

CONFIRMATION OF RESPONSIBLE PERSONS

31 August 2015

Following the Rules on Preparation And Submission Of Periodic And Additional Information of the Bank of Lithuania and the Law on Securities (article 22) of the Republic of Lithuania, management of INVL Technology, AB hereby confirms that, to the best of our knowledge, the attached Company's unaudited condensed interim Financial Statements for 6 month period ended 30 June 2015 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 Semi-Annual Report includes a fair review of the development and performance of the business and position of the company and the group in relation to the description of the main risks and contingencies faced thereby.

ENCLOSURE:

1. INVL Technology, AB interim condensed unaudited financial statements for the 6 month period ended 30 June 2015
2. INVL Technology, AB semi-annual report for the 6 month period ended 30 June 2015

Director



Kazimieras Tonkūnas

Finance Director



Kristupas Baranauskas

INVL TECHNOLOGY AB

INTERIM CONDENSED NOT-AUDITED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2015 PREPARED ACCORDING TO INTERNATIONAL
FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

INVL TECHNOLOGY AB

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(all amounts are in EUR thousand unless otherwise stated)

GENERAL INFORMATION

Board of Directors

Mr. Kazimieras Tonkunas (chairman of the Board)
Mr. Gytis Umantas
Mr. Alvydas Banys
Mr. Vytautas Plunksnis
Mr. Nerijus Drobavicius

Management

Mr. Kazimieras Tonkunas (director)

Address and company code

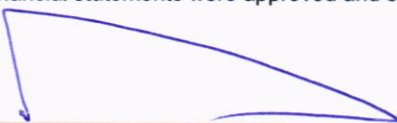
Registration address
Gyneju str. 16,
Vilnius,
Lithuania

Company code 300893533

Banks

DNB Bankas, AB
Bankas Finasta, AB
SEB bankas, AB

These financial statements were approved and signed by the Management and the Board of Directors on 31 August 2015.



Mr. Kazimieras Tonkunas
Director



Mr. Kristupas Baranauskas
Finance director

INVL TECHNOLOGY AB

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(all amounts are in EUR thousand unless otherwise stated)

Management report

INVL Technology, AB – company, investing in IT businesses, listed on NASDAQ Baltic stock exchange from June 2014.

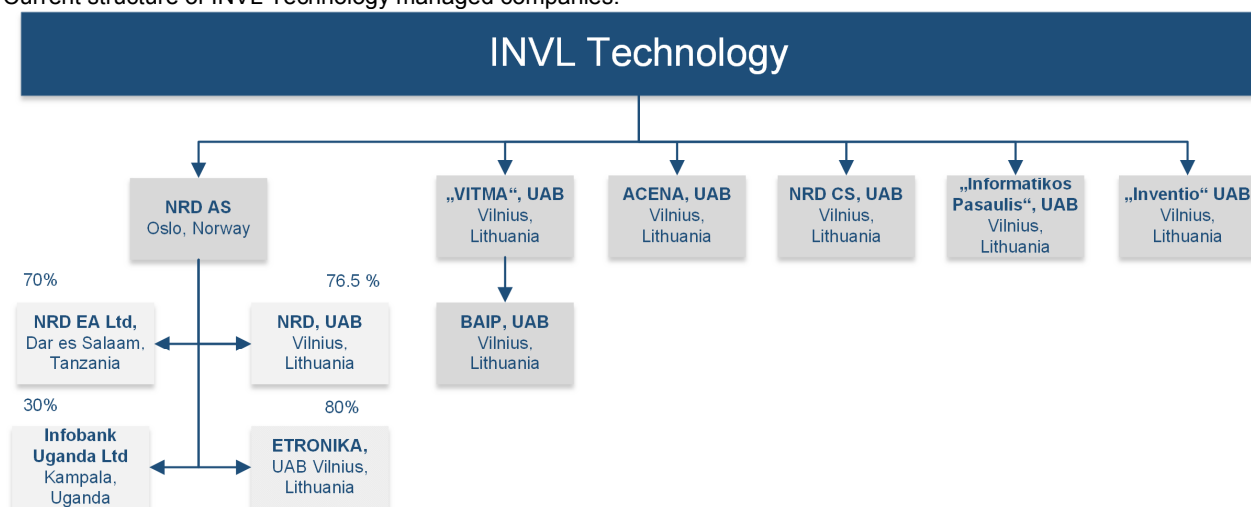
The Company is as an investment entity, which was created on 9 February 2015 after INVL Technology AB was merged into BAIP Grupė AB. BAIP Grupė AB took over all the rights and obligations and continues operations under the new name – INVL Technology AB. As the Company continues activities, which allow the Company to comply with requirements of IFRS 10, applicable to investment entity, the Company's investments are accounted for at fair value and are not consolidated, the comparative figures are provided of the former INVL Technology AB that was merged to BAIP Grupė, AB.

The Company's financial assets measured at fair value was EUR 14,842 thousand on the 30 June, 2015. Compared to the 31 December, 2014, the fair value decreased by EUR 60 thousand (compared to the fair value of the financial assets on the 31 December, 2014, acquired during reorganisation which ended on the 9 February 2015). The fair value measurement principles are described in more detail in the interim condensed financial statements for the first half of 2015. During first half of 2015 the Company had a net loss of EUR 257 thousand, which was incurred mainly due to the aforementioned change in the fair value as well as the interest expenses. During the first half of 2015, the Company did not receive dividends from the managed companies, and it did not sell any of the companies.

INVL Technology operates as a cluster of IT businesses working with large corporates and government entities with a focus in four key areas: business climate improvement and e-governance, IT infrastructure, cyber security and IT intensive industries' solutions. In order to generate significant investment return for investors, INVL Technology invests in mature IT companies providing solutions to large corporates and government entities, having production capacity in the Baltics or Eastern/Central Europe and the potential for synergetic cooperation with other INVL Technology AB companies. INVL Technology AB seeks to increase the value of the companies in its portfolio by bringing financial and intellectual capital for growth and add-on acquisitions, management support, and globalization via sales channels in East Africa and Southeast Asia.

On 8 June 2015 the Bank of Lithuania approved the prospectus of issue of INVL Technology AB ordinary registered shares and public offering began on the 10 June, 2015, and was finished on the 3 July, 2015. The company successfully completed 6,060,607 new share issue placement during the public offering for the final offering price of EUR 1.65 per share. New version of the Articles of Association has been registered on 8 July 2015 which states that share capital of INVL Technology, AB amounts to EUR 3,530,843.09, it is divided into 12,175,321 shares, which provides voting rights in amount of 12,175,321. Nominal value per share is EUR 0.29. After the public offering, major shareholders of INVL Technology AB are: Alvydas Banys (5%) and a company controlled by him „LJB Investments“ (20%), Invalda INVL, AB (16%), Irena Ona Mišeikienė (12 %), Lietuvos draudimas, AB (7%), Kazimieras Tonkūnas (6%).

The largest INVL Technology AB investments currently are companies in Lithuania, Norway, Tanzania and Uganda. Current structure of INVL Technology managed companies:



INVL TECHNOLOGY AB

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(all amounts are in EUR thousand unless otherwise stated)

In the first half of 2015, revenue of NRD group, working in the field of business climate improvement and e-governance, was EUR 1,416 thousand – 16 percent less than last year. However, while implementing more complex and higher value added projects, EBITDA of NRD group in the first half of 2015 reached EUR 150 thousand (in the same period of 2014 EBITDA was negative – minus EUR 57 thousand). Higher value added was also created by an increased share of consultancy tasks in the projects as well as successful NRD, UAB activities both in Lithuania and in NRD group projects in East Africa and Southeast Asia markets.

In the first half of this year, the number of NRD group companies also increased. On the 23 March, 2015 Norway Registers Development which owns 30 per cent of Infobank Uganda Limited shares signed Infobank Uganda Limited shareholders agreement. Infobank Uganda intends to work with different registries which are currently largely paper based, and provide registries information to financial sector clients via electronic system. Innovative solutions will allow businesses to obtain the required information, use remote services to order and receive information, order official documents and use a spectrum of electronic services despite paper based registries being in operation. Infobank Uganda activities will contribute to the improvement of business climate in Uganda, simplify and accelerate activities of financial institutions and therefore increase credit availability for businesses.

After the balance sheet date, on the 24 July, ETRONIKA, UAB acquisition was completed. Norway Registers Development AS (NRD AS) acquired 80 per cent shares of electronic banking, mobile signature, electronic transport tickets, and retail software solutions' developer ETRONIKA, UAB for EUR 200 thousand. Representatives of INVL Technology AB Nerijus Drobavičius and Vida Juozapavičienė as well as one of the co-founders of Etronika Jonas Šulcas were elected to the board of Etronika. Kęstutis Gardžiulis, current CEO of Etronika, remains in this position and will continue to lead the company.

In the first half of 2015 as well as after the balance sheet date, NRD AS also signed new strategic agreements which will generate long term revenue for the whole group. On the 15th July, company announced that it had signed USD 415 thousand contract with National Information Technology Authority-Uganda (NITA-U) to design and implement an integrated One-Stop-Centre solution at Uganda Investment Authority. Together with NRD, UAB, company also signed a USD 480 thousand (inclusive of withholding tax) contract with Tanzania Social Action Fund for Consultancy Services to Develop Unified Registry of Beneficiaries System. In Cambodia, NRD AS signed and started implementing a contract with United Nations Children's Fund (UNICEF) to develop a National Strategic Plan for Identification (NSPI).

IT infrastructure services company BAIP, UAB in the first half of 2015 earned revenue of EUR 4,682 thousand – 11 percent less than in the same period last year (EUR 5,243 thousand), while EBITDA of the company decreased by 52 percent to EUR 357 thousand (in the same period in 2014, EBITDA was EUR 742 thousand).

During first half UAB BAIP successfully carried out mid-term goals – to expand operations to Latvia and Estonia and to increase amounts of agreements on support services. Despite of a weaker first half in the context of revenue (in 2014, completion of large data center modernisation projects in the frontier markets significantly influenced the results), works performed allow to expected better results already in 2015. During first half of 2015 the company deployed new internet bank terminals for Swedbank customers and agreed on integrated support services in bank's branches in Lithuania, Latvia and Estonia. It also signed other long-term maintenance contracts with corporate clients in the Baltics.

Acena, UAB revenue increased by 75 percent to EUR 730 thousand, while EBITDA was equal to zero (compared to EUR 17 thousand in the first half of 2014). In the first half of 2015, Acena was selected as Microsoft country partner of the year for Lithuania.

The results of specialised cyber defence company NRD CS in Lithuania were affected by a postponement of a few planned projects. Furthermore, the company invested in the development of international markets, and therefore, the first half was unprofitable. However, the return on investment is observed in the post balance sheet period already. The revenue of the company in the first half of 2015 reached EUR 150 thousand – 57 percent less than in 2014, when it reached EUR 349 thousand. EBITDA was negative – EUR 147 thousand. In the same period last year, NRD CS EBITDA was negative – EUR 11 thousand.

After the balance sheet period, on the 3 August, 2015, company announced that together with Norway Registers Development AS it had signed a two year, 912 thousand USD (including taxes) contract with Bangladesh Computer Council (BCC) for the development of a modern National Cyber Defense and Cyber Security Doctrine to check the fast growing cybercrime, intellectual property theft, industrial espionage or IT infrastructure abuse. This allows the companies to enter a new market with 160 million people, and creates preconditions for further international development.

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(all amounts are in EUR thousand unless otherwise stated)

Key operating ratios of the main subsidiaries of the Company are as follows:

Key PL items	BAIP		Acena		NRD group		NRD CS	
	2015 II Q	2014 II Q	2015 II Q	2014 II Q	2015 II Q	2014 II Q	2015 II Q	2014 II Q
Revenue	2,357	3,060	627	350	730	1,012	61	81
EBITDA	214	410	24	18	77	(23)	(61)	(33)
EBIT	165	356	22	18	66	(39)	(66)	(35)
Net Profit (Loss)	271	384	19	18	66	(53)	(65)	(35)
	2015 6 months	2014 6 months	2015 6 months	2014 6 months	2015 6 months	2014 6 months	2015 6 months	2014 6 months
Revenue	4,682	5,243	730	416	1,416	1,687	150	349
EBITDA	357	742	-	17	150	(57)	(147)	(11)
EBIT	259	622	(2)	17	129	(90)	(156)	(14)
Net Profit (Loss)	423	695	(5)	17	121	(85)	(156)	(14)

Key BS items	BAIP		Acena		NRD group		NRD CS	
	2015.06.30	2014.12.31	2015.06.30	2014.12.31	2015.06.30	2014.12.31	2015.06.30	2014.12.31
Non-current assets	291	440	13	1	388	568	45	50
Current assets	4,961	6,054	676	314	2,164	1,224	89	380
<i>of which cash</i>	313	743	15	94	139	151	1	43
Total assets	5,252	6,494	689	315	2,552	1,792	134	430
Equity	2,194	2,930	91	95	430	533	(47)	109
Non-current liabilities	215	409	-	-	455	195	-	-
<i>of which financial debt</i>	215	409	-	-	58	82	-	-
Current liabilities	2,843	3,155	598	200	1,667	1,064	181	321
<i>of which financial debt</i>	367	351	-	-	292	52	-	-
Total liabilities and equity	5,252	6,494	689	315	2,552	1,792	134	430

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(all amounts are in EUR thousand unless otherwise stated)

Interim statement of comprehensive income

	Note	2015 6 months	2014 6 months	2015 II quarter	2014 II quarter
		Unaudited	Unaudited	Unaudited	Unaudited
Revenue		111	-	70	-
Net change in fair value of financial assets	4	(60)	807	(60)	807
Interest income		13	-	9	-
Other income		17	-	13	-
Total income		81	807	32	807
Employee benefits		(98)	(1)	(61)	(1)
Other expenses		(110)	(10)	(53)	(10)
Total operating expenses		(208)	(11)	(114)	(11)
Operating profit (loss)		(127)	796	(82)	796
Costs on financial activities	5	(155)	-	(93)	-
Profit (loss) for the reporting period before tax		(282)	796	(175)	796
Income tax benefit	6	25	-	-	-
Net profit (loss) for the reporting period		(257)	796	(175)	796
Other comprehensive income for the reporting period less the income tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD LESS INCOME TAX		(257)	796	(175)	796
Attributable to:					
- Shareholders of the parent company		(257)	796	(175)	796
Basic and diluted earnings (deficit) per share (in EUR)	7	(0.05)	0.20	(0.03)	0.20

INV L TECHNOLOGY AB**INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015**

(all amounts are in EUR thousand unless otherwise stated)

Interim statement of financial position

	Notes	30 June 2015	31 December 2014
		Unaudited	Unaudited
ASSETS			
Non-current assets			
Tangible and intangible assets		7	-
Financial assets measured at fair value through profit or loss	4	14,842	7,828
Deferred income tax asset		25	-
Total non-current assets		14,874	7,828
Current assets			
Trade and other amounts receivable		237	-
Prepayments and deferred charges		25	-
Short term loans and current portion of long term loans		424	-
Cash and cash equivalents		1,497	25
Total current assets		2,183	25
Total assets		17,057	7,853
EQUITY AND LIABILITIES			
Equity			
Share capital		1,773	172
Share premium		179	250
Reserves		-	579
Retained earnings		9,674	6,846
Total equity		11,626	7,847
Liabilities			
Non-current liabilities			
Non-current loans		-	-
Total non-current liabilities		-	-
Current liabilities			
Short term loans	8	3,245	-
Trade payables		58	3
Employment related liabilities		35	-
Liabilities due to increase in share capital	9	1,494	-
Other current liabilities	10	599	3
Total non-current liabilities		5,431	6
Total liabilities		5,431	6
Total equity and liabilities		17,057	7,853

Interim statement of cash flows

	Note	2015 6 months Unaudited	2014 6 months unaudited
Cash flows from operating activities			
Net profit (loss) for the reporting period		(257)	796
Non-cash flows:			
Interest income		(13)	-
Interest expenses		155	-
Depreciation and amortisation		1	
Change in fair value of financial assets	4	60	(807)
Income tax (benefit) expenses	6	(25)	-
		(79)	(11)
Changes in working capital			
Decrease (increase) in trade and other receivables		29	-
Decrease (increase) in other current assets		(18)	-
Increase (decrease) in trade payables		6	1
Increase (decrease) in other current liabilities		12	1
Cash flows from operating activities		(50)	(9)
Income tax (paid)		-	-
Net cash flows from operating activities		(50)	(9)
Cash flows from investing activities			
Acquisition of non-current assets		(3)	-
Repayment of loans granted		-	120
Net cash flows from investing activities		(3)	120
Cash flows from financing activities			
Cash flows related to owners			
Proceeds from the offering	9	1,494	-
Cash received under terms of split-off		-	41
Cash in the company merged during reorganisation		41	-
		1,535	41
Cash flows related to other sources of financing			
Repayment of loans received		(10)	(118)
		(10)	(118)
Net cash flows from financing activities			
		1,525	(77)
Impact of currency exchange on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		1,472	34
Cash and cash equivalents at the end of the period		25	-
Cash flows from operating activities		1,497	34

Interim statement of changes in equity

	Notes	Share capital	Share premiums	Legal reserve	Reserve of purchase of own shares	Retained earnings	Total
Balance at 29 April 2014		172	250	23	556	209	1,210
Net profit (loss) during I half 2014		-	-	-	-	796	796
Total comprehensive income		-	-	-	-	796	796
Balance at 30 June 2014		172	250	23	556	1,005	2,006
Impact of accounting for as investment subject at the date of spin-off		-	-	-	-	3,746	3,746
Net profit (loss) during II half 2014		-	-	-	-	2,095	2,095
Total comprehensive income		-	-	-	-	5,841	5,841
Balance at 31 December 2014		172	250	23	556	6,846	7,847
The effect of the reorganisation	3	1,601	(71)	(23)	(556)	3,085	4,036
Total transactions with owners of the Company, recognized directly in equity		1,601	(71)	(23)	(556)	3,085	4,036
Net profit (loss) during I half 2015		-	-	-	-	(257)	(257)
Total comprehensive income		-	-	-	-	(257)	(257)
Balance at 30 June 2015		1,773	179	-	-	9,674	11,626

Notes to the interim condensed financial statements

1 General information

INVL Technology AB (hereinafter the Company) is a joint stock company registered in the Republic of Lithuania. It was created during the merger of BAIP grupė AB and INVL Technology AB (Note 3).

The registration address is as follows:

Gyneju str. 16,
Vilnius,
Lithuania.

On 29 April 2014 the Company had a stake of 80% in BAIP grupė UAB, which invests into IT companies, and a stake of 100% in dormant Inventio UAB. After the increase in share capital of BAIP grupė UAB in December, 2014 in which participated only minority shareholders, the company held 65.65 percent of shares. In December 2014 BAIP grupė UAB was reorganized to BAIP grupė AB as a group of specialized entities, working in the field of IT which specialises in the field of business climate improvement, development integrated national information systems, critical IT infrastructure resilience, national cyber security and cyber defence. Becoming INVL Technology AB after reorganisation (Note 3) the Company now holds entities in Lithuania, Norway, Tanzania and Uganda.

The Company continues its activities as strategic-financial investor, conforming to the definition of investment subject as defined under IFRS under and, together with the managers of IT companies, seeks to increase value of investments through acquisition, development and sale of businesses.

The Company's share capital is divided into 6,114,714 ordinary registered shares with the nominal value of EUR 0.29 each. All the shares of the Company were fully paid. Subsidiaries did not hold any shares of the Company. As at 26 June 2015 the shareholders of the Company were (by votes)*:

	Number of votes held	Percentage
UAB LJB Investments	1,224,152	20,02%
Mrs. Irena Ona Miseikiene	1,162,421	19,01%
Mr. Kazimieras Tonkunas	840,452	13,75%
AB Invalda INVL	504,509	8,25%
UAB Lucrum Investicija	408,215	6,68%
Mr. Alvydas Banyas	308,745	5,05%
Other minor shareholders	1,666,220	27,24%
Total	6,114,714	100%

The Company's shares are traded on the Baltic Secondary List of NASDAQ OMX Vilnius from 4 June 2014.

2 Basis of preparation and accounting policies

The interim condensed financial statements for the six months ended 30 June 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31 December 2014.

From 1 January 2015 euro is the Company's functional and presentation currency. The financial statements are presented in thousands of euro (EUR) and all values are rounded to the nearest thousand unless otherwise stated. Prior year comparative information is recalculated using the official litas to euro conversion ratio: 1 euro = 3.4528 litas.

2.1 Comparative figures

The Company was created after the merger of two companies – BAIP grupe AB and INVL Technology AB (Note 3). As the Company continues activities, which allow the Company to comply with requirements of IFRS 10, applicable to investment entity, the comparative figures are provided of the former INVL Technology AB, which was merged into BAIP grupe AB.

2.2 Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 December 2014, except adoption of new Standards and Interpretations as of 1 January 2015, noted below.

IFRIC 21 Levies

The interpretation clarifies the accounting for an obligation to pay a levy that is not income tax. The obligating event that gives rise to a liability is the event identified by the legislation that triggers the obligation to pay the levy. The fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the operations continuity assumption, does not create an obligation. The same recognition principles apply in interim and annual financial statements. The application of the interpretation to liabilities arising from emissions trading schemes is optional. The Company is not currently subjected to significant levies so the impact on the Company is not material.

Annual Improvements to IFRSs 2013

The improvements consist of changes to four standards.

- The basis for conclusions on IFRS 1 is amended to clarify that, where a new version of a standard is not yet mandatory but is available for early adoption; a first-time adopter can use either the old or the new version, provided the same standard is applied in all periods presented.
- IFRS 3 was amended to clarify that it does not apply to the accounting for the formation of any joint venture arrangement under IFRS 11. The amendment also clarifies that the scope exemption only applies in the financial statements of the joint venture arrangement itself.
- The amendment of IFRS 13 clarifies that the portfolio exception in IFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including contracts to buy or sell non-financial items) that are within the scope of IAS 39 or IFRS 9.
- IAS 40 was amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive. The guidance in IAS 40 assists preparers to distinguish between investment property and owner-occupied property. Preparers also need to refer to the guidance in IFRS 3 to determine whether the acquisition of an investment property is a business combination.

The amendments had no impact on the Company's financial statements for the 6 months ended 30 June 2015.

2.3 Accounting estimates

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next financial year. These estimates and judgements are continuously reviewed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates not always reflect actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below.

Fair value of investments not quoted in an active market

The fair values of securities that are not quoted in an active market are determined by using valuation techniques, primarily of which are earnings multiples, discounted cash flows and recent comparable transactions. The models used to determine fair values are periodically reviewed and compared against historical results to ensure their reliability.

Details of the inputs and valuation methods used to determine Level 3 fair value, are provided in Note 4.

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

Investment entity status

The management of the Company periodically reviews whether the Company meets all the defining criteria of an investment entity. In addition, the management assesses the Company's operation objective (Note 1), investment strategy, origin of income and fair value models. Based on the estimates of the management, the Company met all the defining criteria of an investment entity throughout the period from its establishment to the financial reporting date.

3 Merger of BAIP group AB and INVL Technology AB

On 9 February 2015 reorganization of joint-stock company INVL Technology and BAIP group AB was completed. INVL Technology AB was merged to BAIP group AB. BAIP group AB took over all the rights and obligations and continues operations under the new name of the public joint-stock company INVL Technology. The company's shares are quoted on the NASDAQ Vilnius Stock Exchange after completion of the actions foreseen in the legal acts. The trading in company's shares are available from March 2015. The share capital of INVL Technology AB (previously BAIP group AB) is divided into 6,114,714 ordinary registered shares. The nominal value per share is EUR 0.29. The Board and manager of AB INVL Technology (previously BAIP group AB) have not changed. Kazimieras Tonkūnas, a manager of a company, Gytis Umantas, Alvydas Banys, Vytautas Plunksnis and Nerijus Drobavičius continue operating as Members of the Board of the company.

The table below presents the merger effect on the balance sheet:

	BAIP group AB	INVL Technology AB	Eliminations and reorganisation adjustment	Merged entity (INVL technology)
Property, plant and equipment	5	-	-	5
Investments into subsidiaries	14,900	7,828	(7,826) *	14,902
Deferred tax assets	3	-	-	3
Not current trade receivables	196	-	-	196
Loans	44	-	-	44
Prepayments and deferred charges	4	-	-	4
Trade and other amounts receivable	266	-	-	266
Cash and cash equivalents	41	22	-	63
Total assets	15,459	7,850	(7,826)	15,483
Share capital	1,767	172	(165)	1,774
Share premium	179	250	(250)	179
Reserves	-	579	(579)	-
Retained earnings	9,916	6,844	(6,832)	9,928
Liabilities	3,597	5	-	3,602
Total equity and liabilities	15,459	7,850	(7,826)	15,483

* elimination of BAIP group AB shares, held by INVL Technology AB.

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

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.

Non-current assets of the Company at fair value through profit or loss comprise of assets which are Level 3 instruments by valuation technique. The Company has no Level 1 or Level 2 instruments.

The list of unconsolidated subsidiaries and associates, which are owned by the Company as at 31 March 2015 directly or indirectly, is presented below:

Entity	Country of incorporation	Proportion of shares (voting rights) directly/indirectly held by the Company (%)	Nature of business
Informatikos pasaulis UAB	Lithuania	100	Information technology solutions
Vitma UAB	Lithuania	100	Information technology solutions
BAIP UAB *	Lithuania	100	Information technology solutions
Acena UAB	Lithuania	100	Information technology solutions
Norway Registers Development AS	Norway	100	Information technology solutions
NRD UAB *	Lithuania	76.50	Information technology solutions
Norway Registers Development East Africa Ltd *	Tanzania	70	Information technology solutions
Infobank Uganda Ltd *	Uganda	30	Information technology solutions
NRD CS UAB	Lithuania	100	Information technology solutions
Inventio UAB	Lithuania	100	Dormant

*These entities are owned indirectly by the Company as at 30 June 2015.

The Company performs independent appraisal of the investments into subsidiaries during preparation of annual financial statements. The fair value of the investments as of 31 December 2014 was performed by Deloitte Verslo Konsultacijos UAB. Appraisal was performed using income and market approaches. Management concluded that the fair value of investments was measured properly, using reasonable data inputs and ratios, appropriately representing its investments. Fair value of investments was estimated in compliance with the International Valuation Standards set out by the International Valuation Standards Council. For income approach discounted cash flow method was used. It was based on free cash flow projections provided by the management of BAIP Group covering a 5-year period. Free cash flows were calculated as net operating profit after tax, add-back depreciation less change in working capital and capital expenditure. Detailed disclosures are provided in annual financial statements of BAIP grupė AB and INVL technology AB (Note 3).

During preparation of interim financial statements the management of the Company assess whether cash flow projections has not changed significantly. In case such projects did not change significantly, the Company calculates fair value of investments using EBITDA multiple method, as disclosed further on, and in case of significant change adjusts value of investments. The management also assess whether financial position of the companies has not change significantly, as it might impact the final value of the investment.

30 June 2015

Financial assets of the company INVL Technology AB measured at fair value through profit or loss comprised of directly and indirectly controlled subsidiaries: BAIP UAB, Acena UAB, Informatikos pasaulis UAB, Inventio UAB, NRD AS and NRD CS UAB. These assets are non-current assets and belong to Level 3 valuation technique. Main assets of Inventio UAB and Informatikos pasaulis UAB are cash at banks, thus entities were valued based on their net assets. EBITDA of NRD CS UAB was negative for the last 12 months, thus valuation was performed based on a previous value adjusted by the change in equity, because estimates of the management of the Company future cash flows did not decrease. Vitma UAB, controlling 100 percent of BAIP UAB, was valued by adding total current assets less current liabilities of Vitma UAB to the value of BAIP UAB. Other entities, including aforementioned BAIP UAB, were valued using EBITDA (earnings before depreciation,

INVLT TECHNOLOGY AB**INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015**

(all amounts are in EUR thousand unless otherwise stated)

amortisation, interest and taxes) multiple. Consolidated EBITDA for the last 12 months was used. Value derived using EBITDA multiple was adjusted by deducting difference between consolidated liabilities and current assets, subtracting calculated value of non-controlling share. Resulting amount was adjusted by 10.7 premium (used by appraisers during valuation as of 31 December 2014 as the difference between control premium and marketability discount). EBITDA multiple used is equal to 6.0. It was set as EV/EBITDA (ratio between enterprise value and EBITDA) average of comparative Scandinavian and Eastern Europe technology companies as listed below (adjusted by debt calculation method as described above):

Entity name	EBITDA multiple
4IG	3.9
Asseco Poland	3.9
Comarch SA	4.9
Affecto	5.8
Atea	9.2
Data Respons ASA	8.2
Innofactor Oyj	10.2
Know It AB	6.7
Sygnity SA	3.2
ATM	10.7
SMT	4.8
Qumak	5.4
Atende	3.6
Simple	4.2
Average	6.0

Based on above multiples and assumptions, the Company calculated following fair values:

Entity	30 June 2015	31 December 2014
Vitma UAB	11,626	12,800
NRD Group	1,956	700
NRD CS UAB	844	1,000
Acena UAB	412	400
Informatikos pasaulis UAB	3	-
Inventio UAB	1	2
Total	14,842	14,902

If EBITDA multiple would be lower or higher by 1, respectively total value of BAIP UAB together with Vitma UAB would be lower or higher by EUR 1,326 thousand as of 30 June 2015, value of Acena UAB would be lower or higher by EUR 49 thousand as of 30 June 2015, value of NRD Group would be lower or higher by EUR 252 thousand as of 30 June 2015.

According to the current loan agreement with DNB bank the Company's indirectly controlled subsidiary BAIP UAB has restrictions to repay the loan granted by the Company, which amounted EUR 159 thousand as of 30 June 2015 (EUR 159 thousand as of 31 December 2014), also cannot announce the dividends without prior consent of the Bank. After balance sheet date this loan with the consent of DNB bank AB was repaid.

Other subsidiaries of the Company as of did not have significant restrictions for the payment of the dividends to the Company from not consolidated subsidiaries or the restrictions on repayment of loans granted by the Company to the not consolidated subsidiaries.

INV L TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2015:

Opening balance	14,902
Gains and losses recognised in profit or loss	(60)
Closing balance	14,842
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	(60)

30 June 2014

The Company's financial assets at fair value through profit or loss comprised subsidiaries BAIP grupe UAB and Inventio UAB. These assets are non-current assets and are Level 3 instruments by valuation. The main assets of Inventio UAB is cash at the bank, therefore the entity is measured based to its equity. BAIP grupe UAB owns specialized information technology entities. Consolidated group financial figures were used for the valuation. EBITDA (earnings before interest, taxes, depreciation and amortization) multiple method was used. 12 months trailing EBITDA was used. Value derived using EBITDA multiple was adjusted by:

- deducting difference between total liabilities and short-term assets increased by the amount of 4 months moving average of working capital,
- deducting value of non-controlling interest, measured at its book value.

While performing the valuation, possible obligation to issue new shares of BAIP grupe UAB was taken considered. Model was built in a way that newly issued shares reduce the share of BAIP grupe UAB owned by the Company.

EBITDA multiple used in calculations is 7.6. It was calculated as average of comparative Central and Eastern Europe IT sector companies' EV/EBITDA ratio (Enterprise Value-to-EBITDA), as per below listed entities (source Bloomberg; 30 June 2014):

Name of the entity	EBITDA multiple
ACTION S.A.	8.9
ATEA ASA	9.0
SYGNITY S.A.	4.0
ASSECO POLAND S.A.	6.3
ERICSSON NIKOLA TESLA d.d.	12.5
COMARCH S.A.	6.2
AB S.A.	6.6

If EBITDA multiple would be lower or higher by 1, respectively total value of BAIP grupe UAB would be lower or higher by EUR 1,017 thousand as of 30 June 2014 (EUR 888 thousand as of 29 April 2014)

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2014:

Opening balance	4,908
Gains and losses recognised in profit or loss	807
Closing balance	5,715
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	807

INV L TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

5 Finance costs

	2015 6 months	2014 6 months
Interest expenses of borrowings from related parties	(155)	-
	(155)	-

6 Income tax

	2015 6 months	2014 6 months
Components of the income tax benefit (expenses)		
Deferred income tax expenses (benefit)	(25)	-
Income tax expenses (benefit) stated in the income statement	(25)	-

7 Earnings per share

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

The weighted average number of shares for the period ended 30 June 2015 was as follows:

Calculation of weighted average for the period ended 30 June 2015	Number of shares (thousand)	Par value (EUR)	Issued/180 (days)	Weighted average (thousand)
Shares issued as at 31 December 2014	4,022	0.29	180/180	4,022
Merged/Acquired INV L Technology shares as at 9 February 2015	2,093	0.29	140/180	1,628
Shares issued as at 30 June 2015	6,115	0.29		5,650

The following table reflects the income and share data used in the basic earnings per share computations:

	2015 6 months
Net loss, attributable to the equity holders of the parent	(257)
Weighted average number of ordinary shares (thousand)	5,650
Basic and diluted earnings (deficit) per share (EUR)	(0,05)

For 2015 diluted earnings per share of the Company are the same as basic earnings per share.

The weighted average number of shares for the period ended 30 June 2014 was as follows:

Calculation of weighted average for the period ended 30 June 2014	Number of shares (thousand)	Par value (EUR)	Issued/62 (days)	Weighted average (thousand)
Shares issued as at 29 April 2014	4,022	0.29	62/62	4,022
Shares issued as at 30 June 2014	4,022	0.29		4,022

The following table reflects the income and share data used in the basic earnings per share computations:

	2014 6 months
Net loss, attributable to the equity holders of the parent	796
Weighted average number of ordinary shares (thousand)	4,022
Basic and diluted earnings (deficit) per share (EUR)	0.20

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

8 Short term loans

Loans received by the Company consisted of loans received from related parties – subsidiaries or Invalda INVL AB group companies. Loans carried 11% annual interest rate. After completion of public share offering after balance sheet date one of the main shareholders Invalda INVL AB, who subscribed additional shares, settled the amount payable in kind by offsetting with liabilities of the Company under loan agreement (in amount of EUR 1,402,500).

9 Liabilities due to increase in share capital

As of 8 June 2015 the Bank of Lithuania confirmed prospectus on issue of ordinary shares by INVL Technology AB and as of 10 June 2015 public share offering was started and which ended on 3 July 2015. This balance sheet item contains liabilities due to funds transferred to the accounts of the Company for the acquisition of the shares offered.

10 Other current liabilities

As of 30 June 2015 other current liabilities comprised of liabilities to Vitma UAB.

11 Related party transactions

Transactions of the Company with related parties for the first half of 2015 and balances as at 30 June 2015 were as follows:

The Company	Revenue from related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
<i>Company's management</i>				
Lease of assets	-	9	-	-
	-	9	-	-
<i>INVL Technology AB subsidiaries</i>				
Borrowings	13	70	423	1,138
Dividends	-	-	-	-
Management and accounting service	110	-	-	-
Other activities	18	3	120	618
	141	73	543	1,756
<i>Invalda INVL AB Group companies</i>				
Borrowings	-	85	-	2,107
Operating activities	-	-	2	-
	-	85	2	2,107

The Company's transactions with related parties during the first half of 2014 and related balances as at 30 June 2014 were as follows:

The Company	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
<i>Invalda INVL AB Group companies</i>				
Invalda INVL AB (split-off)	-	-	3	-
	-	-	3	-

12 Segment information

Management of the Company has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. All financial information, including the measure of profit, total assets and total liabilities, is analysed as a single reporting segment – investments into information technology entities segment, therefore is not further disclosed in these financial statements.

13 Financial risk management

13.1 Financial risk factors

The risk management function within the Company is carried out in respect of financial risks (credit, liquidity, market, currency and interest rate), operational risks and legal risks. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

The Company's principal financial liabilities comprise of loans. The main purpose of these financial liabilities is to increase funding for the activities of the Company. The Company has various financial assets but the main portion of the financial assets of the Company consisted of financial assets accounted for at fair value through profit or loss, comprising of investments into not consolidated subsidiaries.

The Company may enter into derivative transactions, such as interest rate swaps and forward currency contracts. The purpose of them is to manage the interest rate and currency risks arising from the operations and its sources of finance. The Company has not used any of derivative instruments so far, as management considered that there is no necessity for them.

The Company is being managed the way so its main businesses would be separated from each other. In such a way operating risk is diversified and the Company creates ability to sell any business without increasing risks to the Company.

The purpose of the Company's activities is to earn the medium-term and long term capital returns from investments in carefully selected quoted and not quoted private companies, operating in information technologies segment.

The main risks arising from the financial instruments are market risk (including currency risk, cash flow and fair value interest rate risk, price risk), liquidity risk and credit risk. The risks are identified and disclosed below.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to outstanding trade and other receivables and loans granted.

At the date of financial statements there are no indications of worsening credit quality of trade and other receivables, which are neither due, nor impaired, due to constant control of receivable balances. There are no significant transactions of the Company that do not occur in the country of the relevant operating unit.

With respect to credit risk arising from other financial assets of the Company, which comprise of cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company uses services of banks or financial institutions, which itself have or which are controlled by financial institutions which have high grade credit rating, set by independent rating agency.

Price risk

The investments of the Company are sensitive to the price change risk, arising from the uncertainties related to the future instrument values. In order to manage the price risk, the Board of the Company together with the management of the Company analyses the results of portfolio companies at least once per quarter and maintains constant communication with the portfolio companies' management on the business development and operating activities.

The investments of the Company at fair value sensitive to the price risk amounted to EUR 14,842 thousand as of 30 June 2015 (EUR 7,828 thousand as of 31 December 2014).

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 their commitments at a given date in accordance with strategic plans. The liquidity risk of the Company is controlled on an overall group level. The Company's objective is to maintain a balance between

INV L TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

continuity of funding and flexibility through the use of bank overdrafts, bank loans, bonds and finance leases. The liquidity risk management is divided into long-term and short-term risk management.

The aim of the short-term liquidity management is to meet daily needs for funds. Each subsidiary plans independently its internal cash flows. Short-term liquidity for the Company is controlled through weekly monitoring of the liquidity status at the Company.

Long-term liquidity risk is managed by analysing the predicted future cash flows taking into account the possible financing sources. Before approving the new investment projects the Company evaluates the possibilities of raising needed funds. Based on monthly reports the Company the forecasts cash inflows and outflows for a future one year period which allows planning the Company's financing effectively.

The table below summarises the maturity profile of the Company's financial liabilities as of 30 June 2015 based on contractual undiscounted cash flows (financial liabilities as of 31 December 2014 were insignificant).

	Less than 3 months	4 to 12 months	From 1 to 5 years	Total
Borrowings with interest	-	3,414	-	3,414
Trade and other payables	116	-	-	116
Other current liabilities	2,093	-	-	2,093
Balance as of 31 June 2015	2,209	3,414	-	5,623

The current liquidity ratio of the Company (Current assets/Current liabilities and short term payables) was 0.4 as of 30 June 2015 (4.1 as of 31 December 2014) and absolute liquidity ratio (Cash and cash equivalents / Current liabilities and short term payables) was 0.3 as of 30 June 2015 (4.1 as of 31 December 2014). The management of the Company monitors the liquidity of the Company and according to current situation takes the actions to maintain it in the favourable condition.

Part of loans are received from the subsidiaries, therefore the Company itself sets on the repayment conditions and terms.

Also financial position of the Company was significantly strengthen after the Company successfully finished public share offering and the Company plans that in the nearest future it will not face liquidity problems.

Foreign exchange risk

As a result of operations the statement of financial position of the Company can be affected by movements in the currencies' exchange rates. The Company's policy is to match the cash inflows from the most probable sales with purchases by each foreign currency. The Company does not use financial instruments allowing to manage foreign currency risks, because these risks are considered insignificant, because biggest portion of financial assets and financial liabilities are denominated in euros.

13.2 Fair value estimates

Fair value represents the amount at which an asset could be exchanged, or a liability settled on an arm's length basis between unrelated parties. The fair value measurement is determined in following 3 levels:

Level 1: The fair value of the financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The fair values of available for sale financial assets are estimated with reference to mid quoted market prices. The Company does not have financial assets or liabilities assigned to this level.

Level 2: The fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. The Company does not have financial assets or liabilities assigned to this level.

Level 3: Fair value determined by such valuation methods which use one or more of the significant inputs which are not based observable market data. Fair value of all receivables and payables as well as borrowings and financial assets at fair value through profit and loss are assigned to this level.

Where in the opinion of the management the fair value of the financial assets and liabilities differs significantly from their book value, such fair values are separately disclosed in the notes of the financial statements.

13.3 Capital management

The primary objective of the capital management is to ensure that the Company maintains a strong credit health and healthy capital ratios in order to support their business and maximise shareholder value. The Company manages its capital supervising the activities of each subsidiary, in order to achieve that the capital is sufficient to support company's activities. The key management personnel of the companies controls that they are meeting capital requirements as set in the laws and borrowing agreements and provides the information to the Company's management.

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 specific risks of their activity. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the first half of 2015.

The Company is obliged to keep its equity ratio at not less than 50% of its share capital, as imposed by the Law on Companies of Republic of Lithuania.

14 Events after the reporting period

- **On 7 July 2015** the Board of INVL Technology AB, referring to the resolutions of the extraordinary general meeting of shareholders of the Company held on 10 April 2015 regarding increase of the authorised capital by additional contributions of the persons, subscribing the shares (the "Resolutions"), also taking into account the recommendation of AB bank "FINASTA", which is the lead manager of the offering of newly issued shares of the Company, inter alia decided: 1) to determine that the final offer (issue) price of the ordinary registered shares of the Company, to be issued following implementation of the Resolutions, shall be equal to EUR 1.65 (the "Offer Price") for one new share to be issued (the "New Shares"), which is equal to the current shareholders, as well as to retail and institutional investors; 2) to determine that the final number of the New Shares of the Company to be issued in fulfilment of the Resolutions is 6 060 607; 3) to allocate the New Shares for the Offer Price, indicated above, as follows: (i) 2 735 489 units shall be allocated to the existing shareholders of the Company, being the shareholders at the close of 26 June 2015, (ii) 2 314 294 units shall be allocated to the retail investors and (iii) 1 010 824 units shall be allocated to the institutional investors. The Company also informed that one of the major shareholders of the Company Invalda INVL AB, having subscribed for the New Shares 850 000 units have paid thereof by offsetting against the opposite homogeneous demands against the Company, arising from the loan agreements, concluded with the Company (in an amount of EUR 1 402 500).
- **On 8 July 2015** INVL Technology, AB informed that after increase of the authorized capital by additional contributions, the increased authorized capital and the new wording of the Articles of Association has been registered on 8 July 2015. INVL Technology, AB during the tender offer issued 6 060 607 new shares, emission price – EUR 1.65, the total issue price – EUR 10 000 001.55. The authorized capital of INVL Technology, AB amounts to EUR 3 530 843.09, it is divided into 12 175 321 units of shares, voting rights granted by the shares- 12 175 321. Nominal value per share EUR – 0.29. The Company also informed that the Central Securities Depository of Lithuania announced a stock event regarding registration of the new shares (6 060 607 units). Taking into consideration the aforementioned, on 10 July 2015 the new shares should be registered with the depository and automatically introduced into trading on the Secondary List of AB NASDAQ Vilnius.
- **On 13 July 2015** INVL Technology after public offering announced new list of major shareholders. Alvydas Banyas, member of the Board of AB INVL Technology, after public offering holds 5.1 per cent of total voting rights, another 19.9 per cent is held by company controlled by him - LJB investments, UAB. Invalda INVL, AB holds 15.7 per cent, Irena Ona Miseikiene – 12 per cent of INVL Technology shares. Among new shareholders is biggest insurance company in Lithuania Lietuvos draudimas, AB which holds 7.5 per cent of voting rights. Chairman of the Board and CEO of INVL Technology Kazimieras Tonkūnas holds 5.6 per cent of company shares. Management Board of AB INVL Technology together with related persons holds 33.4 percent of shares.
- **On 16 July 2015** the Announcement about Cost of Public Offering was made: The offer price for one share of the Company was established at EUR 1.65 and the investors subscribed for of 6,060,607 Company's shares; The final value of the Offering amounted to EUR 10,000,001.55; The costs related to the Offering incurred by the Company to date are EUR 153,046.42; The average cost of the Offering per share was EUR 0.03.
- **On 27 July 2015** it was announced that on 24 July 2015 INVL Technology completed Etronika acquisition. Norway Registers Development (NRD AS), a company controlled by ICT investment group INVL Technology, for EUR 200 thousand acquired 80 per cent of Etronika, UAB shares. Representatives of INVL Technology Nerijus Drobavičius and Vida Juozapavičienė as well as one of the co-founders of Etronika Jonas Šulcas were elected to the board of Etronika. Kęstutis Gardžiulis, current CEO of Etronika, remains in this position and will continue to lead the company.

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

15 Significant events, which have been announced during the six month period ended 30 June 2015

- **On 7 January 2015** it was announced of the Convocation of the Shareholders Meeting of INVL Technology on 2 February 2015 and draft resolutions. The agenda of the General Shareholders Meeting of INVL Technology, AB includes questions regarding the approval of the reorganization of the joint stock company INVL Technology and regarding approval of the terms of reorganization; approval of the Articles of Association of the company operating after the reorganization; regarding formation of the Audit Committee of the company.
- **On 14 January 2015** the company informed that trading in shares of INVL Technology, AB in NASDAQ OMX Vilnius Stock Exchange will be suspended from 29 January 2015 (inclusively) until the completion of the reorganization.
- **On 2 February 2015** the resolutions of the Shareholders Meeting of INVL Technology, AB that was held the same day were announced. INVL Technology shareholders approved reorganization of the public joint-stock company INVL Technology by a way of merger, merging the company to the public joint-stock company BAIP grupe. The shareholders also approved the Articles of Association of the public joint-stock company BAIP grupe, which continues to operate after the reorganization under the new name INVL Technology, the regulations of the formation and activity of the Audit Committee and elected the members of the Audit Committee.
- **On 10 February 2015** the company announced that reorganization of INVL Technology and BAIP Group was completed on 9th of February 2015. INVL Technology was merged into BAIP Group, AB. BAIP Group, AB will take over all the rights and duties including the name of INVL Technology, and will continue operations under the new name of the public joint-stock company INVL Technology. The initial capitalisation of the company operating after the merger reaches EUR 8.146 million. Recalculated price per share should reach EUR 1.33. The authorized capital of INVL Technology is divided into 6 114 714 ordinary registered shares. The nominal value per share is EUR 0.29. ISIN code - LT0000128860. The Board and manager of INVL Technology, AB has not changed. Kazimieras Tonkunas, a manager of a company, Gytis Umantas, Alvydas Banys, Vytautas Plunksnis and Nerijus Drobavicius continue operating as Members of the Board of the company. Main shareholders of INVL Technology, AB are: A. Banys (5 percent) and LJB Investments, a company related to A. Banys, (20 percent), Irena Ona Mišeikienė (19 percent), Kazimieras Tonkunas (13.7 percent), Invalda LT (8.2 percent) and Lucrum Investicija (5 percent).
- **On 27 February 2015** the company announced the unaudited results of INVL Technology for 12 months of 2014. Unaudited net profit of INVL Technology amounted to LTL 5.1 million (EUR 1.47 million). The financial statements cover the interim financial period of the company, starting from the company's establishment date 29 April 2014 and ending on 31 December 2014, therefore there are no comparative data. Additionally, it was announced that INVL Technology in the end of 2014 controlled 65.65 percent of shares of joint-stock company BAIP group investing in IT companies. In the end of 2014 100 percent of BAIP group shares were valued LTL 33.5 million (EUR 9.70 million) while controlled 65.65 percent of shares – LTL 24.5 million (EUR 7.10 million). Valuation was performed using comparable multiples method using average enterprise value and earnings before interest tax depreciation and amortization (EBITDA) multiple 7.6 and applying 10 percent downward adjustment on the result due to the size of BAIP Group. BAIP group consolidated income in 2014 grew by 14 percent to 57.8 million litas (16.74 million EUR), EBITDA – 34 percent to 5.98 million litas (1.73 million EUR) and net profit – 152 percent to 3.3 million litas (0.96 million EUR).
- **On 10 March 2015** the company informed that the Director of the Supervisory Authority of the Bank of Lithuania on 9 March 2015 decided to treat the information submitted in the publicly announced reorganization terms (together with annexes) of INVL Technology and BAIP group, also, in the annual information of Invalda in 2011-2012 and Invalda LT in 2013, and in interim financial statements of INVL Technology for 12 months of 2014, and in the list of references related to INVL Technology, also, in the description of the securities (shares) and risk factors as well as in information displayed in the Articles of Association of the company as information equivalent to the information that is required to be disclosed in the prospectus of INVL Technology, AB. INVL Technology decided to apply to NASDAQ Vilnius stock exchange on 10 March 2015 to renew trading in companies shares since 12 March 2015.
- **On 24 March 2015** the company announced that Norway Registers Development AS, a company managed by INVL Technology, AB, is starting activities in Uganda. Norway Registers Development which owns 30 per cent of Infobank Uganda Limited shares signed Infobank Uganda Limited shareholders agreement on 23 March 2015.
- **On 7 April 2015** it was announced that Norway Registers Development AS (NRD AS), owned by INVL Technology, AB signed an agreement regarding investments into Etronika, UAB, a company which develops IT solutions for electronic banking, mobile signature and retail. NRD AS plans to participate in the new share issue of Etronika, UAB and acquire 80 per cent in Etronika, UAB shares. Total amount of investments, including loans to Etronika, UAB, will amount up to EUR 400 thousand. Deal closing is subject to permissions of Lithuanian Competition council and Commission on assessment of potential participants compliance with national security interests. In 2014 Etronika, UAB revenues amounted to EUR 1.9 million, company employs more than 40 people.
- **On 8 April 2015** it was announced of the convocation of the Shareholders Meeting of INVL Technology on 30 April 2015 and draft resolutions. The agenda of the General Shareholders Meeting of INVL Technology, AB included: Presentation of the public joint-stock company INVL Technology annual report for 2014; Presentation of the independent auditor's report on the financial statements of 2014; On the approval of the consolidated and stand-alone financial statements for 2014; Regarding the distribution of the public joint-stock company INVL Technology profit for 2014; Presentation of BAIP

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

Group AB, which after the merger into the public joint-stock company INVL Technology consolidated annual report for 2014; Presentation of the independent auditor's report on the financial statements of BAIP Group AB for 2014; On the approval of the consolidated and stand-alone financial statements for 2014 of BAIP Group AB; Regarding the distribution of BAIP Group AB profit for 2014; Regarding purchase of own shares of the public joint stock company INVL Technology (code 300893533).

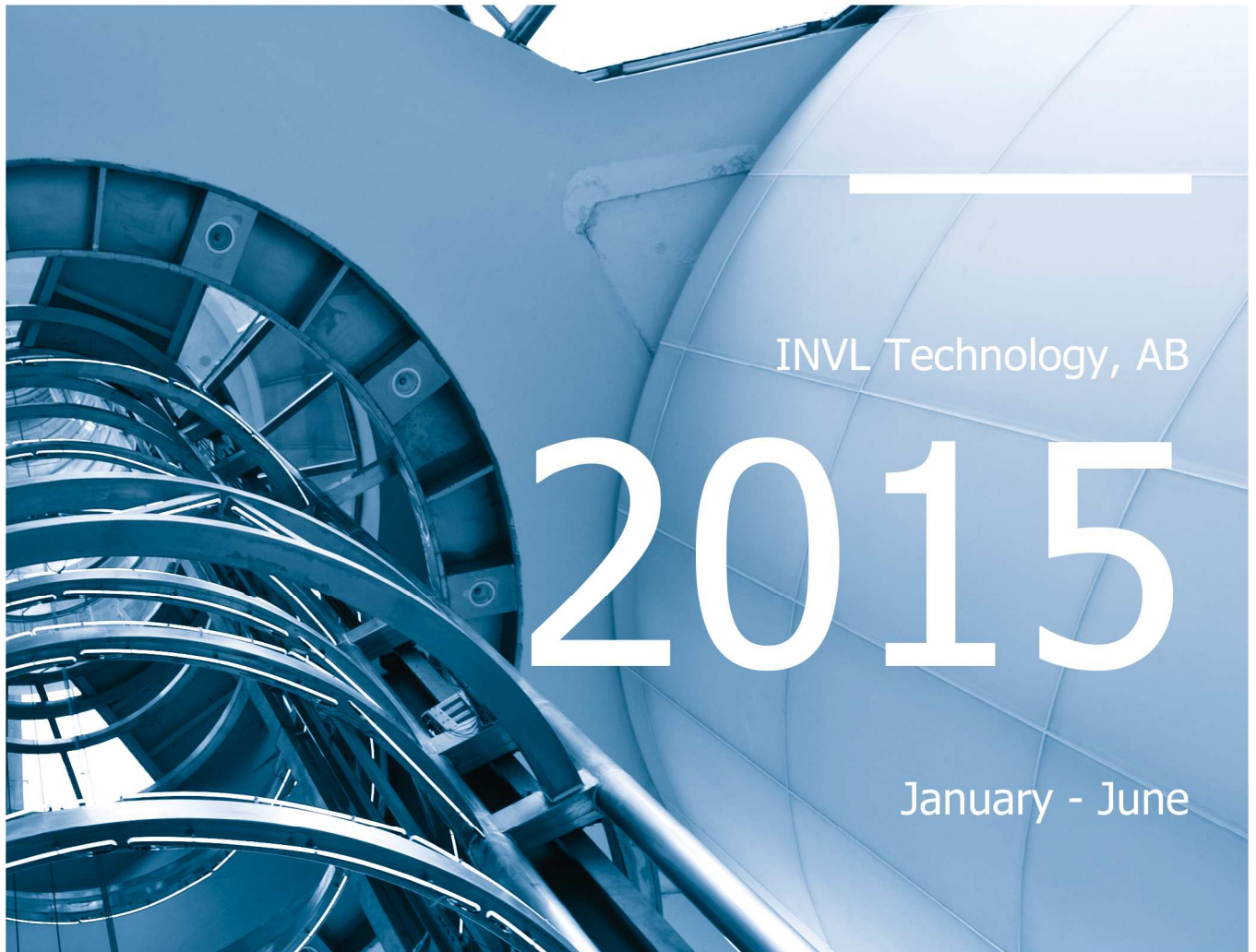
- **On 9 April 2015** Audited results of INVL Technology (code 303299817) for 2014 were announced. Audited net profit of INVL Technology (code 303299817) amounted to EUR 2.892 million (LTL 9.986 million). The financial statements cover the financial period of the company, starting from the company's establishment date 29 April 2014 and ending on 31 December 2014, therefore there are no comparative data. Audited net profit is by 96 per cent bigger than earlier announced unaudited result. Profit increased due to increase in value of investment in BAIP Group, AB shares after independent appraiser Deloitte verslo konsultacijos, UAB conducted independent valuation.
- **On 9 April 2015** Audited results of INVL Technology (code 300893533) for 2014 were announced. Audited net profit of INVL Technology (code 300893533) amounted to EUR 9.3 million (LTL 32.094 million), audited equity at the end of 2014 amounted to EUR 11.921 million, or EUR 1.96 per share. Value of Vitma, which controls 100 per cent of critical IT infrastructure company BAIP, UAB, was estimated at EUR 12.8 million, cybersecurity company NRD CS, UAB – at EUR 1 million, Norway Registers Development group – EUR 0.7 million, and software licensing company Acena, UAB – EUR 0.4 million. Equity value of INVL Technology was determined by subtracting EUR 3 million liabilities of INVL Technology.
- **On 10 April 2015** the resolutions of the Shareholders Meeting of INVL Technology, AB that was held on that day were announced. It was agreed to increase the authorized capital of the public joint-stock company INVL Technology with additional contributions from EUR 1 773 267,06 to EUR 5 800 000 (the authorized capital will be increased by no more than EUR 4 026 732,94). The authorized capital of the public joint-stock company INVL Technology will be increased by additionally issuing no more than 13 885 286 ordinary registered shares of EUR 0.29 par value each. The minimal issue price of each newly issued share is EUR 1.56, payment for the shares – by cash contributions. The total minimal issue price of the newly issued Company's shares is no more than EUR 21 661 046,16, which depends on the final amount of newly issued shares. In addition, it was agreed to withdraw the pre-emptive right to acquire newly issued ordinary registered shares of the public joint-stock company INVL Technology, approve the new edition of the Articles of Association of the public joint-stock company INVL Technology, to apply to the Bank of Lithuania for obtaining the license of the closed-end investment company INVL Technology and to prepare the draft of the Management Agreement with INVL Asset Management, UAB for transfer of management of the closed-end investment company INVL Technology. Seeking to ensure the rights of INVL Technology shareholders, who did not vote or voted "against" the 4th item on the agenda to sell their shares, it was decided that the shareholders, who voted "for" the resolutions of 4th item of the agenda within one month from the General Shareholders Meeting will have to announce a voluntary tender offer to purchase the rest of the ordinary registered shares of the public joint-stock company INVL Technology.
- **On 10 April 2015** the company also announced that INVL Technology, AB, received notice from a shareholder Invalda INVL, AB that this obligation of shareholders who voted „for“ will be fulfilled by Invalda INVL, AB. Preliminary voluntary tender offer price amounts to EUR 1.61 per share. Only the shareholders who did not vote or voted "against" will have the right to sell their shares during the tender offer. Voluntary tender offer will apply for 414 034 ordinary registered shares of INVL Technology, AB, constituting 6.77 per cent of companies capital.
- **On 30 April 2015** it was announced that public joint-stock company INVL Technology received the announcement from public joint-stock company Invalda INVL about the intention to submit a voluntary tender offer for INVL Technology, AB shares. INVL Technology, AB shareholders, who voted "for" the decision to reorganize the activity of the INVL Technology, AB so it would operate as the closed-end investment company under the Law of the Republic of Lithuania on Collective Investment Undertakings (there shareholders hold 5 700 680 ordinary registered shares of the INVL Technology, AB, that consist 93,229 % of all issued shares and voting rights), announced about the intention to submit a voluntary tender offer to purchase 414 034 ordinary registered shares with EUR 0.29 (equivalent to 1 LTL) value each of the INVL Technology, AB (code 300893533, address Gynėjų str. 16, Vilnius), which ISIN code is LT0000128860, and that consist 6,771 % of all INVL Technology, AB issued shares and grants 6,771 % of all voting rights. For the shares it will be paid in cash paying 1,61 EUR (equivalent to 5,559 LTL) per each share. According to the Agreement of 28 of April, 2015, Invalda LT, AB represents the shareholders, who submit a voluntary tender offer, during submission and implementation of the voluntary tender offer.
- **On 30 April 2015** the resolutions of the Shareholders Meeting of INVL Technology, AB that was held the same day were also announced. The Shareholders approved the consolidated and stand-alone financial statements for 2014 of the public joint-stock company INVL Technology. INVL Technology's equity at the end of 2014 amounted to EUR 11.921 million, or EUR 1.96 per share, according to audited data. The shareholders of INVL Technology decided to allocate the net profit to a reserve for shares buy-back. This possibility would be used if INVL Technology share price on the stock exchange was significantly lower than its fair value.
- **On 19 May 2015** the company announced that on 18 May, 2015 the Supervision Service of the Bank of Lithuania approved the circular of the voluntary tender offer by the group of shareholders, represented by Invalda INVL, AB by the agreement signed on 28 April 2015, to buy up remaining ordinary registered shares of INVL Technology, AB, which are not owned by the Offerors. Invalda INVL, AB offers to buy up 414 034 ordinary registered shares of the INVL Technology, AB (code

INVL TECHNOLOGY AB
INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015
(all amounts are in EUR thousand unless otherwise stated)

300893533), EUR 0.29 par value each, ISIN code LT0000128860, amounting to 6.771 per cent of INVL Technology, AB issued shares and granting the same amount of shares giving the voting rights. Price of the non-competitive voluntary tender offer amounts to EUR 1.61 per ordinary registered share, settlement for shares – in cash. The tender offer implementation period - 14 days (from 22 May 2015 till 4 June, 2015 (inclusive)). The tender offer will be implemented on Tender offer market of NASDAQ OMX Vilnius, AB through the intermediary bank Finasta, AB.

- **On 20 May 2015** it was announced that the Board of INVL Technology, AB, having familiarized itself with the voluntary non-competitive tender offer material presented to it by the offerors in its meeting held on 19 May, 2015 made a following statement: the board of INVL Technology, AB does not give any recommendations to shareholders to accept or decline tender offer.
- **On 29 May 2015** unaudited results of INVL Technology for 3 months of 2015 were announced. During the first quarter of 2015, INVL Technology investments have not been revaluated, revenue of the company amounted to EUR 41 thousand and net loss – EUR 82 thousand.
- **On 4 June 2015** the announcement on the completion of the official tender offer to buy up shares in INVL Technology, AB was made. Invalda INVL, AB informed that during tender offer to buy up shares in INVL Technology, AB 47 ordinary registered shares were offered for which Invalda INVL will pay EUR 75.67 (without brokerage fee). Settlement date for offered shares – 8 June 2015. After completion of tender offer Invalda INVL will own 504 509 INVL Technology, AB shares, which amount to 8.25 per cent of INVL Technology, AB capital and votes. Invalda INVL, AB offered to buy up 414 034 ordinary registered shares of the INVL Technology, AB (code 300893533), EUR 0.29 par value each, ISIN code LT0000128860, amounting to 6.771 per cent of INVL Technology, AB issued shares and granting the same amount of shares giving the voting rights.
- **On 8 June 2015** INVL Technology received a Statement on the voluntary official tender offer implementation on behalf of the offeror the public joint-stock company Invalda INVL. According to the Statement, during the tender offer implementation period (from 22 May 2015 till 4 June 2015) Invalda INVL acquired 47 shares in the public joint-stock company INVL Technology for the total amount of EUR 75.67 (without brokerage fee). After completion of tender offer Invalda INVL owns 504 509 INVL Technology shares, which amount to 8.25 per cent of INVL Technology, AB capital and votes.
- **On 9 June 2015** it was informed that on the 27 May 2015 the Company and its Shareholders signed an agreement regarding amendment of the Shareholders Agreement, dated 26 November 2014.
- **On 9 June 2015** Director of the Supervision Service of the Bank of Lithuania approved the prospectus of issue of INVL Technology AB ordinary registered. The approved Prospectus is designated to (i) the public offering of the new shares of the Company with the total nominal value of up to EUR 4,026,732.94 (number of shares – up to 13,885,286, nominal value of one share is EUR 0.29, minimum price of one share is EUR 1.56, maximum – EUR 1.96) and (ii) admission of up to 13,885,286 ordinary registered shares of the Company to be newly issued to trading on the Secondary List of AB NASDAQ OMX Vilnius.

INVL Technology



INTERIM REPORT

CONTENTS

1

GENERAL INFORMATION

1. REPORTING PERIOD FOR WHICH THE REPORT IS PREPARED
2. GENERAL INFORMATION ABOUT THE ISSUER
3. AGREEMENTS WITH INTERMEDIARIES ON PUBLIC TRADING IN SECURITIES
4. ISSUER'S BRANCHES AND REPRESENTATIVE OFFICES

2

INFORMATION ABOUT SECURITIES

5. THE ORDER OF AMENDMENT OF ISSUER'S ARTICLES OF ASSOCIATION
6. STRUCTURE OF THE AUTHORIZED CAPITAL
7. 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
8. SHAREHOLDERS

3

ISSUER'S MANAGING BODIES

9. THE MANAGING BODIES OF THE ISSUER
10. INFORMATION ABOUT THE AUDIT COMMITTEE OF THE COMPANY
11. INFORMATION ON THE AMOUNTS CALCULATED BY THE ISSUER, OTHER ASSETS TRANSFERRED AND GUARANTEES GRANTED TO THE MEMBERS OF THE BOARD AND THE MANAGEMENT
12. INFORMATION ABOUT AGREEMENTS OF THE COMPANY AND THE MEMBERS OF THE BOARD, OR THE EMPLOYEES' PROVIDING FOR COMPENSATION IN CASE OF THE RESIGNATION OR IN CASE THEY ARE DISMISSED WITHOUT A DUE REASON OR IF THEIR EMPLOYMENT ENDS DUE TO CHANGE OF CONTROL OF ISSUER

4

INFORMATION ABOUT THE ISSUER'S AND ITS GROUP OF COMPANIES' ACTIVITY

13. OVERVIEW OF THE ISSUER'S AND ITS GROUP ACTIVITY, THEIR PERFORMANCE AND BUSINESS DEVELOPMENT
14. A DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES
15. SIGNIFICANT INVESTMENTS MADE DURING THE REPORTING PERIOD
16. INFORMATION ON THE RELATED PARTIES' TRANSACTIONS
17. SIGNIFICANT EVENTS OF THE ISSUER AND ITS GROUP AFTER THE 30TH OF JUNE 2015
18. PUBLICLY DISCLOSED INFORMATION

1

Appendix

Information about group companies, their contact details at the end of the reporting period



1

GENERAL INFORMATION

1 REPORTING PERIOD FOR WHICH THE REPORT IS PREPARED

The report covers six months financial period of INV L Technology AB, starting 1 January 2015 and ending on 30 June 2015.

2 GENERAL INFORMATION ABOUT THE ISSUER AND OTHER COMPANIES COMPRISING THE ISSUER'S GROUP

2.1 INFORMATION ABOUT THE ISSUER:

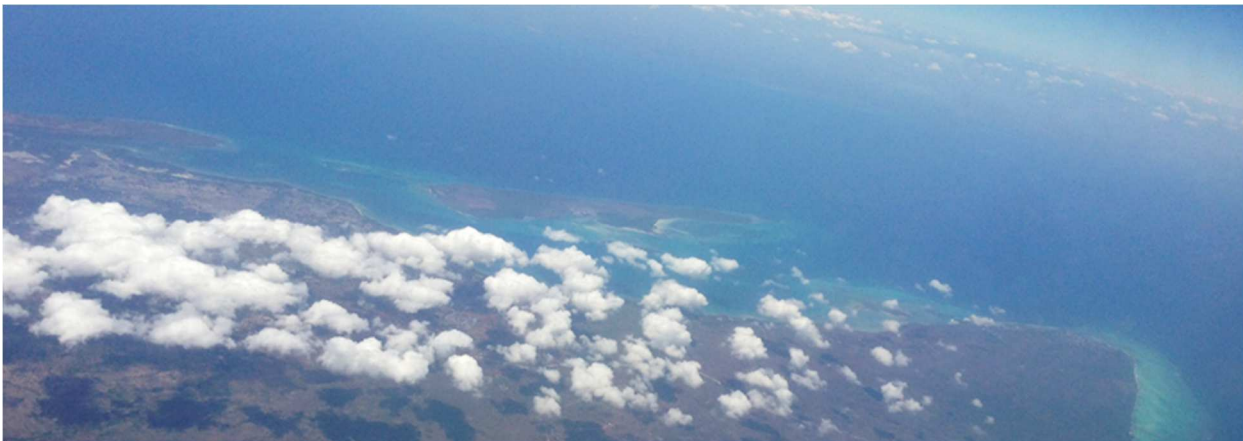
FROM THE COMPANY'S ESTABLISHMENT TILL 9TH FEBRUARY 2015.

Name of the Issuer	THE PUBLIC JOINT-STOCK COMPANY INV L TECHNOLOGY, HEREINAFTER INV L TECHNOLOGY, AB
Code	303299817
Address	SEIMYNISKIU STR. 1A, LT-09312, VILNIUS, LITHUANIA
Telephone	+370 5 279 0530
Fax	+370 5 279 0530
E-mail	TECHNOLOGY@INVALDALT.COM
Website	WWW.INVLTECHNOLOGY.LT
Legal form	PUBLIC JOINT-STOCK COMPANY
Date and place of registration	29 APRIL 2014. REGISTER OF LEGAL ENTITIES
Register in which data about the Company are accumulated and stored	REGISTER OF LEGAL ENTITIES

Reorganization of INV L Technology, AB and BAIP Group, AB was completed on 9 February 2015: INV L Technology, AB was merged into BAIP Group, AB.

FROM 9TH FEBRUARY 2015

Name of the Issuer	THE PUBLIC JOINT-STOCK COMPANY INV L TECHNOLOGY
Code	300893533
Address	GYNĖJŲ STR. 16, LT-01109, VILNIUS, LITHUANIA
Telephone	+370 5 219 1919
Fax	+370 5 219 6533
E-mail	INFO@INV L TECHNOLOGY.LT
Website	WWW.INVLTECHNOLOGY.LT
Legal form	PUBLIC JOINT-STOCK COMPANY
Date and place of registration	27 JUNE 2007 (VERSION 42, 9TH FEBRUARY 2015). REGISTER OF LEGAL ENTITIES
Register in which data about the Company are accumulated and stored	REGISTER OF LEGAL ENTITIES



2.2 ABOUT INVL TECHNOLOGY, AB

The public joint-stock company INVL Technology was established on 29 April 2014 on the basis of a part of assets split-off from Invalda LT, AB (code 121304349). The split-off terms are published online: http://www.invaldalt.com/en/main/news/Material_events?ID=929. Following the split-off, 2.6% of assets, equity and liabilities of Invalda LT, AB were transferred to INVL Technology, AB.

Shares of INVL Technology, AB (303299817) listed on NASDAQ OMX Vilnius stock exchange secondary list since 4 June 2014 till 29 January 2015.

Reorganization of INVL Technology, AB and BAIP Group, AB was completed on 9th of February 2015: INVL Technology, AB was merged into BAIP Group, AB. After the reorganization the company's shares relisted on the NASDAQ Vilnius Stock Exchange from 12 March 2015.

BAIP Group, AB took over all the rights and obligations and continues operations under the new name of the public joint-stock company INVL Technology.

INVL Technology, AB will apply to the Bank of Lithuania for closed-end investment company license and in its essence will become similar to investment fund.

2.3 INFORMATION ABOUT THE ISSUER'S GROUP OF COMPANIES

2.3.1 Companies managed by INVL Technology, AB on the 30th June, 2015:



BAIP, UAB is one of the most experienced critical IT infrastructure services companies in the Baltics, a part of INVL Technology, AB portfolio since 2007. Company provides: IT infrastructure strategy and architecture, IT security and on-site critical IT infrastructure maintenance services 24x7, anywhere in the world, super computer design, and assistance in complex migrations, system implementation. Services and consultations form more than 60% of company's activities. BAIP, UAB works and implements projects in the Baltic countries, Eastern Europe, supports INVL Technology cluster initiatives in other parts of the world.

More information – www.baip.lt.



Acena, UAB - specialized Microsoft licensing and solutions company, a part of INVL Technology, AB portfolio since 2008. Company provides: IT infrastructure development and maintenance services based on Microsoft technologies as well as Microsoft software licensing, software asset management, collaboration and messaging solutions, cloud services.

More information – www.acena.lt.



Norway Registers Development AS – consulting company, helping governments and institutions in Eastern Africa and Asia to build vital economy facilitating infrastructure and achieving relevant, measurable results, a part of INVL Technology, AB portfolio since 2011.

Services and business model: legal, organizational reforms and their implementation, modernization of legal and organizational base (business, property, mortgage, licenses and citizen's registries), modernization of public and centralized procurement, judiciary systems, tax collection with eFilling, transformation of business inspections and simplifications of business regulations, reforms of state owned enterprises.

More information – www.nrd.no.



NRD, UAB was incorporated in October 1998. NRD, UAB is a subsidiary company and information system design and development excellence center of Norway Registers Development, AS. NRD, UAB specializes in business, property, mortgage, licenses, citizen's registry and tax information systems creation and development.

More information – www.nrd.lt.



Norway Registers Development East Africa Limited – NRD, AS subsidiary company in East Africa, established in April 2013.

Provides on-site delivery of Norway Registers Development, AS services supports to the companies in East Africa in the delivery of information security technologies as a value added distributor and assists other organizations investing in East Africa in the creation, development, maintenance and security of their information technology infrastructure. Together with NRD CS, UAB, it is responsible in creation cyber security strategy and its implementation services for governments and business institutions in East Africa. Performs audit of information systems, provides IT management consulting and trainings. Together with NRD CS, UAB is responsible for cyber-defence strategy design and implementation services for government and corporate institutions in East Africa. Performs information system audits, provides IT management consultations and trainings.

More information – www.nrd.co.tz.



NRD CS, UAB - specialized cyber security company and a cyber security center of excellence for other group companies. Spin-off from BAIP, UAB in January 2014.

Assists in creating a secure digital environment for states, governments, corporations and citizens via technology platforms, workflows and processes. Main clients: cyberpolice, national security services, enterprises, government, courts, forensic science center, banks.

More information – www.nrdcs.lt.



Infobank Uganda Limited – Norway Registers Development, AS daughter company in Uganda, established in December, 2014. Currently does not perform any activities but intends to work with different registries which are currently largely paper based, and provide registries information to financial sector clients via electronic system.

Innovative solutions will allow businesses to obtain the required information, use remote services to order and receive information, order official documents and use a spectrum of electronic services despite paper based registries being in operation. Infobank Uganda activities will contribute to the improvement of business climate in Uganda, simplify and accelerate activities of financial institutions and therefore increase credit availability for businesses.

More information – www.infobak-uganda.com.

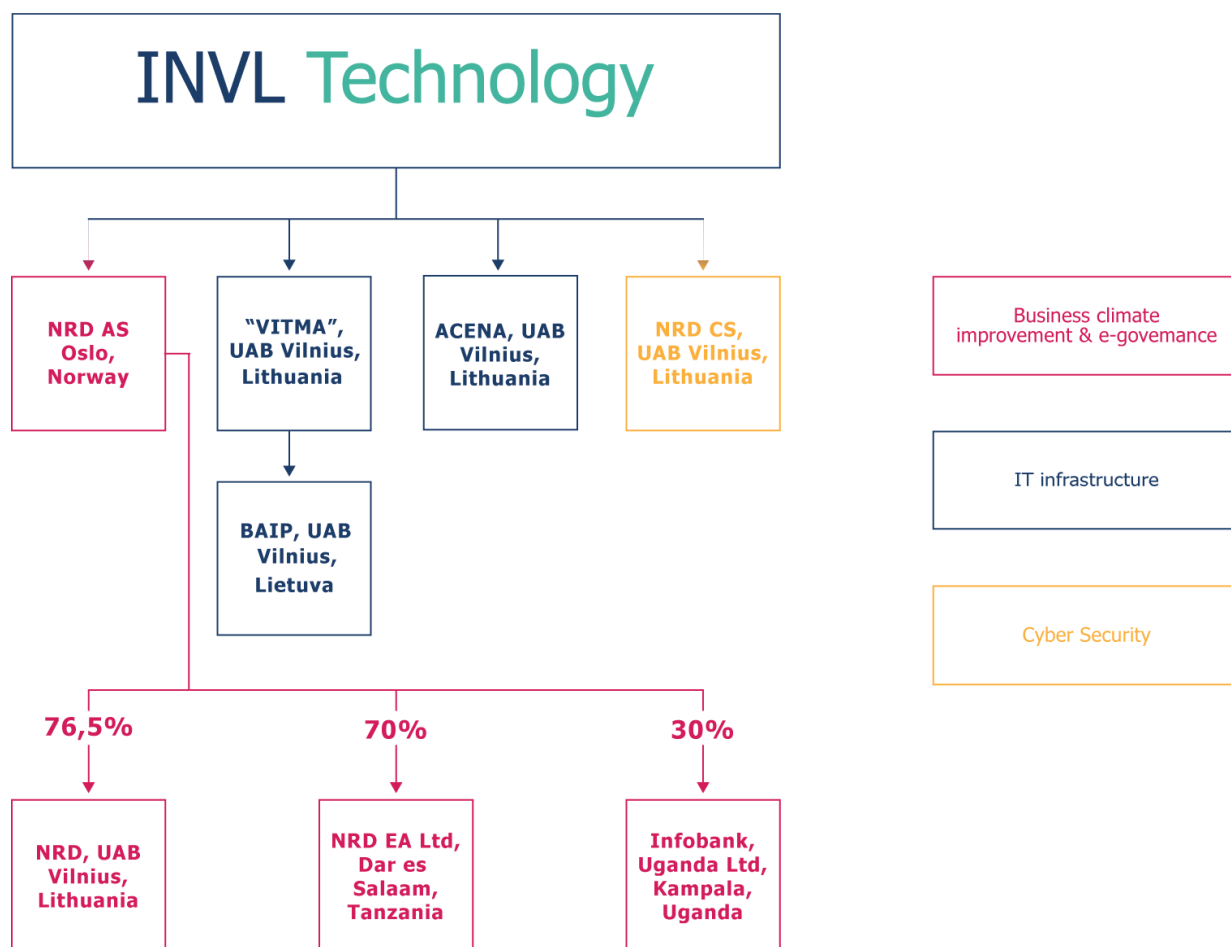


ETRONIKA, UAB¹ – was one of the first in the world to implement the commercial mobile electronic signature solution, which is used by Lithuanian Centre of Registers and mobile operators. Company develops and implements modern electronic banking, retail solutions, mobile applications for the finance, e-commerce and e-government services, and is an active promoter of e-signature in Lithuania and the world.

More information – www.etrionika.lt

¹ ETRONIKA acquisition was completed on 24 July 2015. For more information, please see paragraph 17.

2.3.2 INVL Technology, AB group structure on the 30th June 2015



2.3.3 GEOGRAPHY OF INVL TECHNOLOGY, AB MANAGED COMPANIES



3 AGREEMENTS WITH INTERMEDIARIES ON PUBLIC TRADING IN SECURITIES

INVL Technology, AB has signed the agreement with Finasta, AB FMI (Maironio str. 11, Vilnius, Lithuania, tel. +370 5 203 2233) – the agreement on management of securities accounting.

4 INFORMATION ON ISSUER'S BRANCHES AND REPRESENTATIVE OFFICES

INVL Technology, AB has no branches or representative offices.

5 THE ORDER OF AMENDMENT OF ISSUER'S ARTICLES OF ASSOCIATION

The Articles of Association of INVL Technology, AB may be amended by resolution of the General Shareholders' Meeting, passed by more than 2/3 of votes (except in cases provided for by the Law on Companies of the Republic of Lithuania).

INFORMATION ABOUT SECURITIES

6 STRUCTURE OF THE AUTHORIZED CAPITAL

6.1 STRUCTURE OF INVL TECHNOLOGY, AB AUTHORISED CAPITAL AS OF 26TH JUNE 2015

Type of shares	Number of shares, units	Total voting rights granted by the issued shares, units	Nominal value, EUR	Total nominal value, EUR	Portion of the authorised capital, %
Ordinary registered shares	6 114 714	6 114 714	0.29	1 773 267.06	100

On 7 July 2015 the Board of INVL Technology AB (the "Company"), referring to the resolutions of the extraordinary general meeting of shareholders of the Company held on 10 April 2015 regarding increase of the authorised capital by additional contributions of the persons, subscribing the shares (the "Resolutions"), also taking into account the recommendation of AB bank "FINASTA", which is the lead manager of the offering of newly issued shares of the Company, inter alia decided:

1) to determine that the final offer (issue) price of the ordinary registered shares of the Company, to be issued following implementation of the Resolutions, shall be equal to EUR 1.65 (the "Offer Price") for one new share to be issued (the "New Shares"), which is the same to the current shareholders, as well as to retail and institutional investors;

2) to determine that the final number of the New Shares of the Company to be issued in fulfilment of the Resolutions is 6 060 607;

3) to allocate the New Shares for the Offer Price, indicated above, as follows: (i) 2 735 489 units shall be allocated to the existing shareholders of the Company, being the shareholders at the close of 26 June 2015, (ii) 2 314 294 units shall be allocated to the retail investors and (iii) 1 010 824 units shall be allocated to the institutional investors.

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

6.2 STRUCTURE OF INVL TECHNOLOGY, AB AUTHORISED CAPITAL AS OF 10TH JULY 2015

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

6.3 INFORMATION ABOUT THE ISSUER'S TREASURY SHARES

INVL Technology, AB or its subsidiary has not acquired shares in INVL Technology directly or indirectly under the order of subsidiary by persons acting by their name.

Company uses no services of liquidity providers.

7 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

7.1 MAIN CHARACTERISTICS OF INVL TECHNOLOGY, AB SHARES ADMITTED TO TRADING

	Shares issued, units	Shares with voting rights, units	Nominal value, EUR	Total nominal value, EUR	ISIN code	Name	Exchange	List	Listing date
26.06.2015	6 114 714	6 114 714	0.29	1 773 267.06	LT0000128860	INC1L	NASDAQ Vilnius	Baltic Secondary List	04.06.2014
10.07.2015	12 175 321	12 175 321	0.29	3 530 843.09	LT0000128860	INC1L	NASDAQ Vilnius	Baltic Secondary List	

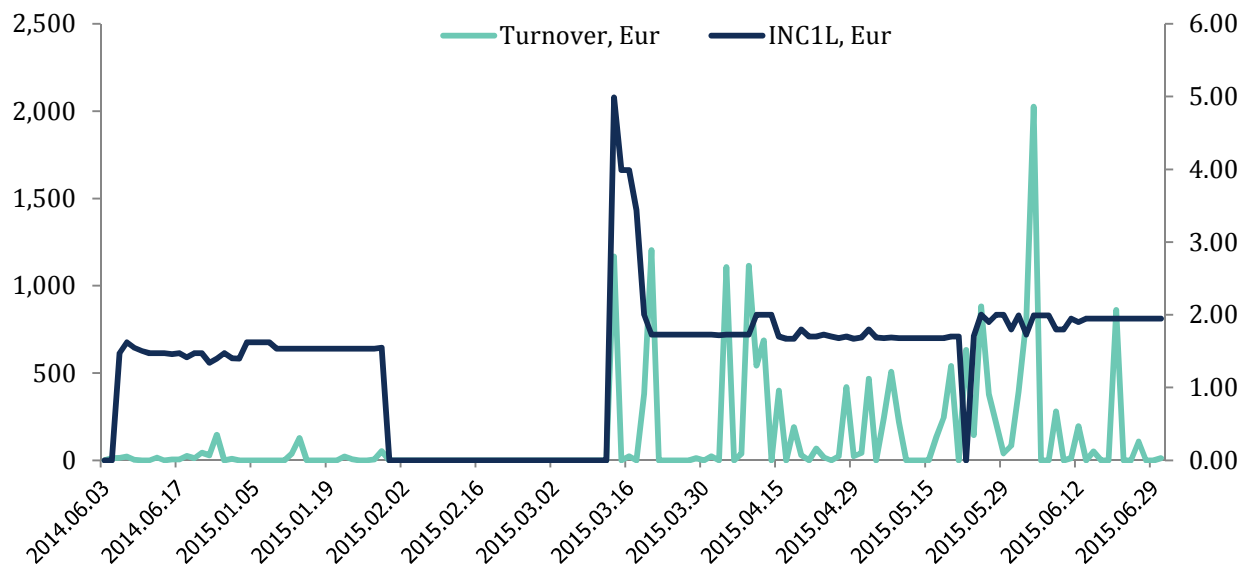
7.2 TRADING IN INVL TECHNOLOGY, AB SHARES

	2015 first half*	2014 first half*
Share price, EUR:		
- Opening	1.47	1.47
- Highest	2.00	1.47
- Lowest	1.33	1.23
- Average	1.78	1.35
- Last	1.85	1.34
Turnover, units	9 660	252
Turnover, EUR	17 225.06	341.34
Traded volume, units	122	34
Capitalisation, mEUR	11.31	0.79

*Data from 4 June 2014 (the beginning of the listing of the company in the Stock Exchange) until 12 February 2015 is corrected by the reorganisation impact coefficient 0,147370903.

7.3 TURNOVER OF INVL TECHNOLOGY, AB SHARES, CHANGE OF SHARE PRICE AND INDEXES

7.3.1 TURNOVER OF INVL TECHNOLOGY, AB SHARES AND CHANGE OF SHARE PRICE SINCE THE BEGINNING OF TRADING



7.3.2 COMPARISON OF INVL TECHNOLOGY, AB SHARE PRICE WITH OMXBB INDEX SINCE THE BEGINNING OF TRADING



Index/Shares	30.06.2014	30.06.2015	+/-%
OMX Baltic Benchmark GI	608.82	625.19	2.69
OMX Vilnius	471.72	497.46	5.46
INC1L	1.341 EUR	1.850 EUR	37.95

8 SHAREHOLDERS

Total number of shareholders on the 26th June 2015 – 3 528.

8.1 TABLE. SHAREHOLDERS, WHO HELD TITLE TO MORE THAN 5 % OF INVL TECHNOLOGY AUTHORISED CAPITAL AND/OR VOTES AS OF 26TH JUNE 2015

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of votes given by the shares held by the right of ownership, %	Share of the votes, %	
				Indirectly held votes, %	Total, %
LJB investments, UAB, code 300822575, A. Juozapaviciaus str. 9A, Vilnius	1 224 152	20.02	20.02	-	20.02
Irena Ona Miseikiene	1 162 421	19.01	19.01	-	19.01
Kazimieras Tonkunas	840 452	13.75	13.75	32.79 ²	46.54
Invalida INVL, AB code 121304349, Seimyniskiu str. 3, Vilnius	504 462	8.25	8.25	-	8.25
Lucrum investicija, UAB, code 300806471, Seimyniskiu str. 3, Vilnius	327 928	5.36	5.36	1.32 ³	6.68
Alvydas Banys	308 745	5.05	5.05	41.49 ⁴	46.54
Gytis Umantas	236 270	3.86	3.86	42.68 ⁵	46.54
Nerijus Drobavicius	-	-	-	46.54 ⁶	46.54
Vytautas Plunksnis	-	-	-	46.54 ⁷	46.54

² According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Kazimieras Tonkunas has votes of his spouse, Alvydas Banys and Gytis Umantas, managers of INVL Technology, AB.

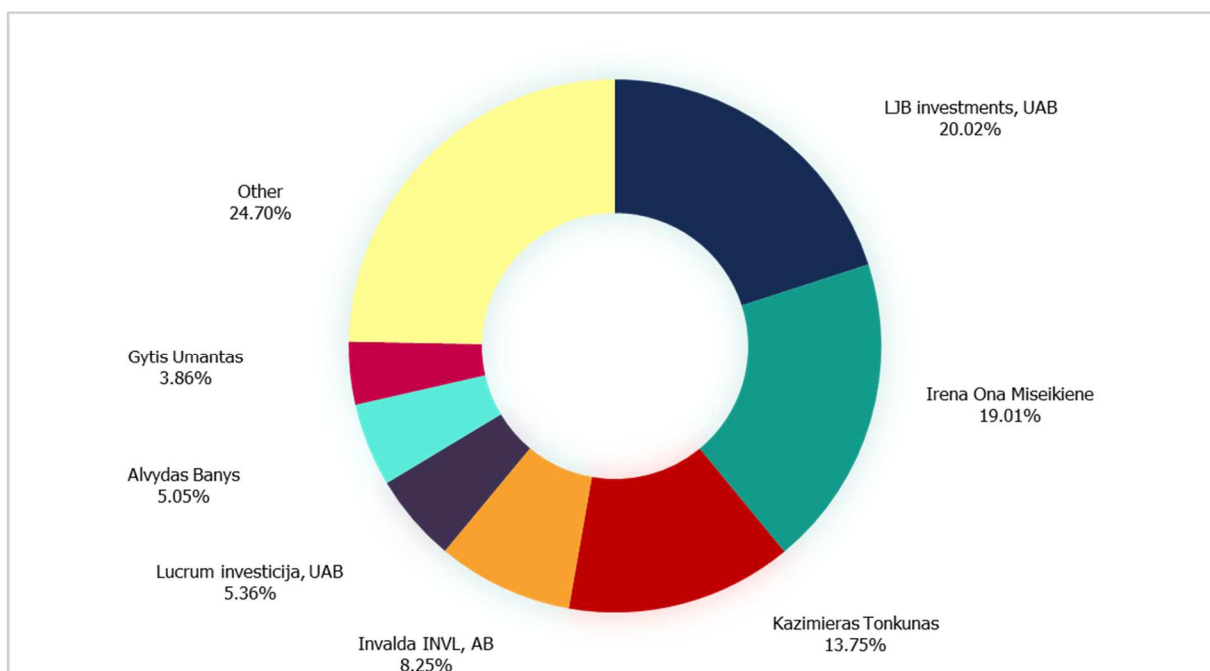
³ Lucrum investicija, UAB holds 1.32 percent of the votes in accordance to the repurchase transaction.

⁴ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Alvydas Banys has votes LJB Investments, UAB a company controlled by him, and of Kazimieras Tonkunas and Gytis Umantas, managers of INVL Technology, AB.

⁵ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Gytis Umantas has votes of Alvydas Banys and Kazimieras Tonkunas, managers of INVL Technology, AB.

⁶ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Nerijus Drobavicius has votes of Alvydas Banys, Kazimieras Tonkunas and Gytis Umantas, managers of INVL Technology, AB.

⁷ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Vytautas Plunksnis has votes of Alvydas Banys, Kazimieras Tonkunas and Gytis Umantas, managers of INVL Technology, AB.



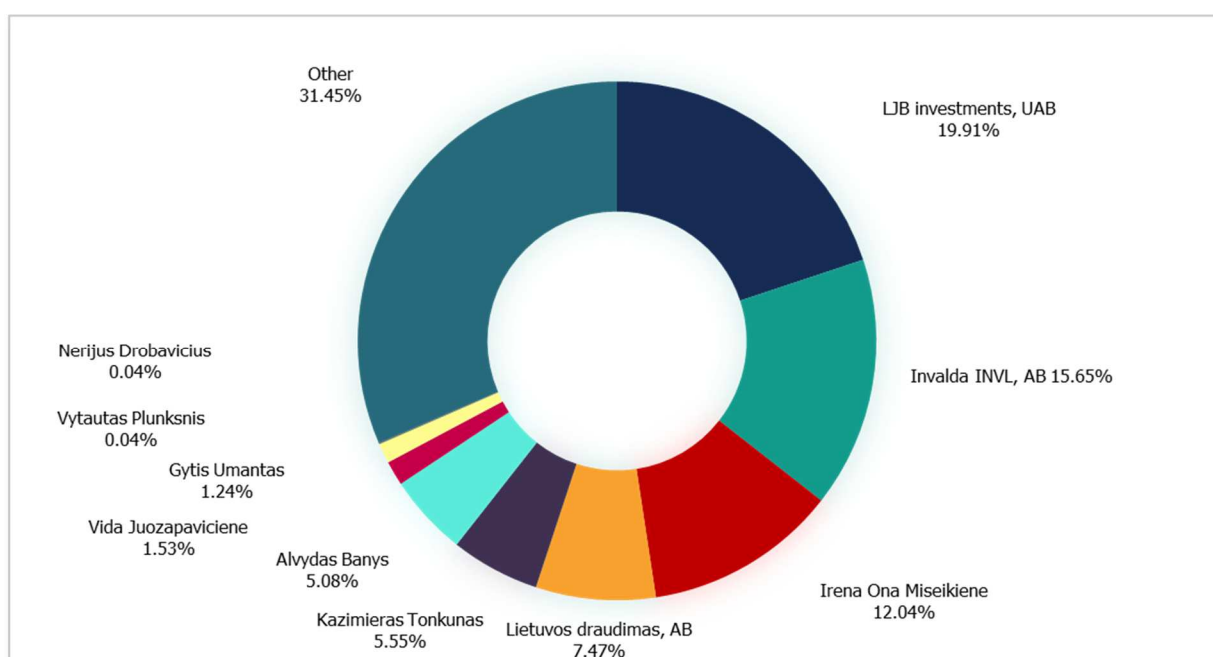
8.2 SHAREHOLDERS, WHO HELD TITLE TO MORE THAN 5 % OF INVL TECHNOLOGY AUTHORISED CAPITAL AND/OR VOTES AS OF 10TH JULY 2015

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of votes given by the shares held by the right of ownership, %	Share of the votes, %	
				Indirectly held votes, %	Total, %
LJB investments, UAB, code 300822575, A. Juozapaviciaus str. 9A, Vilnius	2 424 152	19.91	19.91	0	19.91
Invalda INVL, AB code 121304349, Seimyniskiu str. 3, Vilnius	1 906 032	15.65	15.65	0	15.65
Irena Ona Miseikiene	1 466 421	12.04	12.04	0	12.04
Lietuvos draudimas, AB code 110051834, J. Basanavičiaus g. 12, Vilnius	909 090	7.47	7.47	0	7.47
Kazimieras Tonkunas	675 452	5.55	5.55	27.84 ⁸	33.39
Alvydas Banys	618 745	5.08	5.08	28.31 ⁹	33.39

⁸According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Kazimieras Tonkunas has votes of his spouse, Alvydas Banys and Gytis Umantas, managers of INVL Technology, AB.

⁹According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Alvydas Banys has votes LJB Investments, UAB a company controlled by him, and of Kazimieras Tonkūnas and Gytis Umantas, managers of INVL Technology, AB.

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of votes given by the shares held by the right of ownership, %	Share of the votes, %	
				Indirectly held votes, %	Total, %
Vida Juozapaviciene	186 270	1.53	1.53	5.55 ¹⁰	7.08
Gytis Umantas	151 270	1.24	1.24	32.15 ¹¹	33.39
Vytautas Plunksnis	5 259	0.04	0.04	33.35 ¹²	33.39
Nerijus Drobavicius	4 472	0.04	0.04	33.35 ¹³	33.39



¹⁰ According to Part 10 of Paragraph 1 of Article 24 of the Law on Securities of the Republic of Lithuania it is considered that Vida Juozapaviciene has votes of her spouse.

¹¹ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Gytis Umantas has votes of Alvydas Banyas and Kazimieras Tonkunas, managers of INVL Technology, AB.

¹² According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Vytautas Plunksnis has votes of Alvydas Banyas, Kazimieras Tonkunas and Gytis Umantas, managers of INVL Technology, AB.

¹³ According to Part 6 of Paragraph 1 of Article 24 and Paragraph 2 of Article 24 of the Law on Securities of the Republic of Lithuania, it is considered that Nerijus Drobavicius has votes of Alvydas Banyas, Kazimieras Tonkunas and Gytis Umantas, managers of INVL Technology, AB.

9 THE MANAGING BODIES OF THE ISSUER

General Shareholders' Meeting

The Board

Director

The governing bodies of INV L Technology, AB are: the General Shareholders' Meeting, sole governing body – the director and a collegial governing body – the Board. The Supervisory Board is not formed.

9.1 INFORMATION ABOUT MEMBERS OF THE BOARD AND DIRECTOR OF THE COMPANY

The Board of INV L Technology, AB was elected during the General Shareholders' Meeting of INV L Technology, AB the company split-off from Invalda LT, AB on 28 April 2014. Mr. Banyns was elected as the Chairman of the Board. Mr. Sulnis and Ms. Miseikyte were elected as the Members of the Board. Mr. Sulnis was appointed as the director of the company on 28 April 2014. The board of the following composition was working till the 9th February 2015. Darius Sulnis left the position of the Director of INV L Technology, AB from the 9th February 2015.

Reorganization of INV L Technology, AB and BAIP Group, AB was completed on 9th of February 2015: INV L Technology, AB was merged into BAIP Group, AB. BAIP Group, AB took over all the rights and obligations and continues operations under the new name of the public joint-stock company INV L Technology.

As from 10th of February 2015 Mr. Kazimieras Tonkunas was elected as the Chairman of the Board. Mr. Nerijus Drobavicius, Mr. Gytis Umantas, Mr. Vytautas Plunksnis and Mr. Alvydas Banyns were elected as the Members of the Board (the Board of INV L Technology, AB was elected during the General Shareholders' Meeting of BAIP Grupe, AB on 5th December 2014). Mr. Tonkunas was appointed as the director of the company on 9th December 2014.

9.1.1 THE BOARD AND ADMINISTRATION OF THE COMPANY



**KAZIMIERAS
TONKUNAS,
CHAIRMAN OF
THE BOARD,
DIRECTOR**

The term of office

2014 - 2018

Educational
background and
qualifications

Vilnius University, Faculty of Economics, Master in economics – mathematics (systematic analysis of the economic)

Work experience

Since February 2015 – Director and Chairman of the Board of INV L Technology, AB.
2007 – 2015 Director and Chairman of the Board of BAIP group, AB.
Since 2013 – Director of Vitma, UAB.
2007 – 2013 General Director of BAIP, UAB.

Owned amount of
shares in INV L
Technology, AB on
26.06.2015

Personally: 840 452 units of shares, 13.75 % of authorised capital, 13.75 % of votes.
Total votes together with other Board members of INV L Technology, AB – 46.54 %.

Owned amount of
shares in INV L
Technology, AB on
10.07.2015

Personally: 675 452 units of shares, 5.55 % of authorised capital, 5.55 % of votes.
Total votes together with other Board members of INV L Technology – 33.39 %.

Participation in other
companies

Norway Registers Development, AS – The Chairman of the Board.
NRD, UAB – The Chairman of the Board.



**NERIJUS
DROBAVIČIUS**
MEMBER OF
THE BOARD

The term of office

2014-2018

Educational background and qualifications

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

Work experience

Since 2014 works at „Invalda INVLT“, AB group.
2014 – 2012 Independent financial expert.
2011 – 2007 CFO in Sanitas Group.
2007 – 2001 Sampo Bank. Head of Accounting and Reporting department, later – CFA of the bank.

Owned amount of
shares in INVLT
Technology, AB on
26.06.2015

Personally: 0 units of shares; 0 % of authorised capital, 0 % of votes.
Total votes together with other Board members of INVLT Technology – 46.54 %.

Owned amount of
shares in INVLT
Technology, AB on
10.07.2015

Personally: 4 472 units of shares; 0.04 % of authorised capital, 0.04 % of votes.
Total votes together with other Board members of INVLT Technology, AB – 33.39 %.

Participation in other companies

MP Pension Funds Baltic, UAB – Member of the Board.
Bank Finasta, AB – The Chairman of the Supervisory Board.
INVLT Asset Management, UAB – Member of the Board, Head of Finance and IT department.
Finasta Asset Management, UAB (Latvia) – Member of the Supervisory Board.
Finasta atklātais pensiju fonds, AB (Latvija) – Member of the Supervisory Board.
INVLT fondai, UAB – Director.
Inservis, UAB – The Chairman of the Board.
Imonių grupe Inservis, UAB – The Chairman of the Board.
Jurita, UAB - The Chairman of the Board.
Etronika, UAB - Member of the Board.
Invalda LT Investments, UAB – Chief Accountant.



**VYTAUTAS
PLUNKSNIS,**
MEMBER OF
THE BOARD

The term of office

2014-2018

Educational background and qualifications Work experience

Graduated the studies in economics at Kaunas University of Technology in 2000, gained Bachelor's degree in Management. Financial broker's license (General) No. G091.

Since 2009 Fund Manager at Invalda INVLT, AB
2006 – 2009 Finasta asset management, UAB – analyst, fund manager, strategic analyst.
2004 ELTA redactor (business news).
2002 – 2004 Baltis News Service business journalist.

Owned amount of
shares in INVLT
Technology, AB on
26.06.2015

Personally: 0 units of shares; 0 % of authorised capital, 0 % of votes.
Total votes together with other Board members of INVLT Technology, AB – 46.54 %

Owned amount of
shares in INVLT
Technology, AB on
10.07.2015

Personally: 5 259 units of shares; 0.04 % of authorised capital, 0.04 % of votes.
Total votes together with other Board members of INVLT Technology – 33.39 %.

Participation in other companies

MP Pension Funds Baltic, UAB – Member of the Board.
Bank Finasta, AB – Member of the Supervisory Board.
INVLT Asset Management, UAB – Member of the Board.
Finasta Asset Management, UAB (Latvia) – Deputy Chairman of the Supervisory Board.
Finasta atklātais pensiju fonds, AB (Latvia) – Deputy Chairman of the Supervisory Board.
Norway Registers Development, AS – Member of the Board.
NRD, UAB – Member of the Board.
Vernitas, AB – Member of the Supervisory Board.
Consult Invalda, UAB – Director.
Investuotojų Asociacija – Chairman of the Board.



**GYTIS
UMANTAS,
MEMBER OF
THE BOARD**

The term of office

2014-2018

Educational background and qualifications

Vilnius University, International Business School, Bachelor in International business management in 2001

Work experience

Since 2013 General Director of BAIP, UAB.
2008 – 2015 Member of the Board BAIP group, AB.
2008 – 2013 Director of Vitma, UAB.

Owned amount of shares in INVL Technology, AB on 26.06.2015

Personally: 236 270 units of shares, 3.86 % of authorised capital, 3.86 % of votes.
Total votes together with other Board members of INVL Technology, AB – 46.54 %.

Owned amount of shares in INVL Technology, AB on 10.07.2015

Personally: 151 270 units of shares, 1.24 % of authorised capital, 1.24 % of votes.
Total votes together with other Board members of INVL Technology – 33.39 %.

Participation in other companies

-



**ALVYDAS
BANYS -
MEMBER OF
THE BOARD**

The term of office

2014-2018

Educational background and qualifications

Vilnius Gediminas Technical University. Faculty of Civil Engineering. Master in Engineering and Economics.
Junior Scientific co-worker. Economic's Institute of Lithuania's Science Academy.

Work experience

Since 1 July 2013 Invalda INVL, AB – Advisor.
Since 2007 LJB Investments, UAB – Director.
Since 2007 LJB Property, UAB – Director.
1996 – 2006 Invalda, AB – Vice President.
1996 – 2007 Nenuorama, UAB – President.

Owned amount of shares in INVL Technology, AB on 26.06.2015

Personally: 308 745 units of shares, 5.05 % of authorised capital, 5.05 % of votes.
Together with controlled company LJB Investments, UAB: 1 532 897 units of shares, 25.07 % of authorized capital, 25.07% of votes.
Total votes together with other Board members of INVL Technology, AB – 46.54 %.

Owned amount of shares in INVL Technology, AB on 10.07.2015

Personally: 618 745 units of shares, 5.08 % of authorised capital, 5.08 % of votes.
Together with controlled company LJB Investments, UAB: 3 042 897 units of shares, 24.99 % of authorized capital, 24.99% of votes.
Total votes together with other Board members of INVL Technology, AB – 33.39 %.

Participation in other companies

Invalda INVL, AB – Chairman of the Board, adviser.
Invalda LT Investments, UAB – Chairman of the Board.
INVL Baltic Farmland, AB – Chairman of the Board.
INVL Baltic Real Estate, AB – Chairman of the Board.
Litagra, UAB – Member of the Board.
MP Pension Funds Baltic, UAB – Member of the Board.



**KRISTUPAS
BARANAUSKAS,
ĮMONIŲ GRUPĖS
FINANSŲ
DIREKTORIUS**

The term of office

Educational
background and
qualifications
Work experience

CFO since May 2015

In 2010 graduated from Vilnius university Economics faculty with MA in accounting and auditing.

Since 2015 – CFO of bank Finasta, AB.
2013 – 2015 The director of accounting and reporting department at bank Finasta, AB.
2009 – 2013 DNB bank, AB IFRS project manager.
2008 – 2009 Coface Lietuva, director of finance management department.
2003 – 2008 Ernst & Young Lietuva, UAB audit consultant.

Owned amount of
shares in INVL
Technology, AB on
26.06.2015

Owned amount of
shares in INVL
Technology, AB on
10.07.2015

Participation in other
companies

-

-

Bank Finasta, AB – Member of the Board.

During the reporting period accounting services and preparation of the documents related with bookkeeping for INVL Technology, AB were provided by the personnel of INVL Technology, AB.

10 INFORMATION ABOUT THE AUDIT COMMITTEE OF THE COMPANY

The Audit Committee consists of two members, one of whom is independent. The members of the Audit Committee are elected by the General Shareholders' Meeting. The main functions of the Committee are the following:

- provide recommendations for the Board of the company with selection, appointment, reappointment and removal of an external audit company as well as the terms and conditions of engagement with the audit company;
- monitor the process of external audit;
- monitor how the external auditor and audit company follow the principles of independence and objectivity;
- observe the preparation process of company's financial reports;
- monitor the efficiency of company's internal control and risk management systems. Once a year review the need of the internal audit function;
- monitor if the company's board and/or managers properly respond to the audit firm's recommendations and comments.

The Member of the Audit Committee of INVL Technology, AB may resign from his post before the expiry of term of office, notifying the Board of the company in writing at least 14 calendar days in advance. When the Board of the Company receives the notice of resignation and estimates all circumstances related to it, the Board may pass the decision either to convene the Extraordinary General Shareholders Meeting to elect the new member of the Audit Committee or to postpone the question upon the election of the new member of the Audit Committee until the nearest General Shareholders Meeting. In any case the new member is elected till the end of term of office of the operating Audit Committee.

10.1 PROCEDURE OF WORK OF THE AUDIT COMMITTEE

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, 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 recorded, and the taken decisions should be 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 Board of the 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 Manager of the Company, Member(s) of the Board, the chief financier, and employees responsible for finance, accounting and treasury issues as well as external auditors to its meetings. Members of the Audit Committee may receive remuneration for their work in the committee at the maximum hourly rate approved by the General Shareholders' Meeting.

The General Shareholders Meeting which took place on 19 December 2014 decided to elect Danute Kadanaite and Tomas Bubinas (independent member) to the Audit Committee of INVL technology, AB for the 4 (four) years term of office. After the reorganization The General Shareholders Meeting on the 2nd February 2015 reelected Danute Kadanaite and Tomas Bubinas to the Audit Committee of INVL technology.

10.2 THE AUDIT COMMITTEE



**DANUTE
KADANAITE –
MEMBER OF
THE AUDIT
COMMITTEE**

The term of office

2014 – 2016

Educational
background and
qualifications

2004 – 2006 Mykolas Romeris University. Faculty of Law.
Master in Financial Law.
2000 – 2004 Faculty of Law, BA in Law.
1997 International School of Management.

Work experience

Since 2009 Lawyer of Legisperitus, UAB.
2008 – 2009 Lawyer of Finasta FBC.
2008 – Lawyer of Invalda, AB.
1999 – 2002 Administrator, Office of Attorney of Law Arturas Sukevicius.
1994 – 1999 Legal Consultant, Financial brokerage company Apyvarta, UAB.

Owned amount of
shares in INVL
Technology, AB

-



**TOMAS
BUBINAS –
INDEPENDENT
MEMBER OF
THE AUDIT
COMMITTEE**

The term of office

2014 – 2016

Educational
background and
qualifications

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

Work experience

Since 2013 Chief Operating Officer of Biotechpharma, UAB.
2010 – 2012 Senior Director of TEVA Biopharmaceuticals (USA).
1999 – 2001 Senior Manager of PricewaterhouseCoopers.
1994 – 1999 Senior Auditor, Manager of Coopers & Lybrand.

Owned amount of
shares in INVL
Technology, AB

-

11 INFORMATION ON THE AMOUNTS CALCULATED BY THE ISSUER, OTHER ASSETS TRANSFERRED AND GUARANTEES GRANTED TO THE MEMBERS OF THE BOARD AND ADMINISTRATION

CEO and CFO of the company are entitled only to a fixed salary. The company does not have a policy concerning payment of a variable part of remuneration to the management. During the six months of 2015, the average administration remuneration per month amounted to 4.67 thousand EUR. The Members of the Board are not remunerated.

11.1 INFORMATION ABOUT THE REMUNERATION FOR THE ADMINISTRATION OF THE ISSUER DURING SIX MONTHS OF 2015 (thousands EUR)

Salary	44
Social Insurance Taxes	12
Total	56

During the six months of year 2015 the Company did not transfer any assets or provide guarantees, and no special payouts have been made by the company to its Director or the CFO.

12 INFORMATION ABOUT AGREEMENTS OF THE COMPANY AND THE MEMBERS OF THE BOARD, OR THE EMPLOYEES' AGREEMENTS PROVIDING FOR COMPENSATION IN CASE OF THE RESIGNATION OR IN CASE THEY ARE DISMISSED WITHOUT A DUE REASON OR THEIR EMPLOYMENT IS TERMINATED DUE TO THE CHANGE OF THE CONTROL OF THE COMPANY

There are no agreements of the company and the Members of the Board, or the employees' agreements providing for compensation in case of the resignation or in case they are dismissed without a due reason or their employment is terminated due to the change of the control of the company.

4

13 OVERVIEW OF THE ISSUER'S AND ITS GROUP'S ACTIVITIES, THEIR PERFORMANCE AND BUSINESS DEVELOPMENT

13.1 SIGNIFICANT ISSUER'S AND ITS GROUP'S EVENTS DURING THE REPORTING PERIOD, IMPACT ON THE FINANCIAL STATEMENTS

INFORMATION ABOUT THE ISSUER'S AND ITS GROUP COMPANIES' ACTIVITY

13.1.1 SIGNIFICANT ISSUER'S EVENTS DURING THE FIRST HALF OF 2015

- **On 7 January 2015** it was announced of the Convocation of the Shareholders Meeting of INV L Technology on 2 February 2015 and draft resolutions. The agenda of the General Shareholders Meeting of INV L Technology, AB includes questions regarding the approval of the reorganization of the joint stock company INV L Technology and regarding approval of the terms of reorganization; approval of the Articles of Association of the company operating after the reorganization; regarding formation of the Audit Committee of the company, election of the members and setting the compensation for independent member of the Audit Committee
- **On 14 January 2015** it was announced that in order to ensure the well-organized reorganization process of the public joint stock company INV L Technology and BAIP Grupe, AB, in accordance with the terms of the reorganization dated 23 December 2014, trading in shares of INV L Technology, AB in NASDAQ OMX Vilnius Stock Exchange will be suspended from 29 January 2015 until the completion of the reorganization. All efforts will be made to include the shares of the company operating after the completion of the reorganization to the NASDAQ OMX Vilnius Stock Exchange trading lists in the shortest period possible in the legal acts. This decision was made Considering that: 1) The agenda of the General Shareholders Meeting of the reorganized public joint stock company INV L Technology that is to be held on 2 February 2015, includes resolutions regarding reorganization of the company and the terms of reorganization; 2) Following the resolutions and regulations stated in the terms of reorganization, shares owned by the shareholders of the reorganized public joint stock company INV L Technology will be cancelled and in exchange, shareholders will receive shares of BAIP Grupe, AB.

- **On 2 February 2015** the resolutions of the Shareholders Meeting of INVL Technology, AB that was held the same day were announced. INVL Technology shareholders approved reorganization of the public joint-stock company INVL Technology by a way of merger, merging the company to the public joint-stock company BAIP grupė. The shareholders also approved the Articles of Association of the public joint-stock company BAIP grupė, which continues to operate after the reorganization under the new name INVL Technology, the regulations of the formation and activity of the Audit Committee and elected the members of the Audit Committee, compensation for the members of Audit Committee was set
- **On 10 February 2015** the company announced that reorganization of INVL Technology and BAIP Group was completed on 9th of February 2015. INVL Technology was merged into BAIP Group, AB. BAIP Group, AB will take over all the rights and obligations including the name of INVL Technology, and will continue operations under the new name of the public joint-stock company INVL Technology. The shares of the company will be listed on NASDAQ Vilnius stock exchange after finishing legal procedures. Planned listing day of the shares of the company is March 2015. The initial capitalisation of the company operating after the merger reaches EUR 8.146 million. Recalculated price per share should reach EUR 1.33. The authorized capital of INVL Technology is divided into 6 114 714 ordinary registered shares. The nominal value per share is EUR 0.29. ISIN code - LT0000128860. The Board and manager of INVL Technology, AB has not changed. Kazimieras Tonkunas, a manager of a company, Gytis Umantas, Alvydas Banys, Vytautas Plunksnis and Nerijus Drobavicius continue operating as Members of the Board of the company. Main shareholders of INVL Technology, AB are: A. Banys (5 percent) and LJB Investments, a company related to A. Banys, (20 percent), Irena Ona Mišeikienė (19 percent), Kazimieras Tonkunas (13.7 percent), Invalda LT (8.2 percent) and Lucrum Investicija (5 percent). The Company has more than 3.5 thousand shareholders. The Company also intends to apply to the Bank of Lithuania for the licence to become the closed end investment fund and to raise funds in amount of not less than EUR 10 million.
- **On 27 February 2015** company announced results for 12 months of 2014. Unaudited net profit of INVL Technology amounted to LTL 5.1 million (EUR 1.47 million).
- **On 10 March 2015** Company informed that the Director of the Supervisory Authority of the Bank of Lithuania on 9 March 2015 decided to treat the information submitted in the publicly announced reorganization terms (together with annexes) of INVL Technology and BAIP Group, also, in the annual information of Invalda in 2011-2012 and Invalda LT in 2013, and in interim financial statements of INVL Technology for 12 months of 2014, and in the list of references related to INVL Technology, also, in the description of the securities (shares) and risk factors as well as in information displayed in the Articles of Association of the company as information equivalent to the information that is required to be disclosed in the prospectus of INVL Technology, AB. It was also announced that INVL Technology decided to apply to NASDAQ Vilnius stock exchange on 10 March 2015 to renew trading in companies shares since 12 March 2015.
- **On 19 March 2015** in was announced of convocation of the Shareholders Meeting of INVL Technology on 10 April 2015 and draft resolutions. The agenda of the General Shareholders Meeting of INVL Technology, AB included: 1) An increase of the authorized capital of the public joint-stock company INVL Technology. The class, the amount, the par value, the minimal issue price and the payment for the issued shares 2) The withdrawal of the pre-emptive right to acquire newly issued ordinary registered shares of the public joint-stock company INVL Technology 3) The changes of the Articles of Association's and approval of the new edition of the public joint-stock company INVL Technology 4) Regarding application for a license of the closed-end investment company 5) Regarding a tender offer to purchase the ordinary registered shares of the public joint-stock company INVL Technology.
- **On 24 March 2015** Company informed that Norway Registers Development AS, a company managed by IT investment fund INVL Technology AB, is starting activities in Uganda. Norway Registers Development which owns 30 per cent of Infobank Uganda Limited shares signed Infobank Uganda Limited shareholders agreement on 23 March 2015.
- **On 7 April 2015** it was announced that INVL Technology group will acquire 80 per cent shares in Etronika, UAB. Norway Registers Development AS (NRD AS), owned by ICT investment company INVL Technology, AB signed an agreement regarding investments into Etronika, UAB, a company which develops IT solutions for electronic banking, mobile signature and retail. NRD AS, which is situated in Norway, plans to participate in the new share issue of Etronika, UAB and acquire 80 per cent in Etronika, UAB shares. Total amount of investments, including debt, will amount up to EUR 400 thousand. In 2014 Etronika had revenues in amount of EUR 1.9 million, the company had over 40 employees.
- **On 8 April 2015** it was announced of the convocation of the Shareholders Meeting of INVL Technology on 30 April 2015 and draft resolutions. The agenda of the General Shareholders Meeting of INVL Technology, AB included: Presentation of the public joint-stock company INVL Technology annual report for 2014; Presentation of the independent auditor's report on the financial statements of 2014; On the approval of the consolidated and stand-alone financial statements for 2014; Regarding the distribution of the public joint-stock company INVL Technology profit for 2014; Presentation of BAIP Group AB, which after the merger into the public joint-stock company INVL Technology consolidated annual report for 2014; Presentation of the independent auditor's report on the financial statements of BAIP Group AB for 2014; On the approval of the consolidated and stand-alone financial statements for 2014 of BAIP Group AB; Regarding the distribution of BAIP Group AB profit for 2014; Regarding purchase of own shares of the public joint stock company INVL Technology (code 300893533).
- **On 9 April 2015** Audited results of INVL Technology (code 303299817) for 2014 were announced. Audited net profit of INVL Technology (code 303299817) amounted to EUR 2.892 million (LTL 9.986 million). The financial statements cover the financial period of the company, starting from the company's establishment date 29 April 2014 and ending on 31 December 2014, therefore there are no comparative data. Audited net profit is by 96 per cent bigger than earlier announced unaudited result. Profit increased due to increase in value of investment in BAIP Group, AB shares after independent appraiser Deloitte verslo konsultacijos, UAB conducted independent valuation.
- **On 9 April 2015** Audited results of INVL Technology (code 300893533) for 2014 were announced. Audited net profit of INVL Technology (code 300893533) amounted to EUR 9.3 million (LTL 32.094 million), audited equity at the end of 2014 amounted to EUR 11.921 million, or EUR 1,96 per share. Value of Vitma, which controls 100 per cent of critical IT infrastructure company BAIP, UAB, was estimated at EUR 12.8 million, cybersecurity company NRD CS, UAB – at EUR 1 million, Norway Registers Development group – EUR 0.7 million, and software licensing company Acena, UAB – EUR 0.4 million. Equity value of INVL Technology was determined by subtracting EUR 3 million liabilities of INVL Technology.
- **On 10 April 2015** Resolutions of the Shareholders Meeting of INVL Technology, AB that was held on 10 April 2015 were announced: 1) To increase the authorized capital of the public joint-stock company INVL Technology with additional contributions from EUR 1 773 267,06 to EUR 5 800 000 (the authorized capital will be increased by no more than EUR 4 026 732,94). The authorized capital of the public joint-stock company INVL Technology will be increased by additionally issuing no more than 13 885 286 ordinary registered shares of EUR 0.29 par value each. The minimal issue price of each

newly issued share is EUR 1.56, payment for the shares - by cash contributions. The total minimal issue price of the newly issued Company's shares is no more than EUR 21 661 046,16, which depends on the final amount of newly issued shares. The minimal issue price of each newly issued share is EUR 1.56 2) to withdraw the pre-emptive right of Company's shareholders to acquire newly issued ordinary registered 3) to approve the new edition of the Articles of Association of the public joint-stock company INVL Technology by changing the whole text of the Statute. 4) To reorganize the activity of the public joint-stock company INVL Technology so it would operate as the closed-end investment company under the Law of the Republic of Lithuania on Collective Investment Undertakings. 5) Regarding the tender offer to purchase the ordinary registered shares of the public joint-stock company INVL Technology.

- **On 10 April 2015** shareholders of INVL Technology, AB who own 5 700 680 ordinary registered shares of INVL Technology AB, which constitute 93.23 per cent of INVL Technology capital, in the shareholders meeting held in 10 April 2015 gave approval to apply for the closed-end investment company license. According to the decision of shareholders, seeking to ensure the right of INVL Technology, AB shareholders, who did not vote or voted "against" the 4th item on the agenda to sell their shares, shareholders, who voted "for" the resolutions of 4th item of the agenda within one month from the General Shareholders Meeting will have to announce a voluntary tender offer to purchase the rest of the ordinary registered shares of INVL Technology, AB. INVL Technology, AB, received notice from a shareholder Invalda LT, AB that this duty of shareholders who voted „for“ will be fulfilled by Invalda LT, AB. Preliminary voluntary tender offer price amounts to EUR 1.61 per share. Only the shareholders who did not vote or voted "against" will have the right to sell their shares during the tender offer. Voluntary tender offer will apply for 414 034 ordinary registered shares of INVL Technology, AB, constituting 6.77 per cent of companies capital.
- **On 17 April 2015** INVL Technology, AB announces it's extended investor's calendar for 2015. INVL Technology, AB calendar of information to be published for the 2015: 29 May 2015 - Interim information for 3 months of 2015; 31 August 2015 - Interim information for 6 months of 2015; 30 November 2015 - Interim information for 9 months of 2015.
- **On 30 April 2015** Announcement about the intention to submit a voluntary tender offer for INVL Technology, AB shares was made. Public joint-stock company INVL Technology received the announcement from public joint-stock company Invalda LT about the intention to submit a voluntary tender offer for INVL Technology, AB shares. Text of the announcement was provided in the announcement.
- **On 30 April 2015** the information about the Resolutions of the Shareholders Meeting of INVL Technology, AB that was held on 30 April 2015 was announced: 1) Presentation of INVL Technology (code 303299817), which ceased its activities on 9 February 2015, after the merger into BAIP Group AB (code 300893533), which took over the corporate name of the public joint-stock company INVL Technology and operates in the market) annual report for 2014. 2) Presentation of the independent auditor's report on the financial statements of INVL Technology (code 303299817) for 2014. 3) To approve the consolidated and companies financial statements for 2014 of INVL Technology (code 303299817) 4) To distribute the profit of INVL Technology (code 303299817) 5) Presentation of BAIP Group AB, which after the merger into the public joint-stock company INVL Technology (303299817) in 9 February 2015 operates in the market under the new name the public joint-stock company INVL Technology, consolidated annual report for 2014. 6) Presentation of the independent auditor's report on the financial statements of BAIP Group AB 7) To approve the consolidated and stand-alone financial statements for 2014 of BAIP Group AB 8) To distribute the profit of BAIP Group AB, which after the merger into the public joint-stock company INVL Technology (303299817) in 9 February 2015 operates in the market under the new name the public joint-stock company INVL Technology for 2014 9) To use the reserve for the purchase of own shares formed in the resolution in this shareholders meeting and to purchase shares in INVL Technology (code 300893533).
- **On 30 April 2015** Annual information (Company's financial statements, annual report) of INVL Technology (code 303299817) for 2014 was announced.
- **On 30 April 2015** Annual information of INVL Technology (code 300893533) (consolidated and Company's financial statements, consolidated annual report) for 2014 was announced.
- **On 19 May 2015** it was announced that the Supervision Service of the Bank of Lithuania approved the circular of the voluntary tender offer by the group of shareholders, represented by Invalda INVL, AB by the agreement signed on 28 April 2015, to buy up remaining ordinary registered shares of INVL Technology, AB, which are not owned by the Offerors. The tender offer starts on 22 May 2015. The tender offer implementation period - 14 days. The tender offer will be implemented on Tender offer market of NASDAQ OMX Vilnius, AB through the intermediary bank Finasta, AB.
- **On 20 May 2015** The Board of INVL Technology, AB, having familiarized itself with the voluntary non-competitive tender offer material presented to it by the offerors in its meeting held on 19 May, 2015 made a statement.
- **On 29 May 2015** unaudited results of INVL Technology for 3 months of 2015 were announced. During the first quarter of 2015, INVL Technology investments have not been revaluated, revenue of the company amounted to EUR 41 thousand and net loss – EUR 82 thousand.
- **On 4 June 2015** the announcement on the completion of the official tender offer to buy up shares in INVL Technology, AB was made. Invalda INVL, AB informed that during tender offer to buy up shares in INVL Technology, AB 47 ordinary registered shares were offered for which Invalda INVL will pay EUR 75.67 (without brokerage fee). Settlement date for offered shares – 8 June 2015. After completion of tender offer Invalda INVL will own 504 509 INVL Technology, AB shares, which amount to 8.25 per cent of INVL Technology, AB capital and votes. Invalda INVL, AB offered to buy up 414 034 ordinary registered shares of the INVL Technology, AB (code 300893533), EUR 0.29 par value each, ISIN code LT0000128860, amounting to 6.771 per cent of INVL Technology, AB issued shares and granting the same amount of shares giving the voting rights.
- **On 8 June 2015** INVL Technology received a Statement on the voluntary official tender offer implementation on behalf of the offeror the public joint-stock company Invalda INVL. According to the Statement, during the tender offer implementation period (from 22 May 2015 till 4 June 2015) Invalda INVL acquired 47 shares in the public joint-stock company INVL Technology for the total amount of EUR 75.67 (without brokerage fee). After completion of tender offer Invalda INVL owns 504 509 INVL Technology shares, which amount to 8.25 per cent of INVL Technology, AB capital and votes.
- **On 9 June 2015** it was informed that amendments to the INVL Technology AB Shareholders Agreement was signed
- **On 9 June 2015** Director of the Supervision Service of the Bank of Lithuania approved the prospectus for the issue of INVL Technology AB ordinary registered shares by the order No 241-108 dated June 8, 2015. The approved Prospectus is designated to (i) the public offering of the new shares of the Company with the total nominal value of up to EUR 4,026,732.94 (number of shares – up to 13,885,286, nominal value of one share is EUR 0.29, minimum price of one share

is EUR 1.56, maximum – EUR 1.96) and (ii) admission of up to 13,885,286 ordinary registered shares of the Company to be newly issued to trading on the Secondary List of AB NASDAQ OMX Vilnius.

13.1.2 SIGNIFICANT EVENTS OF ISSUER'S MANAGED COMPANIES DURING THE FIRST HALF OF 2015

- **On 2 February 2015** information on the results of the survey, ordered by BAIP and conducted by market research company Nielsen, which revealed that every second Lithuanian company would incur significant financial losses if its IT system is disrupted for more than a day. However, only a minority of businesses have special measures to accelerate the liquidation of such incidents and the IT system functionality recovery. According to the survey, nearly 80 percent of companies have evaluated the risks posed by IT systems malfunction, and 60 percent would suffer significant financial losses, if the system did not work for more than 24 hours. Yet only 3 percent of companies have business continuity plans for such cases, and just more than one-tenth (13 percent) have tools for rapid data recovery in place.
- **On 9 February 2015** it was announced that in the Center of Information Technology Development of Vilnius University, residing at Saulėtekio av. 9, the largest and the most modern National Open Access Science Information Data Archive in the Baltics (MIDAS) was launched. The main IT infrastructure was designed by BAIP in joint venture with other companies. This archive will ensure long term storage and accumulation of empirical data on various research in number of scientific fields, or other scientific research related information. Users will have various analytical tools, data exchange, electronic services and other functionalities. Archive is capable to store data in amount of 3 petabytes. Scientific data archive is linked to biomedical data archive of Santariskiu Klinkos, also it has various functionalities on data analysis. The project was started in 2012. 15 scientific and medical institutions participated in the implementation of this project.
- **On 24 March 2015** it was announced that Norway Registers Development which owns 30 per cent of Infobank Uganda Limited shares signed Infobank Uganda Limited shareholders agreement on 23 March 2015.
- **On 27 February 2015** it was announced that BAIP organised conference „Technology and resilience 2015“ took place on the 26 February 2015.
- **On 7 April 2015** it was announced that Norway Registers Development (NRD AS), a company controlled by INVL Technology, on the 3rd of April, 2015 signed an agreement regarding investment into Etronika, UAB, which develops electronic banking, mobile signature, electronic transport tickets, and retail software solutions. NRD AS plans to invest into new share issue of Etronika, UAB and acquire 80 per cent of Etronika, UAB shares. Total investments, including loans to Etronika, UAB, will amount up to EUR 400 thousand.
- **On 18 June 2015** ETRONIKA UAB, specialising in e-banking and retail solutions, announced that it had been handpicked from the list of the most innovative Fintech companies to showcase their ideas and solutions at the Fintech Storm Digital Platforms event, which will be held on July 2, 2015 in London. Director of the company Kęstutis Gardžiulis will make a presentation and will participate in discussion on e-banking solutions.
- **On 23 June 2015** Acena UAB, providing cloud computing and business management solutions, announced that it was recognized internationally by Microsoft. In the annual global awards the jury chose Acena as Microsoft Country Partner of the Year in Lithuania for 2015. During this year over 2.3 thousand partners of Microsoft from 108 countries participated in 43 categories of awards. The Jury assessed what value was created by the nominees for their customers and what impact to the market was made by their decisions. Acena was on the first companies in Lithuania to offer Office 365 based business management solutions.

13.2 KEY FINANCIAL RATIOS OF INVL TECHNOLOGY, AB

30.06.2015

EUR thousand

Change in the fair value of financial assets	(60)
Profit before tax	(282)
Net profit	(257)
Value of financial assets	14 842
Other assets	2 215
ASSETS	17 057
Equity	11 626
Liabilities	5 431

TOTAL EQUITY AND LIABILITIES

17 057

14 DESCRIPTION OF THE KEY RISKS AND UNCERTAINTIES

The document provides information on risk factors related to public joint stock company INVL Technology (previous name AB BAIP group, code 300893533) activities and securities. The company continues its operations by merging with the public joint stock company INVL Technology (code 303299817) which ceases to operate without liquidation process.

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 the public joint-stock company INVL Technology.

14.1 RISK FACTORS, ASSOCIATED WITH ACTIVITIES OF INVL TECHNOLOGY

Rapid changes in technologies and market

Changes in the IT and related markets happen rapidly and therefore failure to adapt to these changes can lead to lower profitability and reduction of value of the investment.

Dependence on managing bodies and human resources

Information technology service companies highly depend on human resources. Profit and value can decrease significantly if the key employees leave the company INVL Technology, AB or companies controlled by it. Due to the competitive environment INVL Technology AB might need to increase payroll expenses faster than previously. The risk is reduced by implementing right motivational system, aligned to the conditions in the market.

Agreement of shareholders of INVL Technology, AB

Shareholders of the public joint-stock company INVL Technology signed an agreement, which includes decision making as well as trading in shares and voting system for resolutions. It has already been decided to increase the authorized capital by attracting EUR 10 000 000 of investments.

General investment risk

The value of the investment in IT services companies can vary in the short term, depending on the market situation. Investment in IT service companies should be carried out in the long term, so that investor can avoid the short-term price fluctuations. Investing in IT service companies is a bigger than an average risk. After failure of investments or under other ill-affected circumstances (having been unable to pay for the creditors) the bankruptcy proceedings may be initiated.

Success of previous, current and future investment projects

Though during planned investments the Company and its employees rely on the all available information and analytical resources, there is no guarantee, that all information, used during planning of investments, was full and accurate. Also there is no guarantee, that investment plans and investments will give the expected or planned return and that investments will not be more expensive than planned.

Loss of big customers

Loss of big customers might have negative impact to the activities of INVL Technology AB or its subsidiaries.

Investments illiquidity risk

The investments of the public joint - stock company INVL Technology in IT service companies under certain market conditions are relatively illiquid, thus finding buyers for these companies can take time. Investments in such companies should be considered only if there is a sufficient time horizon.

Risk of legislative and regulatory changes

Changes in law system and/or legal acts of Lithuania as well as other countries, where the public joint - stock company INVL Technology operates, may affect the activity, income and value of IT service companies.

Tax increase risk

Tax law changes may lead to a greater taxation of the public joint - stock company INVL Technology and its group companies (directly and indirectly), which in return may reduce the profits and assets of the company.

Inflation and deflation risk

It is likely that during its operational period the public joint - stock company INVL Technology and its controlled companies will face both inflation and deflation risks. If the value of investments of the public joint - stock company INVL Technology grew slower than the inflation rate, even if the investment value growth would be achieved, money earned from the realization of the investments would have a lower purchasing power.

Credit risk

There is a risk that buyers of the production and services of the companies controlled by the public joint - stock company INVL Technology will not fulfill their obligations. It would negatively affect the profit of the companies controlled by the public joint - stock company INVL Technology. If larger part of liabilities is not fulfilled in time, it may cause disturbances in activities of the companies controlled by the public joint - stock company INVL Technology. There might be a need to seek additional sources of financing, which may not always be available. The public joint - stock company INVL Technology also bears the risk of holding bigger than EUR 100 000 funds in bank accounts or investing in short-term financial instruments as in Lithuania only deposits, which are up to EUR 100 000 insured.

Liquidity risk

The companies controlled by the public joint - stock company INVL Technology are financed using short-term borrowed capital. Therefore, the companies controlled by the public joint-stock company INVL Technology may face a situation where they will not be able to settle up with suppliers and other creditors in time. The company will seek to maintain adequate liquidity levels or secure funding of its controlled companies in order to reduce this risk.

Currency risk

The companies controlled by the public joint - stock company INVL Technology face the currency risk of USA dollar and other currencies. A larger part of agreements in foreign markets is made in USA dollars, but part of their costs is incurred in euros. Because of that, fluctuation of US dollar exchange rate may have a negative effect on profit of the controlled companies. Also, a big part of computers and other equipment is bought in USA dollars from foreign suppliers.

Interest rate risk

Interest rate risk mainly includes loans with a variable interest rate. The changes in variable interest rates may negatively affect the activity results as a part of the companies controlled by the public joint - stock company INVL Technology (BAIP UAB; NRD UAB) are financed by bank loans with a variable interest rate.

Reorganization risk

The public joint - stock company INVL Technology after the reorganization, - the merger of the public joint - stock company INVL Technology into the public joint - stock company INVL Technology (previous name - BAIP Group, AB), took over all the assets, equity and liabilities of the public joint - stock company INVL Technology. For any obligation of the public joint - stock company INVL Technology, AB the company continuing operations after the reorganization INVL Technology will take responsibility.

The legal status change risk

The public joint - stock company INVL Technology intends to apply for a closed-end investment company license, issued by the bank of Lithuania. This will lead to changes in the protection of company's shareholders and certain operating restrictions that are foreseen in the Law on Collective Investment Undertakings. Company's operating expenses might be increased because of the requirements to conduct periodic asset appraisals and hold assets at the depository.

14.2 MARKET-RELATED RISKS

Market risk

Shareholders of the public joint - stock company INVL Technology face the risk of incurring losses due to adverse changes in the market price of the shares. The drop of the stock price may be caused by a negative change in company's asset value and profitability, general stock market trends in the region and the world. Trading in shares of the public joint - stock company INVL Technology may depend on the comments of brokers and analysts as well as published independent analyses of the company and its activities. The unfavorable analysts' outlook of the shares of the public joint - stock company INVL Technology may adversely affect the market price of the shares. Non-professional investors assessing the shares are advised to seek the assistance of intermediaries of public trading or other experts in this field.

Liquidity risk

If demand for the shares decreases or they are delisted from the stock exchange, investors will face the problem of realization of shares. If the financial situation of the public joint - stock company INVL Technology deteriorates, the demand for company's shares may drop, which would lead to a fall in share price.

Dividend payment risk

Dividend payment to the shareholders of the public joint - stock company INVL Technology is not guaranteed and will depend on the profitability, investment plans and the overall financial situation of the company.

Tax and legal risk

Changes in the equity-related legislation or state tax policy can affect attractiveness of the shares of the public joint - stock company INVL Technology. This may reduce the liquidity of the shares of the company and/or share price.

Inflation risk

When inflation increases, the risk that the stock price change may not offset the current rate of inflation appears. In this case, return on equity from capital gain on market shares for traders may be less than expected.

The initial stock price risk

The shares of the public joint - stock company INVL Technology, prior to inclusion in the stock market, have not been publicly traded. As a result, their stock price, after an addition to the trading list, will be determined on the basis of the purchase and sale orders, which may depend on subjective factors, such as the market and the economic situation, performance evaluation of the public joint - stock company INVL Technology announced in public as well as the interest of investors. As a result, the initial share price may not reflect accurately the true value and have high fluctuations.

15 SIGNIFICANT INVESTMENTS MADE DURING THE REPORTING PERIOD

During the reporting period, INVL Technology, AB has not made any acquisitions.

16 INFORMATION ON THE RELATED PARTIES' TRANSACTIONS

The detailed information on the related parties' transactions has been disclosed in the explanatory notes of the interim 6 months' financial statements for 2015 (11th note).

17 SIGNIFICANT EVENTS OF THE ISSUER AND ITS GROUP SINCE 30 JUNE 2015

- **On 2 July 2015** BAIP announced that it had completed the deployment of critical IT infrastructure as well as data migration in the Burundi Reserve Bank (BRB) for 2.45 million USD and started implementing a 5 years' maintenance contract, worth more than 0.25 million USD. Critical IT infrastructure, designed and installed for the Burundi Reserve Bank, serves as platform where the central bank implements national payment and settlement system, has the ability to develop various electronic services and their management systems and applications, designed for data exchange, financial risk management, other electronic services between central bank and participants of financial markets.
- **On 7 July 2015** announcement was made about final offer price, final number of shares issued and their allocation. On 7 July 2015 the Board of INVL Technology AB, decided: 1) to determine that the final offer (issue) price of the ordinary registered shares of the Company, to be issued following implementation of the Resolutions, shall be equal to EUR 1.65 (the "Offer Price") for one new share to be issued (the "New Shares"), which is equal to the current shareholders, as well as to retail and institutional investors; 2) to determine that the final number of the New Shares of the Company to be issued in fulfilment of the Resolutions is 6 060 607; 3) to allocate the New Shares for the Offer Price, indicated above, as follows: (i) 2 735 489 units shall be allocated to the existing shareholders of the Company, being the shareholders at the close of 26 June 2015, (ii) 2 314 294 units shall be allocated to the retail investors and (iii) 1 010 824 units shall be allocated to the institutional investors. The Company also informed that one of the major shareholders of the Company Invalda INVL AB, having subscribed for the New Shares 850 000 units have paid thereof by offsetting against the opposite homogeneous demands against the Company, arising from the loan agreements, concluded with the Company (in an amount of EUR 1 402 500).
- **On 8 July 2015** announcement was made that new wording of the Articles of Association of INVL Technology, AB has been registered. It was announced, that after increase of share capital by additional contributions, on 8 July 2015 increased share capital and new wording of Articles of Association was registered. The Company also informed that the Central Securities Depository of Lithuania announced a stock event regarding registration of the new shares (6 060 607 units). Taking into consideration the aforementioned, on 10 July 2015 the new shares should be registered with the depository and automatically introduced into trading on the Secondary List of AB NASDAQ Vilnius.
- **On 13 July 2015** INVL Technology after public offering announced new list of major shareholders. Alvydas Banys, member of the Board of AB INVL Technology, after public offering holds 5.1 per cent of total voting rights, another 19.9 per cent is held by company controlled by him - LJB investments, UAB. Invalda INVL, AB holds 15.7 per cent, Irena Ona Miseikiene – 12 per cent of INVL Technology shares. Among new shareholders is biggest insurance company in Lithuania Lietuvos draudimas, AB which holds 7.5 per cent of voting rights. Chairman of the Board and CEO of INVL Technology Kazimieras Tonkūnas holds 5.6 per cent of company shares. Management Board of AB INVL Technology together with related persons holds 33.4 percent of shares.
- **On 15 July 2015** Norway Registers Development AS announced that it had signed a contract with National Information Technology Authority-Uganda (NITA-U) to design and implement an integrated One-Stop-Centre solution for investors, traders, and entrepreneurs to facilitate start of business in Uganda. The project will be implemented in 6 months and is worth USD 415 thousand.
- **On 16 July 2015** the Announcement about Cost of Public Offering was made: The offer price for one share of the Company was established at EUR 1.65 and the investors subscribed for of 6,060,607 Company's shares; The final value of the Offering amounted to EUR 10,000,001.55; The costs related to the Offering incurred by the Company to date are EUR 153,046.42; The average cost of the Offering per share was EUR 0.03.
- **On 24 July 2015** Norway Registers Development AS announced that in joint venture with NRD UAB it had signed a 6 month long, USD 480 thousand (inclusive of withholding tax) contract with Tanzania Social Action Fund for Consultancy Services to Develop Unified Registry of Beneficiaries System.
- **On 27 July 2015** it was announced that on 24 July 2015 INVL Technology completed Etronika acquisition. Norway Registers Development (NRD AS), a company controlled by ICT investment group INVL Technology, for EUR 200 thousand acquired 80 per cent of Etronika, UAB shares, the company engaged in creation of electronic banking, mobile signature, e-ticket and retail solutions. Representatives of INVL Technology Nerijus Drobavičius and Vida Juozapavičienė as well as one of the co-founders of Etronika Jonas Šulcas were elected to the board of Etronika. Kęstutis Gardžiulis, current CEO of Etronika, remains in this position and will continue to lead the company.
- **On 28 July 2015** BAIP announced that it had signed an agreement with Lithuanian electricity transmission system operator Litgrid for the implementation of a data backup and recovery system. The solution is adapted taking into account of the development of the electricity infrastructure and prepared for implementation in two distant data centers. Contract value – 201.5 thousand euros.
- **On 30 July 2015** BAIP announced it had launched the deployment of new internet bank terminals for Swedbank customers and agreed on integrated support services in bank's branches in Lithuania, Latvia and Estonia.
- **On 3 August 2015** NRD CS announced that in joint venture with Norway Registers Development AS it had signed a two year, 912 thousand USD (including taxes) contract with Bangladesh Computer Council (BCC) for the development of a modern National Cyber Defense and Cyber Security Doctrine to check the fast growing cybercrime, intellectual property theft, industrial espionage or IT infrastructure abuse.

18 PUBLICLY DISCLOSED INFORMATION

18.1 SUMMARY OF THE PUBLICLY DISCLOSED INFORMATION DURING THE FIRST HALF OF 2015

Published date	Brief description of disclosed information
07.01.2015	Convocation of the Shareholders Meeting of INVL Technology and draft resolutions
14.01.2015	Trading in INVL Technology will be suspended starting from 29 January 2015 (inclusively)
02.02.2015	Resolutions of the Shareholders Meeting of INVL Technology, AB
10.02.2015	Reorganization of INVL Technology and BAIP Group has been completed
27.02.2015	Unaudited results of INVL Technology for 12 months of 2014
10.03.2015	Regarding information in INVL Technology and BAIP Group reorganization terms and other documents to be equivalent to information of prospectus
19.03.2015	Convocation of the Shareholders Meeting of INVL Technology and draft resolutions
24.03.2015	Norway Registers Development AS starts activities in Uganda
07.04.2015	INVL Technology group will acquire 80 per cent shares in Etronika, UAB
08.04.2015	Convocation of the Shareholders Meeting of INVL Technology and draft resolutions
09.04.2015	Audited results of INVL Technology (code 303299817) for 2014
09.04.2015	Audited results of INVL Technology (code 300893533) for 2014
09.04.2015	CORRECTION: Convocation of the Shareholders Meeting of INVL Technology and draft resolutions
10.04.2015	Resolutions of the Shareholders Meeting of INVL Technology, AB
10.04.2015	Regarding tender offer for INVL Technology, AB shares
17.04.2015	Extended INVL Technology, AB investor's calendar for the 2015
30.04.2015	Announcement about the intention to submit a voluntary tender offer for INVL Technology, AB shares
30.04.2015	Resolutions of the Shareholders Meeting of INVL Technology, AB
30.04.2015	Annual information of the public joint - stock company INVL Technology (code 303299817) for 2014
30.04.2015	Annual information of the public joint - stock company INVL Technology (code 300893533) for 2014
19.05.2015	Invalida INVL voluntary tender offer for INVL Technology shares is approved
20.05.2015	Boards of INVL Technology, AB opinion regarding tender offer
29.05.2015	Unaudited results of INVL Technology for 3 months of 2015
04.06.2015	Presentation of INVL Technology for the conference CEO Meets Investor, organized by NASDAQ OMX Vilnius
08.06.2015	On the statement of the official tender offer implementation
08.06.2015	Notification on transaction concluded by manager of the company
09.06.2015	INVL Technology shareholders agreement amendment was signed
09.06.2015	Approved prospectus of share issue of INVL Technology AB

18.2

SUMMARY OF THE NOTIFICATIONS ON TRANSACTIONS IN INVL TECHNOLOGY, AB SHARES
CONCLUDED BY THE MANAGERS OF THE COMPANY DURING THE FIRST HALF OF 2015

Date of Transaction	Person	Number of Securities	Security price (EUR)	Total value of transaction (EUR)	Form of Transaction	Type of Transaction	Placement of Transaction
08.06.2015	Invalda INVL, AB	47	1.61	75.67	Acquisition	Purchase-sale	TS

Explanations:

XOFF –OTC trade,

AUTO – automated deals on the stock exchange,

TS – direct deal made in a regulated market.

Director

Kazimieras Tonkunas

1

INFORMATION ABOUT GROUP COMPANIES, THEIR CONTACT DETAILS

APPENDIX

Company	Registration information	Type of activity	Contact details
INVL Technology, AB	Company code: 300893533 Address: Gynėjų str. 16, 01109 Vilnius, Lithuania Legal form: private limited liability company Registration date: 2007-06-27	Investment into information technology companies.	Phone: +370 5 219 1919
NRD CS, UAB	Company code: 303115085 Address: Gynėjų str. 16, 01109 Vilnius, Lithuania Legal form: private limited liability company Registration date: 2013-06-06	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.lt
BAIP, UAB	Company code: 301318539 Address: A. Juozapavičiaus str. 6, Vilnius Legal form: private limited liability company Registration date: 2007-12-03	IT infrastructure strategy and architecture solutions, maintenance, supercomputer design, assistance in complex migrations, critical IT infrastructure maintenance and consultations, data center design and redesign, operations, trainings and maintenance.	Phone: +370 5 219 0000 Fax: +370 5 219 5900 E-mail: info@baip.lt www.baip.lt
NRD, UAB	Company code: 111647812 Address: Žygimantų str. 1-5, Vilnius Legal form: private limited liability company Registration date: 1998-10-15	Information system design and maintenance	Phone: Vilnius: +370 52 31 07 31, Kaunas: + 370 37 31 18 64 E-mail: info@nrd.lt www.nrd.lt
Norway Registers Development, AS	Company code: NO-985 221 405 MVA Address: Billingstadsletta 35, NO-1396 Billingstad, Norway Legal form: limited liability company Registration date: 2002-12-23	Legal, organisational reforms and their implementation (business, property, mortgage, licenses and citizen's registries).	Phone: + 47 219 50 158 E-mail: info@nrd.no www.nrd.no
Norway Registers Development East Africa, Ltd	Company code: 88597 Address: 3rd floor, Elite tower, Azikiwe Street/Jamhuri street, Dar es Salaam, Tanzania Legal form: private limited liability company Registration date: 2012-01-13	Information technology infrastructure design, development, maintenance and security services. Information system audits, IT management consultations and trainings.	Phone: +255 222 110 895 E-mail: info@nrd.no www.nrd.co.tz

Acena, UAB	Company code: 300935644 Address: A. Juozapavičiaus str. 6, Vilnius Legal form: private limited liability company Registration date: 2007-07-20	Microsoft software licensing consulting, software asset management, collaboration and messaging solutions, cloud services.	Phone: +370 5 275 96 47 Fax: +370 5 273 51 06 E-mail: info@acena.lt www.acena.lt
Vitma, UAB	Company code: 121998756 Address: A. Juozapavičiaus str. 6, Vilnius Legal form: private limited liability company Registration date: 1993-06-25	Investment into information technology companies.	Phone: +370 5 219 0000
Inventio, UAB	Company code: 303252340 Address: Šeimyniškių str. 1A, Vilnius Legal form: private limited liability company Registration date: 2014-02-27	Does not perform any activities.	
Infobank Uganda, Ltd	Company code: 193144 Registration date: 2014-12-03	Currently does not perform any activities.	E-mail: dmkisakye@infobank-uganda.com
ETRONIKA, UAB	Company code : 125224135 Registration address: Vito Gerulaičio str. 1, LT-08200 Vilnius Legal form: private limited liability company Registration date : 2000-03-30	Development and implementation of e-banking, smart retail, mobile applications for finances, e-commerce and e-government.	Phone: +370 5 2483153 Email: info@etronika.lt www.etronika.lt