity	-	1,968	-	5,000

4. Significant investments made in 9 months of 2017

NEW ENTITIES AND AQUISITIONS

On 28th September 2017, INVL Technology through 100 percent controlled Finnish company acquired 77.35 percent shares of the Finnish cyber security company Deltagon Group Oy. The price of the acquisition is EUR 4.882 million. The deal is partly financed by the DNB bank in Lithuania. The bank has provided INVL Technology with EUR 1.9 million loan for the period of 4 years. The enterprise value of the acquired Deltagon Group Oy is EUR 5.2 million. In total, 100 percent shares of Deltagon Group Oy, could cost up to EUR 6.312 million.

Deltagon Group Oy is a Finnish cyber security company that develops information security solutions for electronic communication and electronic services across a wide range of industries from the financial sector to public administration - and everything in between.

Deltagon Group Oy has patented technology, company's main products ensure the information security of e-communication and e-services in organizations. They include an e-mail encryption solution Deltagon Sec@GW, secure information sharing solution Deltagon collabRoom, secure form platform Deltagon secureForms, and electronic signature solution Deltagon secSigned. Deltagon Group is a trusted partner of various law, financial, health and government organisations that handle classified material. It is expected that Deltagon products will be especially relevant with the new European general data protection regulations to be implemented next year as well as for Critical Information Infrastructure Protection (CIIP). Deltagon Group Oy has offices in Helsinki, Finland and Stockholm, Sweden.

5. Significant Company's and its managed companies' events of the 9 months 2017

- **17 January 2017** INVL Technology has acquired EUR 1.55 million of bonds from the company BAIP. The bonds pay an annual interest rate of 7.625 per cent and mature on 30 June this year. The money raised in the bond issue was used to ensure the participation of INVL Technology group companies in a foreign tender. The bonds were redeemed in 4 May 2017.

⁵ Deltagon Group Oy is included from the month the control was transferred, i.e. 28 September 2017.

⁶ Nordic Cyber Security Oy is included from the month the control was transferred, i.e. 28 September 2017.

- **2 February 2017** INVL Technology managed NRD Companies has established a subsidiary entity in Dhaka - NRD Bangladesh. 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.
- **7 February 2017** INVL Technology announced that in the middle of this year, several INVL Technology companies operating in the capital will move into Vilnius Gates: Etronika, FINtime, BAIP, NRD CS, NRD and Acena. Algoritmų Sistemų will join them in early 2018.
- **28 February 2017** INVL Technology announced preliminary operating results for 12 months of 2016. The preliminary equity of INVL Technology, 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.
- **4 April 2017** Etronika UAB has signed a distribution agreement with Comarch Technologies, technology wing of the Comarch Capital Group.
- **6 April 2017** INVL Technology logo has been changed and website was updated.
- **6 April 2017** INVL Technology announced that on 31 March 2017 the net asset value of the Company was EUR 19,259,953.53 or EUR 1.5819 per share.
- **18 April 2017** An Advisory Committee for INVL Technology has been appointed by the board of INVL Asset Management, its management company. The Advisory Committee of the Company is composed of Invalda INVL board members Alvydas Banys and Indrė Mišeikytė, Lietuvos Draudimas's Investment Director for the Baltic countries Gintaras Rutkauskas, and one of the owners of the E-energija group of companies Virginijus Strioga.
- **19 April 2017** the shareholders of Algoritmu Sistemų and shareholders of Profectus novus agreed to terminate the transaction on the acquisition of the shares of Profectus novus.
- **27 April 2017 m.** Resolutions of the Shareholders Meeting of INVL Technology, AB that was held on 29 April 2017 were announced: To approve the financial statements for 2016 of the special closed-ended type private capital investment company INVL Technology; To approve the regulations of the Audit Committee of INVL Technology and to elect Dangutė Pranckėnienė (independent member) and Tomas Bubinas (independent member) to the Audit Committee of INVL Technology for the 4 (four) years term of office; to delegate to the Management company of INVL Technology to determine the remuneration payment procedure for the Audit Committee members; to change the Company registered address.
- **28 April 2017** INVL Technology reports preliminary operating results for 3 months of 2017. Equity of INVL Technology as of 31 March 2017 was EUR 19.26 million or EUR 1.58 per share. Net loss of the Company for the first quarter of 2017 was EUR 468 thousand. On 31 March 2017 the net asset value of the Company was EUR 19,259,953.53 or EUR 1.5819 per share.
- **3 May 2017** INVL Technology has signed the Amendment of the Services Agreement with AB SEB bank. The parties agreed on a 0.04 percentage point lower depository fee.
- **19 May 2017** INVL Technology announced that employees of the companies owned by INVL Technology will receive some bonuses in the form of INVL Technology stock. It is envisaged that up to 30 per cent of employee bonuses will be paid in stock. Shares of INVL Technology will be purchased on the exchange after the audited results and net asset value are published. It is stipulated that the price paid for shares shall not exceed the equity value per share.
- **30 August 2017** INVL Technology reports the results for 6 months of 2017. Equity of INVL Technology as of 30 June 2017 was EUR 19.7 million or EUR 1.62 per share. Investments of the Company amounted to EUR 16.6 million at the end of June 2017. The cash and cash equivalents of the Company increased from EUR 3.1 million to EUR 3.2 million in six months of 2017. On 30 June 2017 the net asset value of the Company was EUR 19,748,704.83 or EUR 1.6220 per share.
- **28 September 2017** INVL Technology through 100 percent controlled Finnish company acquired 77.35 percent shares of the Finnish cyber security company Deltagon Group Oy. The price of the acquisition is EUR 4.882 million.

At the end of September of 2017, INVL Technology's portfolio of directly and indirectly controlled businesses included 18 active companies.

INVL Technology will continue to actively develop the acquired companies. In seeking to transform them into global businesses, the company takes advantage of the access to markets and the intellectual capital of the other businesses it owns.

BUSINESS CLIMATE IMPROVEMENT AND E-GOVERNANCE

In the beginning of 2017, new NRD Companies brand was introduced.

NRD Companies is a global information technology and consulting group of companies specialized in governance and economic digital infrastructure development. The group specialises in development of national registries and information systems, digital and m-signature solutions, digital platforms for the financial and retail sectors, digital platforms for state revenue collection, information distribution, banking, digital licensing, digital documentation, and other economic digital infrastructure solutions.

NRD Companies is structured to deliver world-class information technology solutions in Europe, Sub-Saharan Africa, South and Southeast Asia as well as small island states at a competitive cost with a seamless implementation on the ground and provide complementary solutions and services via specialized companies.

The group structure:

- Norway Registers Development is the managing company as well as legal, consulting, project leadership and know-how hub for the group based in Sandvika, Norway;
- NRD Systems (NRD UAB) is an information system development and project delivery company with core competences in state tax systems and state registry modernization based in Vilnius, Lithuania;
- NRD East Africa is a regional sale, project leadership, project support and maintenance company for group projects across East African countries based in Dar es Salaam, Tanzania;
- NRD Rwanda is a regional sale, project leadership, project support and maintenance company for group projects in Rwanda, Burundi and Democratic Republic of the Congo;
- NRD Bangladesh is a regional sale, project leadership, project support and maintenance company for group projects in South Asia;
- Etronika is among the top 100 most innovative FinTech companies in Europe, offering digital platforms for finance and retail sectors, digital and mobile signature, mobile payments, digital services for point-of-sales terminals and other services. Company is based in Vilnius, Lithuania;
- Infobank Uganda is a specialized company based in Kampala, Uganda providing information on Ugandan businesses.

In 2017 NRD companies continued implementing projects in Lithuania, Tanzania, Zanzibar, Uganda, Burundi, Mauritius, the Kingdom of Lesotho and Bangladesh. Companies are also actively participating in international tenders in South Asia and East Africa.

In February, NRD Systems (NRD UAB) signed a contract with the Centre of Registers of Lithuania for the provision of implementation and support services of Legal rights registers for three years. The value of the contract is 774.000,00 Eur (excluding VAT). The company also started an assignment to extend and improve the payment system SEPA-MMS for the Central Bank of Lithuania.

In Zanzibar, NRD Companies launched a consulting project for design and implementation of a computer based on-line system for registration of businesses and secured transactions. This August, Zanzibar delegation visited Lithuania where they met with Lithuanian authorities for the best-practice exchange..



In Bangladesh, NRD AS, together with NRD CS, finalised the National Computer Incident Response Team development project and in joint venture with BAIP signed a new software and hardware delivery and deployment contract with the Bangladesh Computer Council. The companies will set up a laboratory for the National Computer Incident Response Team (CIRT). NRD CS will provide technology for implementation of the project. Setting-up of the laboratory is financed by the World Bank under the Bangladesh Computer Council's project "Leveraging ICT for Growth, Employment and Governance".

During the 9 months of 2017, NRD Companies also continued implementing Norwegian Peace Corps (Fredskorpset Norway – FK Norway) financed employee exchange program. This is the third round of the project and a total of 6 employees from NRD Companies have been improving their skills and gaining new knowledge in Lithuania and Tanzania.

NRD company Etronika with its mobile banking solution BANKTRON was included in the study "[IDC MarketScape: European Mobile Banking Software Solutions 2017 Vendor Assessment](#)", which assesses and compares developers of European mobile banking software solutions. The study covers 11 solutions and is an important criteria for financial institutions to consider when making a mobile banking investment decision.

International Cyber Security Conference organized by Bangladesh Computer Council took place in Dhaka on 9 March 2017. Norway Registers Development AS was the leading partner of the conference. NRD CS and NRD Bangladesh have also contributed to International Cyber Security conference. The conference marks the one year anniversary of BGD e-GOV CIRT (Bangladesh Government Computer Incident Response Team) establishment. BGD e-GOV CIRT was established with assistance from NRD Companies and NRD Cyber Security. State Minister for ICT Zunaid Ahmed Palak delivered a special gift for the successful cooperation to Rimantas Žylius, Managing Director of NRD AS.

Norway Registers Development AS sponsored The European Commerce Registers' Forum (ECRF 2017), held on 14–16 June in Vilnius, where Managing Director Rimantas Žylius delivered a speech on the importance of cooperation between business registers in Europe and emerging markets.

The 5th annual Cyber Defence East Africa 2017 conference, held on 9–10 August in Kampala, the capital of Uganda, brought together nearly 150 East African cyber security policy makers and experts from East African central and commercial banks, ministries of ICT and finance, the President's Office, communications regulators, computer emergency response teams (CERT), law enforcement authorities and academia. The conference was organised by NRD companies and NRD CS in cooperation with the National Information Technology Authority – Uganda (NITA-U). The conference was sponsored by BAIP UAB.



On 28th of September of this year, NRD, UAB has signed a contract with the State Tax Inspectorate of Lithuania (VMI) for the implementation of i.SAF-T subsystem for standardized accounting data storage and management. The contract value is more than eight hundred thousand euro including VAT.

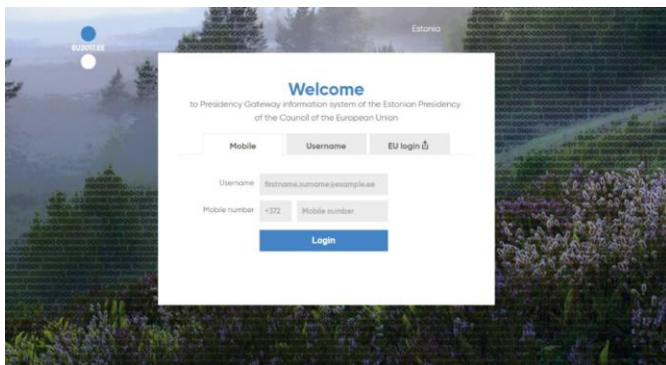
NRD, UAB has a new Director - Mr Andrius Kaikaris, serving since 18 October 2017. He has replaced the former Director of the company Mr Alvydas Arnoldas Šidlauskas.

Andmevara is an information technology company engaged in software development, digitization and a variety of IT solutions for local governments. The company also provides maintenance and customer support.

In January 2017 Andmevara completed the digitization of 650 thousand Moldovan court documents project. In the end of January 2017, the Company updated its corporate image.

On 6 February 2017, an agreement was signed under which AS Andmevara became a partner for the management and development of information systems for local governments. Estonia is currently undertaking local government reform to improve local public services and governance, and achieve efficiency gains.

In June 2017, Andmevara with the partner won the project of Webpage platform development for High-Schools.



In July 2017, Andmevara finished developing an information system (Presidency Gateway) that will make it simpler to organise and run the events taking place during the Estonian Presidency of the Council of the European Union. This will be the main English-language web-based system for the Estonian Presidency, which aims at reducing e-mail messages and exchange of paper printouts, as well as improving information security. This initiative is designed to make the processes safer, faster and more cost-effective and promote the use of digital signatures.

In July 2017, IT-Maintenance service for Kohila municipality (48 months) was also won.

In September 2017, the E-Apostille project was completed. The client is the Chamber of Notaries at the Estonian IT-institution for Ministry of Justice.

In September 2017, Andmevara won the hosting project of the Tallinn city (48 months).

In October of this year, the Development work for The Election Information System was completed. The Client is the Estonian National Electoral Committee. On 15 October 2017, the municipal elections of Estonia took place, during which the The Election Information System developed and administered by Andmevara AS was successfully used.

AS Andmevara currently serves 250 clients in Estonia and Moldova. In Moldova, the National Archives Digitization Project is currently taking place, funded by the Estonian Ministry of Foreign Affairs.

IT INFRASTRUCTURE

17 January 2017 INVL Technology has acquired EUR 1.55 million of bonds from the company BAIP. The bonds pay an annual interest rate of 7.625 per cent and mature on 30 June this year. The bonds were redeemed in 4 May 2017. The money raised in the bond issue was used to ensure the participation of INVL Technology group companies in a foreign tender.

BAIP UAB, which works in IT infrastructure, carried out projects and signed new contracts in the Baltic States, Denmark, Norway, Rwanda, Burundi and Mauritius. BAIP also strengthened its partnerships with hardware and software vendors and qualified as a Dell Premier Partner in Lithuania. In the beginning of April 2017, BAIP was named DELL EMC Partner of the year in the category for Cloud & Data Center solutions in their annual regional partners' awards for the Baltics.

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

In the nine months of 2017, the company also signed contracts and implemented projects with the Lithuanian Police Forensic Science Centre, State Enterprise Susisiekimo paslaugos, the Centre for Communicable Diseases and AIDS (together with NRD CS) and other organisations. In joint venture with NRD UAB it was awarded the contract by State Enterprise Centre of Registers for the maintenance and development of the population register.

In April, BAIP with NRD East Africa signed a contract for further modernisation of the Rwandan Central Bank.

In June 2017, Norway Registers Development AS and BAIP signed an agreement for "Supply, Installation and commissioning of software & various equipment for setting up CIRT Laboratory at Bangladesh Computer Council" under Leveraging ICT for Growth, Employment and Governance Project. NRD CS will provide the technology required for project implementation.



An annual conference "Technologies and Resilience" was organized by BAIP and its partners on 27 March 2017. More than 100 Executives, CIOs and IT specialists from biggest Lithuanian business companies, governmental organizations and academic institutions gather there to discuss about the biggest IT challenges and opportunities. The main topics of the conference were the renewed BAIP methodology CIMF2.0 and applications management. Some of the other topics include data growth, its growth in smart cities, governmental cloud computing projects success stories, and other.

BAIP also sponsored the conference "Cyber Defence East Africa 2017", held on 9–10 August in Kampala.

CYBERSECURITY

In 2017, NRD CS updated its brand.

In March 2017, NRD CS organised the second seminar in Vilnius for heads of the analytical departments of intelligence, law enforcement and control institutions. This time the topic chosen for discussion was the use of GIS technology to address the challenges of intelligence, law enforcement and control analysts. It included the demonstration of practical scenarios of how to exploit GIS technologies together with tools already available to the participants, such as i2 Analyst's Notebook, etc. In this way, the company seeks to contribute to the strengthening of Lithuanian intelligence and criminal intelligence analysts' capacities.

In the second half of 2017, NRD CS together with NRD AS finalised the National Computer Incident Response Team development project and within the framework of NRD AS and BAIP's project began to supply technology for the set up of a laboratory for the National Computer Incident Response Team (CIRT) in the Bangladesh Computer Council.

In April and May, NRD CS held seminars in Vilnius and Klaipėda, titled "Cyber resilience: what do you need to know this spring?" During the seminars NRD CS consultants presented cyber security management trends and prospects, the new EU personal data privacy regulation and other topics.

In April and May, NRD CS also organised practical workshops “Open source intelligence: targeted information search”, where participants learned how to effectively find targeted information and to draw a big picture using the available information, for example, contacts of a person or an organisation. The OSINT module developed by NRD CS enables its clients to collect and track information coming from open sources and receive reports on any subject of their choice.

At the end of April, NRD CS and Vilnius University initiated a visit of representatives from the Oxford Global Cyber Security Capacity Centre and together with representatives from the public and private sectors, law enforcement, banks and academic community contributed to the Lithuanian cyber security maturity assessment implemented by the Centre.

On 31 May–1 June NRD CS participated in the conference “GFCE Annual Meeting 2017”, organised in Brussels by its partner Global Forum on Cyber Expertise. Akvilė Giniotienė, a security governance expert at NRD CS, made a report on “Cyber resilience with a change of mindset” and presented an idea that cyber security must be integrated into all national digital development programmes at an early stage.

On 15 June 2017, NRD CS Director Dr Vilius Benetis participated in World Summit on the Information Society (WSIS) Forum 2017, held in Geneva, Switzerland, where he shared his insights on the panel of Global Forum on Cyber Expertise (GFCE) on “Responding to Cyber Threats: Establishing an Effective Computer Incident Response Team”. The aim of this session was to reveal the importance of coordinated response to ICT security incidents and the impact of national development programmes. The panelists also discussed the skills needed to create an effective computer security incident response team (CSIRT).

On 27 June, NRD CS Director Dr Vilius Benetis also participated in the Baltic Shared Services Community (BSSC) event where he presented a report on cyber security prospects “Cyber Security: How Digitisation Will Challenge Current Security Practices”.

On 9–10 August, the 5th annual Cyber Defence East Africa 2017 conference was held in Kampala, the capital of Uganda. The conference was organised by NRD companies and NRD CS in cooperation with the National Information Technology Authority – Uganda (NITA-U).



In September 2017, NRD CS membership to European Cyber Security Organisation (ECSO) has been approved by ECSO Board of Directors. ECSO represents the industry-led contractual counterpart to the European Commission for the implementation of the Cyber Security contractual Public-Private Partnership (cPPP). The main objective of ECSO is to support all types of initiatives or projects that aim to develop, promote, and encourage European cyber security. NRD CS is the first ECSO member from Lithuania.

IT INTENSIVE INDUSTRIES SOLUTIONS

Currently, the biggest clients of Algoritimų Sistemų UAB operating in the field of solutions for IT-intensive industries are the Ministry of Environment, the State Tax Inspectorate, State Enterprise Susisiekimo Paslaugos, Vilnius City Municipality, the National Health Insurance Fund, the State Labour Inspectorate, the Environmental Protection Agency and State Social Insurance Fund Board.

In the nine months of 2017, Algoritimų sistemos was awarded contracts by Vilnius City Municipality for the development of Real estate accounting system, by the State Tax Inspectorate for the maintenance of its information systems as well as other contracts.

The company has implemented such projects as “Pillow Fee in Palanga Municipality”, “Register of Persons who Limited their Gambling Possibilities”, “Creation of VLE.LT, an Electronic Version of the Universal Lithuanian Encyclopaedia”, and other.

The company also contributed to the development of anti-corruption environment in Lithuania and in cooperation with the Lithuanian Special Investigation Service and Telia Lietuva AB created a website for the Anti-Corruption Guide for Business.

Algortimų Sistemų aktyviai dalyvavo tarptautiniuose viešųjų pirkimų konkursuose kartu su kitomis įmonėmis, kurias valdo INVL Technology. Įmonės paslaugų portfelis apima įvairias paslaugas, reikalingas viešajam sektoriui: e-sveikata, mokesčių modernizavimas, aplinkosaugos valdymas, rinkimų sistemos sprendiniai, kt.

6. Other information

SHARES AND SHAREHOLDERS

Since 2014 the shares of the Company are listed on NASDAQ Vilnius stock exchange:

- ISIN code LT0000128860
- Abbreviation INC1L

As of 30 September 2017 all the shares of the Company were owned by 3,433 shareholders.

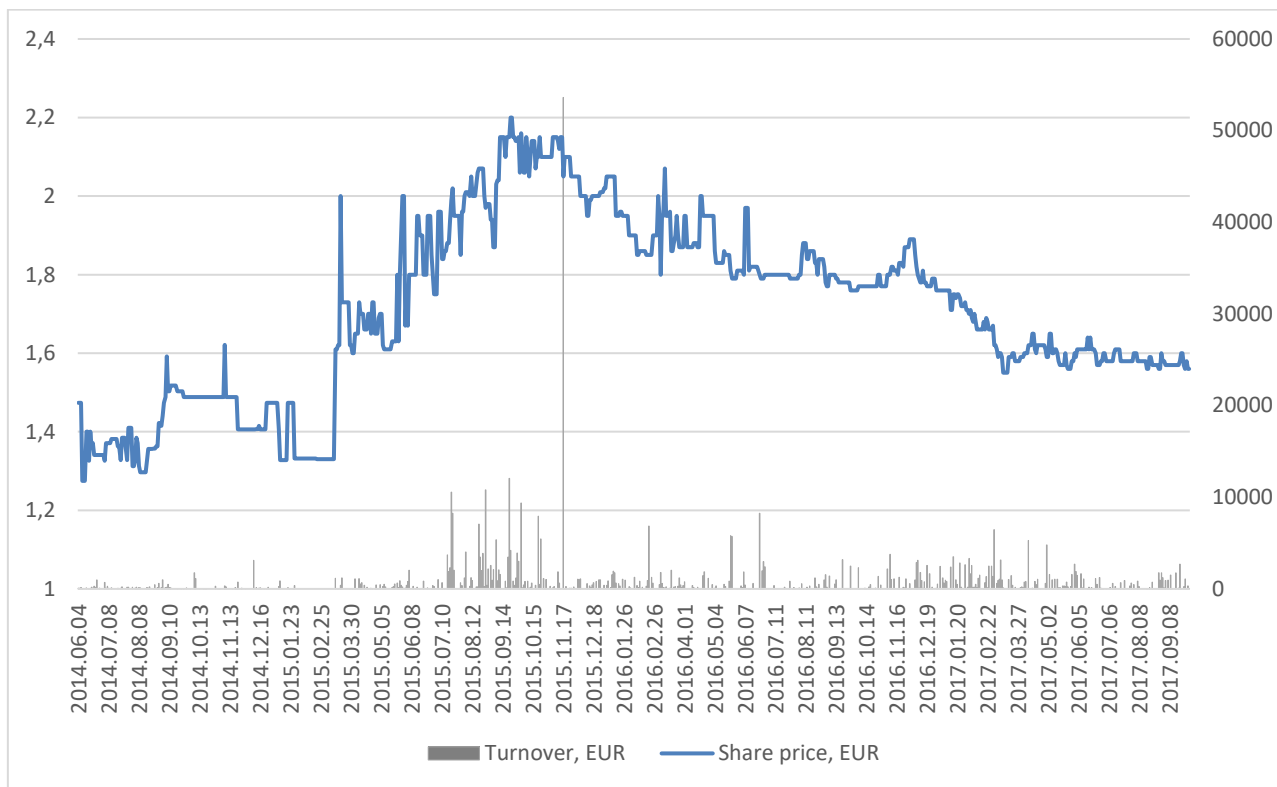
SHAREHOLDERS WHO HELD TITLE TO MORE THAN 5% OF INVL TECHNOLOGY AUTHORISED CAPITAL AND/OR VOTES AS OF 30 SEPTEMBER 2017

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of the votes, %		
			Share of votes given by the shares held by the right of ownership, %	Indirectly held votes, %	Total, %
LJB investments UAB, code 300822575, A.Juozapavičiaus str. 9A, Vilnius	2,424,152	19.91	19.91	-	19.91
Invalda INVL AB, code 121304349, Gynėjų str. 14, Vilnius	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, J.Basanavičiaus str. 12, Vilnius	909,090	7.47	7.47	-	7.47
Kazimieras Tonkūnas	675,452	5.55	5.55	1.53 ⁷	7.08
Alvydas Banys	618,745	5.08	5.08	19.91 ⁸	24.99

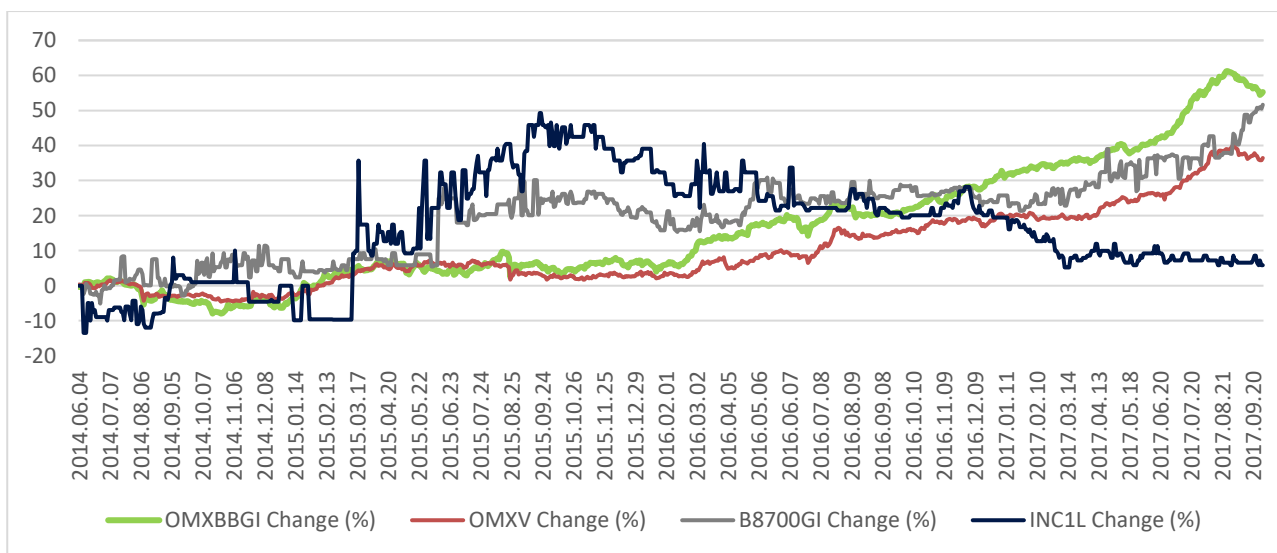
⁷ According to Part 10 of Paragraph 1 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Kazimieras Tonkunas has votes of his spouse.

⁸ 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.

TRADING IN THE COMPANY'S SHARES ON NASDAQ VILNIUS STOCK EXCHANGE



COMPANY'S (INCL1L) SHARE PRICE AND NASDAQ VILNIUS INDEXES COMPARISON 2017



MANAGEMENT OF THE COMPANY

When the Bank of Lithuania on 14 July 2016 issued a closed-end investment company licence to INVL Technology AB, the mandates of the board and the chief executive of INVL Technology were transferred and, as of that same date, are performed by the asset management company INVL Asset Management.

Under INVL Technology's Articles of Association, INVL Asset Management, which has assumed the management of the company, forms investment and advisory committees which also participate in the company's management in keeping with the mandates they are given.

Investment Committee operates from 14 July 2016. Members of the Investment Committee:



Kazimieras Tonkūnas
Chairman of the
Investment Committee



Vytautas Plunksnis
Member of the
Investment Committee



Vida Juozapavičienė
Member of the
Investment Committee



Nerijus Drobavičius
Member of the
Investment Committee

Advisory Committee operates from 18 April 2017. Members of the Advisory Committee:



Alvydas Banys
Member of the
Advisory Committee



Indrė Mišeikytė
Member of the
Advisory Committee



Gintaras Rutkauskas
Member of the
Advisory Committee



Virginijus Strioga
Member of the
Advisory Committee