INVL TECHNOLOGY

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Interim condensed unaudited financial statements for the six months ended 30 June 2020

prepared according to International Financial reporting standards as adopted by the European Union

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BASIC DETAILS

Investment committee

Mr Kazimieras Tonkūnas (Chairman)
Mrs Vida Tonkūnė
Mr Vytautas Plunksnis
Mr Nerijus Drobavičius

Advisory Committee

Alvydas Banys
Indrė Mišeikytė
Gintaras Rutkauskas

Management Company

INVL Asset Management UAB

Depository

AB SEB bank

Principal place of business and company code

Registered office address:
Gynėjų g. 14,
Vilnius,
Lithuania

Company code 300893533

Banks

AB SEB bank

These financial statements were authorised for issue by the Management Company and signed on 26 August 2020.

Kazimieras Tonkūnas
Chairman of the Investment Committee
INVL Technology

Justina Kontenienė
Chief financier at INVL Asset
Management UAB

(all amounts are in EUR thousand unless otherwise stated)

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 6 months Unaudited	2019 6 months Unaudited
Net change in fair value of financial assets	4	470	(157)
			-
Dividend income	10	-	-
Interest income	10	92	79
Other revenue			-
Total net income		**562**	**(78)**
Management fee		(226)	(194)
Other operating expenses	11	(72)	(98)
Total operating expenses		**(298)**	**(292)**
Operating profit (loss)		**264**	**(370)**
Finance costs		-	-
Profit (loss) before tax for the reporting period		**264**	**(370)**
Income tax		-	-
Profit (loss) for the reporting period		**264**	**(370)**
Other comprehensive income for the reporting period, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD, NET OF INCOME TAX		**264**	**(370)**
Basic and diluted earnings (deficit) per share (in EUR)	12	0,02	(0,03)

(all amounts are in EUR thousand unless otherwise stated)

STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2020	As at 31 December 2019
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	4	26,382	25,912
Bonds		-	-
Total non-current assets		**26,382**	**25,912**
Current assets			
Dividends receivable	**Error!**	-	39
Bonds	6,13	974	920
Loans	6	618	808
Cash and cash equivalents	5	1,375	1,401
Total current assets		**2,967**	**3,168**
Total assets		**29,349**	**29,080**
EQUITY AND LIABILITIES			
Equity			
Share capital	1	3,531	3,531
Share premium		8,268	8,268
Reserves	7	10,154	10,154
Retained earnings		7,269	7,005
Total equity	9, 15.3	**29,222**	**28,958**
Liabilities			
Loan payables		-	-
Total long term liabilities		**-**	**-**
Current liabilities			
Loan payables		-	-
Trade payables		-	-
Other current liabilities	8	127	122
Total current liabilities		**127**	**122**
Total liabilities		**127**	**122**
Total equity and liabilities		**29,349**	**29,080**

(all amounts are in EUR thousand unless otherwise stated)

STATEMENT OF CASH FLOWS

	Notes	2020 6 months	2019 6 months
		Unaudited	Unaudited
Cash flows from operating activities			
Net profit (loss) for the reporting period		264	(370)
Adjustments for:			
Elimination of items of financing activities		-	(49)
Dividend income	10	-	-
Interest income	10	(92)	(31)
Interest and related costs		-	-
Other revenue		-	-
Net change in fair value of financial assets	4	(470)	157
Income tax (benefit) expense		-	-
		(298)	**(293)**
Changes in working capital:			
Decrease (increase) in trade receivables		39	225
Decrease (increase) in other current assets		-	-
Increase (decrease) in trade payables	8	-	(6)
Increase (decrease) in other current liabilities		5	-
Received dividends		-	-
Cash flows from (used in) operating activities		**44**	**(219)**
Income tax paid		-	-
Net cash flows from (used in) operating activities		**(254)**	**(74)**
Cash flows from investing activities			
Investments into subsidiaries	4	-	(619)
Interest received	13	42	48
Administration interest		-	-
Sale of non-current assets		-	-
Acquisition of bonds	13	-	(820)
Redemption of bonds	13	-	475
Loans (granted)	13	(375)	(123)
Loan repayments received	13	561	-
Net cash flows from (used in) investing activities		**228**	**(1,039)**
Cash flows from financing activities			
Cash flows related to owners:			
Proceeds from distribution of newly issued shares		-	-
Cash balance at the company merged		-	-
		-	-
Cash flows related to other financing sources:			
Interest (paid)		-	-
Loan repaid		-	-
Net cash flows from (used in) financing activities		**-**	**-**
Foreign exchange effect on the balance of cash and cash equivalents		-	-
Net increase (decrease) in cash and cash equivalents		**(26)**	**(1,113)**
Cash and cash equivalents in the beginning of the period		**1,401**	**2,230**
Cash and cash equivalents at the end of the period	5	**1,375**	**1,117**

(all amounts are in EUR thousand unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Legal reserve	Reserve for acquisition of own shares	Retained earnings	Total
Balance as at 31 December 2018	**3,531**	**8,268**	**354**	**9,800**	**6,072**	**28,025**
Redistribution of retained earnings to the reserves	-	-	-	-	-	-
Total transactions with owners of the Company, recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**-**
Net (loss) for 6 months ended 30 June 2019	-	-	-	-	(370)	(370)
Balance as at 30 June 2019	**3,531**	**8,268**	**354**	**9,800**	**5,702**	**27,655**
Balance as at 31 December 2019	**3,531**	**8,268**	**354**	**9,800**	**7,005**	**28,958**
Redistribution of retained earnings to the reserves	-	-	-	-	-	-
Total transactions with owners of the Company, recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**-**
Net profit for 6 months ended 30 June 2020	-	-	-	-	264	264
Total comprehensive income for 6 months ended 30 June 2020	**-**	**-**	**-**	**-**	**264**	**264**
Balance as at 30 June 2020	**3,531**	**8,268**	**354**	**9,800**	**7,269**	**29,222**

(All amounts are in EUR thousands unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

1 General information

INVL Technology UTIB (company code 300893533, hereinafter "the Company") is a closed-ended type investment company registered in the Republic of Lithuania. The Company's registered office address is Gynėjų g. 14, Vilnius, Lithuania.

On 14 July 2016 the Company has been issued a closed-ended type investment company (UTIB) license by the Bank of Lithuania. Under the company's Articles of Association, INVL Technology UTIB will operate until 14 July 2026, with extension possible for further two years.

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

Based on the Management Company's INVL Asset Management Board decision the Investment Committee was formed in order to ensure efficiency and control of investments. The Investment Committee consists of 4 (four) representatives of the Management Company (employees, members of management bodies of the Management Company, other persons appointed by a decision of the Board of the Management Company). The purpose of the Investment Committee is to ensure the Managed Company's objectives, its investment strategy and the adoption of prudent decisions for the investment and management of the Managed Company's assets, to supervise the adopted decisions. On 2017 April the Company has formed an Advisory Committee. The purpose of the Advisory Committee is to provide the Investment Committee with reasoned and fact-based opinions as a way to express an independent position regarding investment decisions, thereby ensuring and protecting shareholders' interests. The Advisory Committee consists of four members who are appointed and removed by the Board of the Managing Company.

The Company operates as a cluster of IT businesses working with large corporate and public entities. The classification of companies into 4 areas of activity, as used previously, from the beginning of 2018 is replaced by 3 new functional groups: business climate improvement and e-government, IT services and software, and cyber security. NRD companies continue to belong to the business climate improvement and e-government group, the cyber security group covers NRD CS UAB and other potential acquisitions in this area, whereas the IT services and software group is formed by joining the areas of IT infrastructure and IT intensive industries' solutions.

The Company has an agreement on depository services with SEB Bankas which acts as the depository of the Company's assets.

The Management Company manages the portfolio of investment instruments of the Company following principles of diversification set in the Articles of Association (the conformity of the portfolio of investment instruments of the Company to those principles shall be achieved within four years from the date the Bank of Lithuania issued a permission to certify Company's incorporation documents and to choose the Depository). The Company cannot invest more than 30% of net asset value of the Company into any single issuer of the instrument. The indicator may be exceeded up to 4 years after the date the Company became a closed-ended investment company. More detailed requirements are lined out in the Articles of Association of the Company.

The shareholders holding ownership to or otherwise controlling over 5% of the Company's authorised share capital (by number of votes held) are as follows as of 30 June 2020 and as of 31 December 2019:

	Number of votes conferred by shares held under the title of ownership As at 30 June 2020	Voting rights held, % As at 30 June 2020	Number of votes conferred by shares held under the title of ownership As at 31 December 2019	Voting rights held, % 31 December 2019
LJB Investments UAB	2,424,152	19.91%	2,424,152	19.91%
Invalda INVL AB	1,810,626	14.87%	1,778 337	14.61%
Ms Irena Ona Mišeikienė	1,466,421	12.04%	1,466,421	12.04%
Lietuvos Draudimas AB	909,090	7.47%	909,090	7.47%
Mr Kazimieras Tonkūnas	675,452	5.55%	675,452	5.55%
Mr Alvydas Banys	618,745	5.08%	618,745	5.08%
Other minor shareholders	4,270,835	35.08%	5,121,305	42.06%
Total	**12,175,321**	**100%**	**12,175,321**	**100.00%**

The Company's shares are traded in the Baltic Secondary List of Nasdaq Vilnius stock exchange.

On 30 June 2020 the Company did not have employees.

2 Basis of preparation and accounting policies

Interim condensed financial statements for the six months ended 30 June 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2019.

Except for the points, described below, Interim condensed financial statements are prepared in accordance with the accounting principles adopted for 2019 annual financial statements.

Statement of compliance

The Company meets the definition criteria of an investment entity under IFRS 10. The Company has no subsidiaries that provide services related to the Company's investment activities – therefore no subsidiaries to be consolidated – therefore the Company does not prepare consolidated financial statements.

The financial statements are presented in EUR thousands, and all the amounts have been rounded to the nearest thousand unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3. Although these estimates are based on management's best knowledge of current circumstances, events or actions, actual results may ultimately differ from these estimates.

A number of new or amended standards became applicable for the current reporting period:
- Amendments to the *Conceptual Framework for Financial Reporting* (effective for annual periods beginning on or after 1 January 2020);
- Amendments to IAS 1 and IAS 8: *Definition of materiality* (effective for annual periods beginning on or after 1 January 2020);
- *Amendments to IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform* (effective for annual periods beginning on or after 1 January 2020);
- Amendments to IFRS 3 *Business Combination: Definition of a business* (effective for annual periods beginning on or after 1 January 2020);

The standards and amendments endorsed by the EU that are effective for annual periods beginning on 1 January 2020 had no significant impact on the Company's financial statements and operation results.

3 Accounting estimates and judgements

3.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in these financial statements:

Investment entity status

The management periodically reviews whether the Company meets all the definition criteria of an investment. In addition, the management assesses the Company's business objective (Note 1), investment strategy, origin of income and fair value valuation techniques. According to the management, the Company met all the definition criteria of an investment entity throughout all the periods presented in these financial statements.

3.2 Accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The significant areas of estimation used in the preparation of these financial statements is discussed below.

(All amounts are in EUR thousands unless otherwise stated)

Fair value of investments that are not traded in an active market

Fair values of investments in subsidiaries that are not traded in an active market are determined by using valuation techniques, primarily earnings multiples, discounted cash flows and recent comparable transactions. The valuation techniques used to determine fair values are periodically reviewed and compared against historical results to ensure their reliability. Details of the inputs and valuation models used to determine Level 3 fair value are provided in Note 4.

4 Financial assets at fair value through profit or loss

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Company's financial assets at fair value through profit or loss included assets attributed to Level 3 in the fair value hierarchy. The Company has no Level 1 or Level 2 instruments.

The table below presents the Company's direct and indirect investments in unconsolidated subsidiaries as at **30 June 2020 and at 31 December 2019:**

Name	Country of incorporation	Shares (voting rights) held directly/indirectly by the Company, (%)	Profile of activities
Novian UAB	Lithuania	100	Investing in IT companies
BAIP UAB*	Lithuania	100	Information technology solutions
Acena UAB*	Lithuania	100	Information technology solutions
NRD Companies AS*	Norway	100	Information technology solutions
Norway Registers Development AS*	Norway	100	Information technology solutions
NRD Systems UAB*	Lithuania	89.20	Information technology solutions
Norway Registers Development East Africa Ltd*	Tanzania	70	Information technology solutions
Etronika UAB*	Lithuania	90	Information technology solutions
Norway Registers Development Rwanda Ltd*	Rwanda	100	Information technology solutions
Infobank Uganda Ltd*	Uganda	30	Information technology solutions
NRD CS UAB	Lithuania	100	Information technology solutions
Algoritmų sistemos UAB	Lithuania	100	Information technology solutions
Andmevara SRL*	Moldova	100	Information technology solutions
Andmevara Services OU*	Estonia	100	Information technology solutions
FINtime UAB	Lithuania	100	Business process outsourcing
NRD Bangladesh Ltd*	Bangladesh	100	Information technology solutions
NRD AS Lithuania	Lithuania	100	Information technology solutions
Zissor AS**	Norway	100	Information technology solutions

** These entities were indirectly controlled by the Company as at 31 December 2019.*
***Zissor AS was acquired in 2019 Q2, belongs to the Novian group, it's indirectly controlled.*

The Company conducts an independent valuation of its investments in subsidiaries when preparing the annual financial statements. As at 31 December 2019, the valuation was carried out by Deloitte Verslo Konsultacijos UAB using the income approach. In the opinion of the management, the fair value of investments was determined appropriately using the inputs and ratios properly selected and reasonably reflecting the investments. The fair value of investments was determined in compliance with the International Valuation Standards approved by the International Valuation Standards Council. For the income approach, the discounted cash flow method was used. It was based on free cash flow forecasts made by management for the period of 5 years. Free cash flows were calculated as net operating profit after tax plus depreciation and minus change in working capital and capital expenditure.

30 June 2020

As market conditions and other preconditions used in the valuation did not change significantly during the first six months of 2020, when preparing preliminary operating results for the six months of 2020, the Company measured the fair value of investments using the values determined as at 31 December 2019 adjusted by the net profit or loss of its investments and declared dividends to the Company that occurred during the period. Investments in entities acquired/established during 2020 were stated at cost.

(All amounts are in EUR thousands unless otherwise stated)

The preliminary fair values of the Company's unconsolidated subsidiaries were as follows:

Name	**At 30 June 2020**	**At 31 December 2019**
Novian UAB Group*	15,608	15,295
NRD Group**	5,731	5,511
NRD CS UAB	4,823	4,880
FINtime UAB	220	226
Total	**26,382**	**25,912**

** Novian UAB group consisted of Novian UAB together with the entities controlled by it – BAIP UAB, Acena UAB, Anmevara Services OU, Andmevara AS, Andmevara SRL, Zissor AS, Algoritmų sistemos UAB.*
*** Includes all NRD Group companies*

Other subsidiaries of the Company as at 30 June 2020 did not have any significant restrictions on the repayment of dividends to the Company from non-consolidated subsidiaries or the Company's loans to unconsolidated subsidiaries. Due to changes in the fair value of subsidiaries of the Company, the Company may incur losses.

Information about dividends is described in Note 10.

The table below presents movements in Level 3 financial instruments during the first six months of 2020:

Opening balance at 1 January 2020	**25,912**
Unrealized gains and losses for the reporting period recognized in the income statement for assets managed at the end of the reporting period	470
Closing balance at 30 June 2020	**26,382**

As at 31 December 2019

The fair values of the Company's unconsolidated subsidiaries were as follows:

Name	**At 31 December 2019**	**At 31 December 2018**
Novian UAB Group*	15,295	7,537
NRD Group**	5,511	5,458
NRD CS UAB	4,880	6,455
Algoritmu sistemos UAB	-	4,078
FINtime UAB	226	231
Andemavara***	-	470
Total	**25,912**	**24,229**

** Novian UAB group consisted of Novian UAB together with the entities controlled by it – BAIP UAB, Acena UAB, Anmevara Services OU, Andmevara AS, Andmevara SRL, Zissor AS, Algoritmų sistemos UAB.*
*** Includes all NRD Group companies*
**** In 2019 Andmevara was transferred to Novian group*

The subsidiaries of the Company as at 31 December 2019 did not have any significant restrictions on the repayment of dividends to the Company from non-consolidated subsidiaries or the Company's loans to unconsolidated subsidiaries. Due to changes in the fair value of subsidiaries of the Company, the Company may incur losses.

Information about dividend is presented in Note 12.

The table below presents movements in Level 3 financial instruments during 2019:

Opening balance at 1 January 2019	**24,229**
Increase the authorized capital of portfolio companies in cash*	700
Increase of the authorized capital of portfolio companies by contributing directly managed portfolio companies**	3,973
Sale of directly managed portfolio companies to other portfolio companies***	(269)
Transfer of directly managed portfolio companies to other portfolio companies by increasing their share capital **	(3,973)
Unrealized gains and losses for the reporting period recognized in the income statement for assets managed at the end of the reporting period	1,279
Closing balance at 31 December 2019	**25,912**

**The share capital of Novian UAB was increased in 2019 due to acquisition of Zissor AS*
*** The share capital of UAB Novian was increased due to the transfer of UAB Algoritmų sistemos, a company directly controlled by INVL Technology, to the Novian Group.*
***In 2019 INVL Technology had sold directly controlled Andmevara Services (jointly with Andmevara SRL) and Andmerava AS to other portfolio companies BAIP UAB and „Algoritmų sistemos“ UAB. The share price was paid fully for INVL Technology in 2019.*

The table below shows the fair value (Level 3) valuation methods of the investments in subsidiaries, the input data used and the sensitivity analysis for changes in input data:

Name	Fair value, EUR '000	Valuation technique	Inputs	Input value	Reasonable possible shift -/+	Change in valuation +/-
Novian Group	15,295	Discounted cash flow	Weighted average cost of capital	*8,6%*	-/+ 0,5 %	1.127 / (968)
			Long-term growth rate	*2,0%*	-/+ 0,5 %	(673) / 784
			Free cash flows	-	-/+ 10 %	(1.283) / 1.283
			Discount for lack of marketability	*13,2%*	-/+ 2 %	330 / (330)
			5y revenue growth rate	-	-/+ 0.5 %	(395) / 402
NRD Group	5,511	Discounted cash flow	Weighted average cost of capital	*10,1%*	-/+ 0,5 %	341 / (301)
			Long-term growth rate	*2,0%*	-/+ 0,5 %	(209) / 237
			Free cash flows	-	-/+ 10 %	(458) / 458
			Discount for lack of marketability	*14,5%*	-/+ 2 %	153 / (149)
			5y revenue growth rate	-	-/+ 0.5 %	(134) / 136
NRD CS UAB	4,880	Discounted cash flow	Weighted average cost of capital	*8,8%*	-/+ 0,5 %	427 / (368)
			Long-term growth rate	*2,0%*	-/+ 0,5 %	(254) / 295
			Free cash flows	-	-/+ 10 %	(453) / 453
			Discount for lack of marketability	*13,4%*	-/+ 2 %	113 / (113)
			5y revenue growth rate		-/+ 0.5 %	(142) / 144
FINtime UAB	226	Net assets value	N/A	*N/A*	N/A	N/A
Total:	**25,912**					

The fair value was based on discounted cash flow method, which was selected by the external valuator as the best representation of the company specific development potential, except for FINtime UAB where net assets value method was used. Different method was selected as at the current moment the entities do not expect to generate significant free cash flows. Due to the limited number of comparable companies and transactions, lack of reliability of the market data and limited comparability of peers, the results of the guideline public companies and transaction methods were used as a supplementary analysis and were provided only for illustrative purposes in valuation report.

Cash flow projections made by Company management for the period of 5 years (2020-2024) were used as a basis in the income method. Free cash flows were calculated as operating profit after tax plus depreciation/amortisation of property, plant and equipment and intangible assets, plus or minus changes in working capital and minus capital expenditure. The resulting value was adjusted by discount for lack of marketability and the amount of surplus assets/liabilities. As part of the valuation process, valuator had analysed items presented on the balance sheet of each company and had identified assets and liabilities, which can be treated as surplus assets (e.g. net working capital above normalised level, non-operating cash balances, loans to related parties) and debt/debt like items; all of which were adjusted when arriving at equity value of the company.

In the opinion of the management, the fair value was determined appropriately using the inputs and ratios properly selected and reasonably reflecting the investments.

5 Cash and cash equivalents

	At 30 June 2020	At 31 December 2019
Cash in bank accounts		
Cash EUR	1,375	1,401
Total cash and cash equivalents	**1,375**	**1,401**

All Company's cash and cash equivalents comprised funds in the bank's current accounts.

6 Bonds and loans

Bonds

	At 30 June 2020	At 31 December 2019
Classiffied as current asset	**970**	**920**
Bonds	*875*	*875*
Accrued interest	*99*	*45*
Total value of bonds	**974**	**920**

(All amounts are in EUR thousands unless otherwise stated)

On June 30, 2020, the Company had bonds in the the following companies: Andmevara AS; FINtime UAB and NRD Systems UAB. Bonds are accounted for at amortized cost as they are considered to be held for cash flow interest payments and principal repayments only. As at 30 June 2020, the expected credit loss was estimated which was considered to be not material and was, therefore, not recognized in these financial statements.

Loans

	At 30 June 2020	At 31 December 2019
Classiffied as current asset	**618**	**808**
Loans	*588*	*774*
Accrued interest	*30*	*34*
Total value of bonds	**618**	**808**

On June 30, 2020, the Company has granted loans to the the following companies: Etronika UAB, NRD AS LT branch, NRD Systems UAB, Andmevara Services OU. Loans are accounted for at amortized cost as they are considered to be held for cash flow interest payments and principal repayments only. As at June 30 2020, the expected credit loss was estimated which was considered to be not material and was, therefore, not recognized in these financial statements.

7 Reserves

As at 30 June 2020, the Company‘s reserves consisted of the reserve for acquisition of own shares amounting to EUR 9,800 thousand and legal reserve amounting to EUR 354 thousand.

Legal reserve

Legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfers of not less than 5 % of net profit, calculated in accordance with the statutory financial statements, are compulsory until the reserve reaches 10 % of the share capital. The reserve can be used only to cover the accumulated losses.

Reserve for acquisition of own shares

Reserve for acquisition of own shares is formed for the purpose of acquiring own shares in order to keep their liquidity and manage price fluctuations. It is formed from profit for appropriation. The reserve cannot be used to increase the share capital. The reserve is reduced upon annulment of own shares. During the ordinary general meeting of shareholders, the shareholder may decide to transfer the amounts not used for acquisition of own shares to the retained earnings. The Company's management did not have a formally approved programme for buy-up of its own shares as at the reporting date.

8 Other short term liabilities

	At 30 June 2020	At 31 December 2019
Payable amounts		
Management Fee	113	101
Depository Fee	8	8
Other payable amounts	1	2
Audit expenses accrual	5	11
Total other short liabilities	**127**	**122**

9 Net Asset Value (non-IFRS measure)

	At 30 June 2020	At 31 December 2019
Net asset value, total, EUR	29,221,994	28,958,137
Net asset value per share, EUR	2,4001	2,3784

10 Dividend and interest income

During the year of 2020 were no declared dividends. During the first half of 2020 dividends were paid by UAB Fintime – EUR 39 thousand.On 30 June 2020 there were no receivables dividends left.

Income	**2020 6 months**	**2019 6 months**
Interest	92	79
Dividends	-	-
Income total	**92**	**79**

11 Other operating expenses

	2020 6 months	**2019 6 months**
Professional services	32	56
Audit services	5	3
Other operating expenses	35	39
Other operating expenses total	**72**	**98**

12 Earnings per share

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

The weighted average number of shares on 30 June 2020 was as follows:

Calculation of weighted average for 2020	**Number of shares (thousand)**	**Par value (EUR)**	**Issued/365 (days)**	**Weighted average (thousand)**
Shares outstanding as at 30 June 2020	12,175	0,29	365/365	12,175

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

	6 months 2020	**6 months 2019**
Net profit (loss) attributable to the equity holders of the parent entity (EUR '000)	264	(370)
Weighted average number of ordinary shares (thousand)	12,175	12,175
Basic earnings per share (EUR)	**0.02**	**(0.03)**

13 Related-party transactions

The Company's transactions with other related parties during 6 months 2020 and outstanding balances as at 30 June 2020 were as follows:

	Revenue and income from related parties	**Purchases from related parties**	**Receivables from related parties**	**Payables to related parties**
The Company's subsidiaries				
Bonds	-	-	875	-
Interest on bonds	51	-	99	-
Loans	-	-	588	-
Interest on loans	41	-	30	-
Dividends	-	-	-	-
Management fee	-	226	-	112
	92	**226**	**1,767**	**112**

Changes in acquired bonds and granted loans during HY 2020:

At 1 January 2020	**1,728**
Interest charged	92
Bonds acquired	-
Bonds repayments received	-
Interest received	(42)
Loans granted	375
Loans repaid	(561)
Foreign exchange effect on the balance of loans	-
At 30 June 2020	**1,592**

(All amounts are in EUR thousands unless otherwise stated)

The Company's transactions with other related parties during 2019 and outstanding balances as at 31 December 2019 were as follows:

	Revenue and income from related parties	**Purchases from related parties**	**Receivables from related parties**	**Payables to related parties**
The Company's subsidiaries				
Bonds	-	-	875	-
Interest on bonds	162	-	45	-
Loans	-	-	774	-
Interest on loans	23	-	34	-
Dividends	-	-	39	-
Management fee	-	394	-	101
	185	**394**	**1,767**	**101**

Changes in loans granted to subsidiaries during 2018:

At 1 January 2019	**1,252**
Interest charged	185
Bonds acquired	820
Bonds repayments received	(1,050)
Interest received	(122)
Loans granted	789
Loans repaid	(146)
Foreign exchange effect on the balance of loans	-
At 31 December 2019	**1,728**

14 Financial instruments by category

The Company's financial assets at fair value through profit or loss consisted of assets in Level 3. The Company has no instruments in Level 1 and 2.

	Loans and receivables	Financial assets at fair value through profit or loss	Total
At 30 June 2020			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	26,382	26,382
Receivables	-	-	-
Bonds	970	-	970
Loans	622		622
Cash and cash equivalents	1,375	-	1,375
Total	**2,967**	**26,382**	**29,349**

	Loans and receivables	Financial assets at fair value through profit or loss	Total
At 31 December 2019			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	25,912	25,912
Receivables	39	-	39
Bonds	920	-	920
Loans	808	-	808
Cash and cash equivalents	1,401	-	1,401
Total	**3,168**	**25,912**	**29,080**

(All amounts are in EUR thousands unless otherwise stated)

	Financial liabilities at amortised cost
At 30 June 2020	
Liabilities as per statement of financial position	
Loan payables	-
Trade payables	113
Other current liabilities, excluding taxes and employee benefits	4
Total	**127**

	Financial liabilities at amortised cost
At 31 December 2019	
Liabilities as per statement of financial position	
Loan payables	-
Trade payables	2
Other current liabilities, excluding taxes and employee benefits	120
Total	**122**

15 Financial risk management

15. 1 Financial risk factors

The risk management function within the Company is carried out by the Management Company in respect of financial risks (credit, liquidity, market, foreign exchange and interest rate risks), operational risk and legal risk. The primary objective of the financial risk management function is to establish the risk limits, and then make sure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of the internal policies and procedures necessary to mitigate the operational and legal risks.

The Company's financial liabilities consisted of trade and other payables. The Company has various categories of financial assets, however, the major items of its financial assets were financial assets at fair value through profit loss consisting of the investments in unconsolidated subsidiaries and cash and cash equivalents.
The Company is being managed in a way that its portfolio companies are operating independently from each other. This helps to diversify the operational risk and to create conditions for selling any controlled business without exposing the Company to any risks.

The Company's business objective is to achieve medium to long-term return on investments in carefully selected unlisted private companies operating in information technology sector. The goal of the Company is to increase the value of its investments with the purpose to sell the investments at the end of their life (Note 1) earning adequate return for the shareholders and success fee if applicable.

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

Credit risk

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

With respect to trade and other receivables neither past due nor impaired, there were no indications as at the reporting date that the debtors will fail to fulfil their liabilities in due time, since the Company constantly reviews the balances of receivables. The Company has no significant transactions in a country other than the countries of domicile of the subsidiaries and their investments. All receivables of the Company are from subsidiaries, and their settlement terms are set by the Company itself.

With respect to credit risk arising from other financial assets of the Company (consisting of cash and cash equivalents), the Company's exposure to credit risk arises from default of the counterparty. The maximum exposure to credit risk was equal to the carrying amount of these instruments:

Assets with no credit rating assigned	**At 30 June 2020**	**At 31 December 2019**
Dividends receivable	-	39
Granted loans with interest	618	808
Bonds with interest	974	920
Cash and cash equivalents	1,375	1,401
Total current assets	**2,967**	**3,168**

(All amounts are in EUR thousands unless otherwise stated)

The Company accepts the services from the banks and the financial institutions which (or the controlling financial institutions of which) have been assigned a high credit rating by an independent rating agency. As at 30 June 2020 the Company's cash balances were held in the financial institutions which have not been assigned individual credit ratings, but the controlling financial institutions of which have been assigned "Prime-1" rating by Moody's agency.

Interest rate risk

As at 30 June 2020 and 31 December 2019 the Company did not have borrowings, therefore, it had no interest rate risk.

Price risk

The Company's investments are susceptible to price risk arising from uncertainties about future values of the investments that are not traded in an active market. To manage the price risk, the Investment committee reviews the performance of the portfolio companies at least on a quarterly basis, and keep regular contact with the management of the portfolio companies for business development and day-to-day operation matters.

As at 30 June 2020, the fair value of the Company's investments exposed to price risk was EUR 26,382 thousand (31 December 2019: EUR 25,912 thousand).

Liquidity risk

The Company's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with the strategic plans.

Liquidity risk of the Company is managed by the Management company. The liquidity risk management is divided into long-term and short-term risk management.

The aim of the short-term liquidity risk management is to meet the day-to-day needs for funds. Each subsidiary is independently planning its internal cash flows. Short-term liquidity of the Company is managed through monthly monitoring of the liquidity status at the Company.

Long-term liquidity risk is managed by analysing the cash flow projections by taking into account the potential sources of financing. Before approving a new investment project, the Company evaluates the possibilities to attract the required funding. Based on monthly reports, the Company makes projections of monetary income and expenses over the next one year, thereby ensuring an effective planning of the Company's funding.

The Company's financial liabilities based on undiscounted contractual payments consisted of:

	Up to 3 months	**4 - 12 months**	**2 to 5 years**	**Over 5 years**	**Total**
Loans to credit institutions with interest	-	-	-	-	-
Other current liabilities	127	-	-	-	127
At 30 June 2020	**127**	**-**	**-**	**-**	**127**
Loans to credit institutions with interest	-	-	-	-	-
Other current liabilities	122	-	-	-	122
At 31 December 2019	**122**	**-**	**-**	**-**	**122**

The company has no liquidity problems and there are no expectations that they will arise in the foreseeable future.

Foreign exchange risk

The Company has no material exposures or transactions in currencies other than euro, therefore it is not exposed to foreign currency risk.

15. 2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company carries investments in subsidiaries at fair value, please refer to Note 4 for more details.

The Company's principal financial instruments that are not carried at fair value in the statement of financial position are cash and cash equivalents, trade and other receivables, as well as trade and other payables.
The carrying amount of the cash and cash equivalents, trade and other receivables, as well as trade and other payables of the Company as at 30 June 2020 approximated their fair value because they are short-term and the impact of discounting is immaterial.

15. 3 Capital management

The Company's primary objective when managing capital is to safeguard that the Company will be able to maintain a strong credit health and healthy capital ratios in order to support its business and maximise returns for shareholders. The Company's capital management is conducted through supervision of activities of individual subsidiaries to ensure that their capital is sufficient to continue as a going concern. Management of entities oversee to ensure that the subsidiaries are in compliance with the capital requirements defined in relevant legal acts and loan contracts, and that they provide the Company's management with the necessary information.

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

During 2020, no changes were introduced in the objectives of capital management, policies or processes.

The Company is obliged to keep its equity ratio at not less than 50 % of its share capital, as imposed by the Lithuanian Law on Companies. As at 30 June 2020 the Company complied with this requirement.

16 Impact of COVID-19

The Company was not significantly affected by the COVID-19 virus pandemic. Due to the quarantine announced in Lithuania, which lasted from 16 March 2020 to 16 June 2020, Company operations were not disrupted, as the Company and the portfolio Companies can perform all the operations remotely. The Company did not request or received any financial support due to the COVID-19 virus pandemic, as this was not relevant taking into account Company operations.

17 Events after the reporting period

There were no major events.