INVL ASSET MANAGEMENT UAB

Separate financial statements for 2022 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, presented together with the independent auditor's report

"KPMG Baltics", UAB
Lvivo str. 101
LT 08104 Vilnius
Lithuania

+370 5 2102600
vilnius@kpmg.lt
home.kpmg/lt

Independent Auditor's Report

To the Shareholders of INVL Asset Management UAB

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of INVL Asset Management UAB ("the Company"). The Company's separate financial statements comprise:

- The separate statement of financial position as at 31 December 2022,
- the separate statement of comprehensive income for the year then ended,
- the separate statement of changes in equity for the year then ended,
- the separate statement of cash flows for the year then ended, and
- the notes to the separate financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements give a true and fair view of the non-consolidated financial position of the Company as at 31 December 2022, and of its non-consolidated financial performance and its non-consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the requirements of the Law on Audit of Financial Statements of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Separate financial statements of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each audit matter and our respective response are described below.

Company code: 111494971
VAT code: LT114949716

Revenue recognition

See Note 3.14 “Revenue recognition” and Note 4 “Revenue from contracts with customers”

The key audit matter	How the matter was addressed in our audit
In 2022, the Company’s revenue amounted to EUR 11,937 thousand (2021 – EUR 13,309 thousand), and comprised revenue from the following main services: — fund and closed-end investment companies management, including a success fee; — management of securities portfolios of private individuals; and — distribution of investment and pension funds. Success fee revenue and revenue from distribution of investment fund units is recognised at a point in time. Revenue from management of funds and closed-end investment companies and securities portfolios of private individuals as well as distribution of pension funds is recognised over time as the services are being provided and the performance obligations satisfied. Significant judgement is required of the management when determining whether performance obligations are satisfied over a period of time or at a point in time. Management fees are calculated by applying the fee rates as set out in respective managed funds’ and closed-end investment companies’ rules to either the net assets value (NAV) of the managed fund and closed-end investment company, weighted average capitalisation or to the amount of the investors’ commitment to invest into the fund and closed-end investment company. Success fees are generally calculated by applying the appropriate fee rate to the increase in the given fund’s and closed-end investment company’s unit value, as set out in the respective rules of the managed fund and closed-end investment company. The remaining fees earned by the Company are measured by reference to fee rates prescribed in the relevant contracts. Significant audit judgement and effort was required due to subjectivity of the main assumptions applied in the revenue recognition process (including the nature and timing of satisfaction of the underlying performance obligations) and the magnitude of the revenue amounts. Accordingly, we have determined this area to be associated with a significant risk of material misstatement and identified it as a key audit matter.	Our audit procedures included, among others: — We obtained understanding of the Company’s revenue recognition process, and tested the design and implementation of the selected key internal controls therein, including those over revenue recognition and calculation derived from different services; — We critically assessed the Company’s revenue recognition policy for compliance with relevant provisions of the financial reporting standards; — We challenged the appropriateness of determination of performance obligations by reference to the rules of pension, investment funds and closed-end investment companies as well as the terms of the contracts with customers; — We assessed accuracy of NAV used in management fees estimation by tracing NAV to audited financial statements of the fund and closed-end investment company (where audit was finalised) or by verifying reasonableness of assets and liabilities that NAV is derived from; — We evaluated the existence and accuracy of the revenue recognized, as follows: • we assessed whether performance obligations are carried out at a point in time or over time by analysing the nature of the service and relevant contractual terms; • for fund and closed-end investment company management revenue – we traced the fee rates used to those prescribed in the funds’ and closed-end investment companies’ rules, and independently estimated annual revenue from fund and closed-end investment company management by applying those fee rates to the net asset values of respective months, weighted average capitalisation of respective quarters or to the amounts of the investors’ commitment to invest into the fund and closed-end investment company, as considered appropriate; • for fund and closed-end investment company management revenue – we traced the revenue amounts to the payments received from the funds and closed-end investment company; • for success fee revenue – we assessed the appropriateness of the success fee calculation by reference to the funds’ and closed-end investment company rules; • for revenue from management of securities portfolios of private individuals – for a sample of contracts, we obtained confirmations of the amounts due therefrom as at 31 December 2022 and turnover for the year;

	• for revenue from distribution of investment and pension fund units as well as closed-end investment companies – for a sample of transactions, we traced the revenue amounts recognized to the fees prescribed in the relevant funds' and closed-end investment company's rules and payments received from participants; — We examined whether the Company's revenue recognition-related disclosures appropriately include and describe the relevant quantitative and qualitative information required by the applicable financial reporting framework.

Valuation of unquoted investments carried at fair value

See Note 3.8 "Investments and other financial assets", Note 11 "Financial assets at fair value through profit or loss", Note 25 "Fair value of financial instruments"

The key audit matter	How the matter was addressed in our audit
As at 31 December 2022 the Company's investment portfolio amounted to EUR 8,651 thousand (31 December 2021: EUR 6,126 thousand), of which EUR 5,851 thousand (31 December 2021: EUR 3,120 thousand) relate to investments in units of investment fund that are not quoted in an active market. The fair value of investment units of funds is equal to the net assets value (NAV) of a relevant fund. NAV calculation methodology, approved by the board of the Management Company, is established by laws applicable to a relevant fund and rules of the fund. The main element of NAV is represented by the fair value of the fund's investments. The fair value is estimated by reference to the prices of financial instruments quoted in an active market or, where such prices from active markets are not available, determined based on valuation models, which often require unobservable inputs and significant management judgment. Due to the magnitude of related amounts and materiality of judgments to be made in respect of fair value of not quoted investments, we considered this area to be associated with a significant risk of a material misstatement and a key audit matter.	For not quoted investments our audit procedures included, among others: — evaluating the design and implementation of the selected key internal controls over determining the fair value of unquoted investments; — for unquoted investments in the funds where audit is not finalized, testing the relevance and reliability of key data and verifying reasonableness of assets and liabilities that NAV is derived from; — challenging the appropriateness of the valuation methods and models applied in measuring the fair value of the funds' investments against relevant regulatory and financial reporting requirements; — for part of the funds independently obtaining a confirmation from the Fund's custodian regarding value of NAV as at 31 December 2022; — evaluating the accuracy and completeness of the financial statement disclosures relating to the fair value determination of the investments against the relevant requirements of the financial reporting standards.

Accounting for bonuses

See Note 3.16 “Bonuses”, Note 5 “Employee benefits”, Note 16 “Reserves” and Note 23 “Provisions, off-balance sheet commitments and contingencies”.

The key audit matter	How the matter was addressed in our audit
As at 31 December 2022: bonus costs: EUR 875 thousand (31 December 2021: EUR 1,401 thousand); share-based payment reserve: EUR 1,312 thousand (31 December 2021: EUR 1,174 thousand), deferred not recognized part of bonuses: EUR 187 thousand (31 December 2021: EUR 194 thousand). In accordance with the Company’s remuneration policy, certain of its employees are entitled to bonuses, depending on their performance and the Company’s results. Bonus or its part can be paid/granted in cash or in the form of additional contributions to a private pension fund or as share options of the parent company. For employees responsible for making decisions related to assuming the risks, a bonus is allocated proportionally and paid/granted over the subsequent 3–5 years, provided that the employee remains in the Company. The share-based payments costs are measured with reference to the grant-date fair values of the share options awarded. Significant judgment is required in estimating the fair values, using the Black-Scholes model, which requires determination of the key inputs to the model, such as the risk-free rate, volatility, dividend rate, as well as share price. The Management also applies significant judgment to determine the related grant date, vesting conditions and service period. Due to the above factors as well as the magnitude of the amounts involved, we considered accounting for share-based payment arrangements to be associated with a significant risk of material misstatement. As such, it required our increased attention in the audit and determined by us to be a key audit matter.	Our audit procedures included, among others: — We obtained understanding of the employee remuneration process and tested the design and implementation of the selected key controls therein, including those over the accounting for bonuses, approval of key inputs in the option valuation model and validation of the model output; — We inspected the key terms of the remuneration policy, other relevant internal policies, and share option plans, and critically assessed the Company’s accounting policy for share-based payment arrangements against the requirements of the relevant financial reporting standards; — We assessed the appropriateness of the option pricing model used to determine the fair value of the options granted against the requirements of the financial reporting standards and accepted market practice; — We traced the number of share options granted in 2022 to the minutes of Management Board’s meetings and agreements with employees; — Considering the results of the above procedures, as well as corroborating inquiries of the Management Board, we challenged the key judgements and assumptions applied in accounting for the amount of bonuses and share-based payments, as follows: • grant date – by reference to agreements with employees; • employee service period – by reference to agreements with employees and remuneration policy; — We challenged the key assumptions in the option pricing model, as follows: • risk-free rate – by reference to European Central Bank statistics on AAA-rated euro area central government bonds; • volatility – by reference to publicly available trading history on Invalda INVL AB shares; • stock price – by reference to publicly available trading history on Invalda INVL AB shares and share grant agreement. — We assessed the adequacy of the Company’s disclosures in the separate financial statements related to bonuses and share-based payments related against the requirements of the relevant financial reporting standards.

Assets and liabilities held for sale

See Note 3.19 “Assets and liabilities held for sale” and Note 21 “Assets and liabilities related to activities of retail asset management business that is held for sale”

The key audit matter	How the matter was addressed in our audit
As disclosed in Note 21 to the separate financial statements, on 22 November 2022, the parent of the Company Invalda INVL AB signed a retail asset management business merger agreement with AB Šiaulių bankas subject to certain conditions and approvals. Management concluded that the Company’s assets and liabilities related to the retail business meet the criteria for assets held for sale and liabilities directly associated with the assets held for sale in the separate financial statements; however, operations related to the retail business do not meet the criteria for discontinued operations and therefore are not presented as discontinued operations in the separate financial statements. This event is significant to our audit because the assessment of the classification as assets held for sale and discontinued operations is complex, the transaction and its accounting is non-routine and involves a significant degree of management judgement. These include, amongst others, determining the date of classification of the Company’s assets and liabilities related to the retail business as held for sale, which assets and liabilities are related to the retail business and therefore should be classified as held for sale. Furthermore, upon classification of the assets and liabilities related to the retail business as held for sale, management had to measure these assets and liabilities at the lower of the carrying amount and its fair value less costs to sell. Due to the above factors as well as the magnitude of the amounts involved, we considered accounting for announced merger of retail asset management business to be a key audit matter.	Our audit procedures included, among others: We obtained understanding of the Company’s process for transactions outside the ordinary course of business; — We reviewed the key terms and conditions of the contractual agreements and other relevant documents underlying the announced merger of Invalda INVL AB retail asset management business; — We assessed the appropriateness of classification of assets and liabilities related to the retail business as assets held for sale and liabilities directly associated with the assets held for sale, and presentation of the results of the retail business as continuing operations; — We have evaluated management’s judgements over the identification of the disposal group, assessing the date as of which the assets and liabilities related to retail business are classified as held for sale and assessing the valuation of the assets and liabilities related to retail business at the lower of the carrying amount and fair value less costs to sell. — We assessed the adequacy of both the presentation of assets held for sale and liabilities directly associated with the assets held for sale, as well as the Company’s disclosures in the separate financial statements related to announced merger of retail asset management business against the requirements of the relevant financial reporting standards.

Other Information

The other information comprises the information included in the Company's annual management report, but does not include the separate financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In addition, our responsibility is to consider whether information included in the Company's annual management report for the financial year for which the separate financial statements are prepared is consistent with the separate financial statements and whether annual management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of separate financial statements, in our opinion, in all material respects:

- The information given in the Company's annual management report for the financial year for which the separate financial statements are prepared is consistent with the separate financial statements; and
- The Company's annual management report has been prepared in accordance with the requirements of the Law on Financial Reporting by Undertakings of the Republic of Lithuania.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Under decision of the general shareholders‘ meeting we were appointed on 28 June 2019 for the first time to aud Company‘s separate financial statements for the year 2019. The total uninterrupted period of our appointment to the Company‘s separate financial statements is 4 years.

We confirm that our audit opinion expressed in the Opinion section of our report is consistent with the audit repor presented to the Company and its Audit Committee together with this independent auditor‘s report.

We confirm that in light of our knowledge and belief, services provided to the Company are consistent with the requirements of the law and regulations and do not comprise non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014 of the European Parliament and of the Council.

In addition to services provided to the Company in the course of audit and disclosed in the separate financial statements, we have provided translation of the separate financial statements services to the Company.

On behalf of KPMG Baltics, UAB

TOMA JENSEN Digitally signed by TOMA JENSEN Date: 2023.03.31 20:32:07 +03'00'

Toma Jensen
Partner pp
Certified Auditor

Vilnius, the Republic of Lithuania
31 March 2023

The electronic auditor‘s signature applies only to the Independent Auditor‘s Report on pages 2 to 8 of this document.

ANNUAL MANAGEMENT REPORT OF INVL ASSET MANAGEMENT UAB FOR 2022

Basic details about the Company

One of the leading asset management companies in Lithuania INVL Asset Management UAB ('the Company') manages both classic and alternative assets: pension and investment funds, individual portfolios and private equity and other alternative investments. At the end of 2022, the total assets managed by the Company (including the assets managed on the basis of obligations to invest) amounted to EUR 1,487 million. INVL Asset Management provides services both to private and institutional customers, the number of which in Lithuania approximates 200 thousand.

Type of assets managed	Assets managed at 31 December 2022, EUR	Assets managed at 31 December 2021, EUR
Investment funds	53,467,039	53,948,074
Pillar II pension funds	796,376,544	795,014,425
Pillar III pension funds	90,146,154	80,833,996
Portfolios	143,109,326	99,821,863
Alternative assets*	403,958,786	336,725,894
	1,487,057,849	**1,366,344,252**

* The assets managed by CEIC included into the amounts are calculated on the basis of share capitalisation, and assets managed by INVL Baltic Sea Growth Fund included into the amounts as at 31 December 2022 and 31 December 2021 and assets managed by INVL Sustainable Timberland and Farmland Fund II and INVL Renewable Energy Fund I (subfund of INVL Alternative Assets Umbrella Fund I) are calculated on the basis of the obligations of investors to invest as it serves as the basis for calculating management fees.

As at 31 December 2022, the Company managed 1 harmonised investment fund, 1 harmonised umbrella investment fund consisting of 3 subfunds, 13 pension funds, 79 portfolios of clients' financial instruments, 2 closed-end investment companies, 2 closed-end umbrella investment funds intended for informed investors, consisting of 7 and 1 subfunds, respectively, and 1 closed-end investment fund intended for professional investors. The Company also managed investment portfolios of the funds established in Luxembourg the INVL Emerging Europe Bond Fund and the INVL Alternative Assets Umbrella Fund as well as the INVL Sustainable Timberland and Farmland Fund II which is a subfund of SCSp SICAV-RAIF.

Registered office address:	Gynėjų St. 14, Vilnius. The Company has no branches or representative offices.
Shareholder:	The sole shareholder – Invalda INVL AB (company code – 121304349, registered office address – Gynėjų St. 14, Vilnius).
Shares:	As at 31 December 2022, the Company's authorised share capital totalled EUR 5,452,000 and it was divided into 18,800,000 units of ordinary registered shares with par value of EUR 0.29 each.
General Manager of the Company:	As at 31 December 2022, the position of the Company's General Manager was held by Laura Križinauskienė.
Board of the Company:	As at 31 December 2022, the Board consisted of three members. The Members of the Board: Darius Šulnis – Chairman of the Board; Nerijus Drobavičius – Member of the Board; Vytautas Plunksnis – Member of the Board.

Major events in 2022

- **On 3 January 2022** it was announced that Nerijus Eidukevičius was appointed as CEO of the company Montuotojas whose 88% of shares are owned by INVL Baltic Sea Growth Fund.
- **On 6 January 2022** it was announced that the private debt fund Mundus Bridge Finance, majority of which is owned by INVL Asset Management, invests EUR 10 million into an alternative business financer Finpro.
- **On 12 January 2022** Invalda INVL announced increase of the authorised capital of INVL Life, the company which seeks for insurance company licence, from EUR 7.5 million to EUR 48 million.

- **On 20 January 2022** INVL Asset Management announced establishment of the INVL Alternative Investment Fund aimed at retail investors, with investments starting at EUR 5 thousand.
- **On 9 February 2022** the INVL Baltic Sea Growth Fund announced acquisition of the Latvian cosmetics producer B2Y.
- **On 1 March 2022** INVL Asset Management announced suspension of the sale, redemption and exchange of units of the INVL Russia ex-Government Equity Subfund.
- **On 9 March 2022** INVL Life, the company established by Invalda INVL, was granted by the Bank of Lithuania a licence to conduct life insurance activities.
- **On 1 April 2022** INVL Partner Global Infrastructure Fund I announced about raising USD 29.53 million. The Fund's units were distributed by INVL Family Office.
- **On 25 April 2022** it was announced that INVL pension funds invest EUR 10.3 million in the SB Modernization Fund established by Šiaulių Bankas, whose resources will be used to renovate 600 apartment buildings in Lithuania.
- **On 27 May 2022** INVL Asset Management announced liquidation of INVL Russia ex-Government Equity Subfund.
- **On 6 June 2022** INVL Renewable Energy Fund I announced about activities in Romania, where it plans to invest approximately EUR 120 million in the development of solar farms.
- **On 7 June 2022** INVL Baltic Sea Growth Fund announced about a renewed direction in the development of its environmental, social and governance (ESG) operations.
- **On 9 June 2022** INVL Asset Management closed its first managed fund that invested in forests INVL Baltic Forests Fund I, which earned investors an average annual return of 27.3%.
- **On 16 June 2022** INVL Partner Global Infrastructure Fund I announced that it raised an additional USD 8 million in the second placement of units. In total, the Fund already raised USD 37.495 million. The Fund's units were distributed by INVL Family Office.
- **On 23 June 2022** INVL Baltic Sea Growth Fund announced that it acquired the chain of veterinary clinics MiniVet.
- **On 28 June 2022** the private debt fund Mundus Bridge Finance announced that it had signed the agreement on a EUR 4 million bond programme with CityBee, a provider of car-sharing services owned by Modus Group.
- **On 1 July 2022** Invalda INVL completed the acquisition of Mandatum Life's life insurance business in the Baltic States.
- **On 20 July 2022** INVL Alternative Investment Fund announced about raising EUR 5.5 million.
- **On 9 August 2022** the fund that invests in forest and land INVL Sustainable Timberland and Farmland Fund II (STAFF II) announced that it had raised a further EUR 22.9 million and reached a size of EUR 81.3 million.
- **On 17 August 2022** INVL Partner Global Infrastructure Fund I announced new offering phase for fund units.
- **On 22 August 2022** it was announced that Sven Jürgenson will lead the Estonian branch of INVL Life.
- **On 31 August 2022** INVL Asset Management redeemed a part of investment units from INVL Russia ex-Government Equity Subfund from all subfund participants.
- **On 1 September 2022** Ecoservice, an environmental management company in Lithuania, indirectly controlled by INVL Baltic Sea Growth Fund, announced that it acquired 100% of shares of the company Mano aplinka plius.
- **On 8 September 2022** INVL Renewable Energy Fund I announced a new offering period for its fund units.
- **On 12 September 2022** Šalnupis, the company indirectly controlled by the fund that invests in forest and land INVL Sustainable Timberland and Farmland Fund II received FSC sustainable forestry certificate.
- **On 15 September 2022** PET Baltija, the recycler of PolyEthylene Terephthalate (PET) controlled by INVL Baltic Sea Growth Fund, announced acquisition of 100% of shares of a Czech fibre producer TESIL Fibres.
- **On 19 September 2022** INVL Partner Global Infrastructure Fund I announced that it raised an additional USD 1.895 million.
- **On 22 September 2022** medical clinic network InMedica, 45% shares of which are owned by INVL Baltic Sea Growth Fund through its subsidiary BSGF Sanus, announced that it signed an agreement to acquire Vilniaus implantologijos centro klinika (VIC clinic).
- **On 23 September 2022** INVL Renewable Energy Fund I signed to two agreements for the acquisition of six solar projects in Romania with a total capacity of 102.7 megawatts (MW).
- **On 3 October 2022** INVL signed a cooperation agreement with Klaipėda University's (KU) Future Fund on managing its portfolio of endowment capital.
- **On 7 October 2022** INVL Family Office started distribution of the investment units of INVL Partner Global Infrastructure Fund I.
- **On 10 October 2022** INVL Renewable Energy Fund I concluded an agreement on the acquisition of a solar farm project in Romania with a capacity of 174 megawatts (MW).
- **On 10 October 2022** the chain of medical clinics InMedica signed an agreement to purchase the family medical clinic chain Medicinos paslaugų centras UAB (MPC) operating in Vilnius.
- **On 11 October 2022** MiniVet, INVL Baltic Sea Growth Fund portfolio company in Lithuania, announced about investing in the network of veterinary services LuxVet in Poland.
- **On 22 November 2022** INVL Renewable Energy Fund I announced about raising an additional EUR 18.3 million from investors and reaching a total size of EUR 52.9 million.
- **On 22 November 2022** Invalda INVL and Šiaulių bankas signed an agreement to merge their retail businesses.

- **On 23 November 2022** InMedica announced that it acquired the Klaipėda dental clinic Danta.
- **On 14 December 2022** the shareholders of Moldova-Agroindbank, Moldova's commercial bank, one of which is Invalda INVL, in the extraordinary general meeting adopted a decision to prepare an initial public offering (IPO) and list the shares of the bank on the Bucharest Stock Exchange.
- **On 19 December 2022** INVL Partner Global Infrastructure Fund I announced about raising USD 1.28 million from investors.
- **On 23 December 2022** INVL Baltic Sea Growth Fund announced that it completed the acquisition medical treatment centres Nemunas and Eglė in Birštonas.

Significant events after the end of the financial year

- **On 2 January 2023** INVL group announced that it signed an agreement to acquire the remaining shares of the asset management company Mundus which controls the private debt fund.
- **On 17 January 2023** plastic recycler Nordic Plast, belonging to Eco Baltia, which is backed by INVL Baltic Sea Growth Fund, announced about investment of EUR 2.8 million into a new sorting line.
- **On 19 January 2023** INVL Group announced that it launched a new feeder fund which will invest the target size of EUR 20 billion in EQT X fund established by EQT.
- **On 23 January 2023** Eco Baltia group, backed by INVL Baltic Sea Growth Fund, announced that it acquired 100% of shares of the Latvian street and road maintenance provider Pilsētas Eko Serviss (Pekos) through a subsidiary.
- **On 23 January 2023** the private debt fund Mundus Bridge Finance, which is backed by the company Mundus, belonging to INVL group, announced about signing a 3-year agreement with Finto Capital, the Latvian consumer financing company, on the acquisition of EUR 7 million of bonds. During the signing of the agreement, the fund concluded a first transaction to acquire bonds with a value of EUR 830 thousand.
- **On 24 January 2023** it was announced that Mundus, the private debt fund management company that is part of INVL, will be led by Viktorija Vaitkevičienė.
- **On 1 February 2023** Eco Baltia started distribution of the first issue of bonds. It seeks to distribute up to EUR 8 million of unsecured fixed-rate bonds.
- **On 10 February 2023** INVL Asset Management, part of INVL group, announced that it completed a transaction to acquire the shares of Mundus, an asset management company which manages a private debt fund.
- **On 13 February 2023** Eco Baltia group announced issuance of 3-year bonds with the value of EUR 8 million.
- **On 17 February 2023** Moldova-Agroindbank, Moldova's commercial bank, whose shareholder is Invalda INVL, announced that it earned unaudited net profit of EUR 56.8 million in 2022.
- **On 22 February 2023** the shareholders of Invalda INVL approved, in the extraordinary general meeting, the deal with Šiaulių bankas to merge their retail businesses.
- **On 25 February 2023** INVL Life announced its intention to transfer all of its rights and obligations under all life insurance contracts concluded in Lithuania to SB draudimas UAB.
- **On 28 February 2023** InMedica group announced acquisition of odontology clinic RVL in Panevėžys.
- **On 1 March 2023** INVL Asset Management introduced traditional Lithuanian Investment Index, which captures the annual returns on the country's main asset classes: stocks, bonds, rental housing, and deposits. The Lithuanian Investment Index increased 3.3% in 2022 and has risen every year for the last 11 years.
- **On 8 March 2023** InMedica group completed acquisition of Vilniaus implantologijos centro klinika. The transaction was completed after obtaining clearance from the Lithuania's Competition Council.
- **On 13 March 2023** INVL Baltic Sea Growth Fund-backed Eglės Sanatorija acquired a rehabilitation services company Reabilita.lt in Vilnius.
- **On 20 March 2023** the INVL Partner Global Infrastructure Fund I, which invests in the infrastructure fund of a long-standing world-class asset manager, attracted an additional USD 1.675 million from investors.
- **On 21 March 2021** INVL Baltic Fund, managed by INVL Asset Management, was recognized in the prestigious Refinitiv Lipper Fund Awards 2023 in Germany as Best Equity Emerging Markets Europe Fund Over 3 Years.
- **On 29 March 2023** the INVL Partner Private Equity Fund I sub-fund for informed investors that invests in EQT global fund raised EUR 18.45 million.

Objective overview of the Company's financial position, performance and development

The Company's core line of business is the management of financial assets on behalf of customers. INVL Asset Management manages pillar II and pillar III pension funds as well as investment funds, customer investment portfolios and alternative investments. The Company provides asset management services to both retail clients and Lithuanian and foreign professional and institutional investors. Most of the assets are attributed to pillar II pension funds which invest based on the life cycle strategy by broadly diversifying assets in global share and bond markets.

Pension funds

2022 was not a good year for pension funds as capital markets went through correction. Unusually, not only riskier asset classes such as equities, but also bonds, which are considered to be safer, suffered corrections in 2022. For example, the global equity index MSCI World fell by 17.7% year-on-year, while the investment-grade bonds index Bloomberg Global-Aggregate declined by 16.2% (in dollars of return). The negative market sentiment was mainly due to extremely high inflation, rising interest rates, the energy price crisis and geopolitical tensions.

To summarize the results of pillar II pension funds, during 2022, the prices of INVL pension funds units fell by 9.0 to 11.0%.

The majority of alternative investments is concentrated in the Baltic countries.

Company's information based on data from various sources

Pillar II pension fund	Data for 2022		
	Change in the value of the fund's unit, %	Change in the value of the benchmark index, %	Change in the value of the fund's unit since launch, %
INVL Pension 1954–1960	-10.62	-16.26	-0.05
INVL Pension 1961–1967	-10.82	-17.60	16.91
INVL Pension 1968–1974	-9.88	-14.80	36.26
INVL Pension 1975–1981	-9.91	-12.37	43.68
INVL Pension 1982–1988	-10.03	-12.37	42.88
INVL Pension 1989–1995	-10.29	-12.37	42.95
INVL Pension 1996–2002	-10.97	-12.37	41.90
INVL Pension Asset Preservation Fund	-9.33	-10.12	4.34

As at 31 December 2022, net assets of pillar II pension funds managed by the Company amounted to EUR 796 million, or 0.17% more than a year ago (EUR 795 million as at 31 December 2021).

At the end of 2022, the number of participants of pillar II pension funds managed by the Company was 175 thousand compared to 2021, i.e. the number of participants of pillar II pension funds increased by 6 thousand in a year (the number of participants of pillar II pension funds was 169 thousand as at 31 December 2021).

At the end of 2022, the total assets managed in the supplementary voluntary pension accumulation pension funds (pillar III) of the Company amounted to EUR 90 million, or 11.5% more than a year ago (EUR 80.8 million). The number of participants reached 30 thousand (26.3 thousand a year ago).

The table below presents changes in the value of the unit of pillar II pension funds and net assets managed.

Fund	Accounting unit value in EUR		Net asset value in EUR	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
INVL Pension 1954–1960	0.9995	1.1182	20,544,272	25,611,635
INVL Pension 1961–1967	1.1691	1.311	105,288,298	110,086,054
INVL Pension 1968–1974	1.3626	1.512	163,657,042	168,866,658
INVL Pension 1975–1981	1.4368	1.5948	192,641,482	196,316,476
INVL Pension 1982–1988	1.4288	1.5881	183,849,777	180,070,137
INVL Pension 1989–1995	1.4295	1.5935	100,566,184	91,015,654
INVL Pension 1996–2002	1.419	1.5939	22,040,501	16,093,169
INVL Pension Asset Preservation Fund	1.0434	1.1508	7,788,988	6,954,642
Total pillar II pension funds:	**-**	**-**	**796,376,544**	**795,014,425**

The table below presents changes in the value of the unit of pillar III pension funds.

Pillar III pension fund	Brief investment strategy of the fund	Data for 2022		
		Change in the value of the fund's units, %	Change in the value of the benchmark index,%	Change in the value of the fund's unit since launch, %
INVL STABILO III 58+ Pension Fund	Low risk	-11.92	-18.7	62.81
INVL MEDIO III 47+ Pension Fund	Medium risk	-11.98	-19.24	93.89
INVL Drąsus Pension Fund	Higher risk	-7.02	-15.61	47.17
INVL EXTREMO III 16+ Pension Fund	Higher risk	-11.01	-12.37	166.85
INVL Apdairus Pension Fund	Higher risk	-18.07	-20.85	19.44

The table below presents the values of the unit of pillar III pension funds and net assets managed.

Fund	Accounting unit value in EUR		Net asset value in EUR	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
INVL STABILO III 58 + Pension Fund	0.4715	0.5353	11,714,825	13,105,488
INVL MEDIO III 47+ Pension Fund	0.5615	0.6379	16,865,486	15,491,514
INVL Drąsus Pension Fund	0.4262	0.4584	8,235,505	7,037,186
INVL EXTREMO III 16+ Pension Fund	0.7728	0.8684	49,863,194	41,374,843
INVL Apdairus Pension Fund	0.3459	0.4222	3,467,144	3,824,965
Total for voluntary accumulation pension funds:	**-**	**-**	**90,146,154**	**80,833,996**

Management of closed-end investment companies

Currently INVL Asset Management UAB manages two alternative investment companies: INVL Technology, the aim of which is to invest into IT companies operating in the region, and INVL Baltic Real Estate, which manages commercial real estate in Lithuania and Latvia. These are both closed-end investment companies (CEIC).

INVL Technology did not pay dividends in 2022, while INVL Baltic Real Estate allocated EUR 967 thousand dividends for 2021, by allocating EUR 0.12 per share.

The table below presents information on CEIC share prices and capitalisation as at 31 December 2022 and 31 December 2021.

Company	Share price at 31 December 2022	Share price at 31 December 2021	Assets managed at 31 December 2022*	Assets managed at 31 December 2021*
CEIC INVL Technology	2.16	2.74	26,068,008	33,360,380
CEIC INVL Baltic Real Estate	2.14	2.33	17,251,426	18,783,095
			43,319,434	**52,143,475**

Management of private equity and alternative collective investment undertakings

The closed-end umbrella investment subfund intended for informed investors INVL Partner Energy and Infrastructure started its activities from 2017.

The closed-end private equity investment fund intended for professional investors INVL Baltic Sea Growth Fund started its operations on 25 June 2018 after the approval of its establishment documents by the Bank of Lithuania.

INVL Special Opportunities Fund – the subfund of the closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund I started its activities on 24 July 2018 after the approval of its establishment documents by the Bank of Lithuania.

INVL Baltic Sea Growth Capital Fund – the subfund of the closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund II started its activities on 22 October 2018 after its establishment documents were approved by the Bank of Lithuania.

INVL Partner Global Distressed Debt Fund I – the subfund of the closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund I started its activities on 14 September 2020 after its establishment documents were approved by the Bank of Lithuania.

INVL Sustainable Timberland and Farmland Fund II – the subfund of the closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund I started its activities on 5 October 2020 after its establishment documents were approved by the Bank of Lithuania.

Sub-fund of the INVL Alternative Assets Umbrella Fund, a closed-ended composite investment fund for informed investors INVL Renewable Energy Fund I started its operations on 19 July 2021 after the rules of the fund were approved by the Bank of Lithuania.

Sub-fund of the INVL Alternative Assets Umbrella Fund II, a closed-ended composite investment fund for informed investors INVL Partner Global Infrastructure Fund I started its operations on 15 November 2021 after the rules of the fund were approved by the Bank of Lithuania.

Fund	Value of the unit at 31 December 2022, Eur*	Value of the unit at 31 December 2021, Eur*	Assets managed at 31 December 2022, Eur	Assets managed at 31 December 2021, Eur
Closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund I:			**220,234,218**	**157,170,064**
Subfund INVL Baltic Forests Fund I	-	286.2518	-	125,637
Subfund INVL Special Opportunities Fund	320.3013*****	434.0852	9,224,913	12,501,974
Subfund INVL Baltic Sea Growth Capital Fund	177.7457 class A 180.0442 class B	141.2013 class A 140.6308 class B	45,306,000** class A 15,000,000 class B	45,306,000** class A 15,000,000 class B
INVL Partner Global Distressed Debt Fund I	109.8954 class A 110.0827 class B 110.5006 class C	101.8905 class A 101.9659 class B 102.5543 class C	6,155,336***	3,686,453***
INVL Sustainable Timberland and Farmland Fund II-Capital Fund	1278.5551 class A 1383.8429 B/11-2020 series 1406.4591 B/06-2021 series 1370.0169 B/12-2021 series 1373.7266 B/01-2022 series 1372.4342 B/08-2022 series 0.1551 class P	1125.0896 class A 1226.9550 B/11-2020 series 1252.6095 B/06-2021 series 0.0678 class P	56,120,000**	45,905,000**
INVL Renewable Energy Fund I	103.7539 class A 100.000 class B 111.8266 class C	97.1092 class A 99.0758 class B 99.0758 class C	51,658,000** class A 270,000 class B 1,000,000 class C	33,375,000** class A 270,000 class B 1,000,000 class C
INVL Partner Global Infrastructure Fund I	93.6803 class A 93.7008 class B 93.7173 class C	-	18,679,849**** class A 12,134,257**** class B 4,685,863**** class C	-
Closed-end umbrella investment fund intended for informed investors INVL Alternative Assets Umbrella Fund II;			**10,571,384**	**12,028,605**
Subfund INVL Partner Energy and Infrastructure Fund	129.2965	117.7607	10,571,384	12,028,605
Closed-end private capital investment fund intended for professional investors INVL Baltic Sea Growth Fund (BSGF)	**159.7528 class A 100.00 class B 177.8572 class C**	**126.2388 class A 100.00 class B 135.5523 class C**	**164,709,750**	**164,709,750**
Investment of INVL Baltic Sea Growth Capital Fund Subfund into INVL Baltic Sea Growth Fund			(60,306,000)	(60,306,000)
INVL Alternative Assets Umbrella Fund, SCSp SICAV-RAIF subfund INVL Sustainable Timberland and Farmland Fund II			**81,289,000**	**51,685,000****
INVL Sustainable Timberland and Farmland Fund II-Capital Fund investment into INVL Sustainable Timberland and Farmland Fund II			(55,859,000)	(40,705,000)
			360,639,352	**284,582,419**

* Unit values of all funds are calculated from funds NAV
** investors' obligation to invest is shown as management fees are calculated from the obligation to invest
*** called amount translated into euros
**** Unit class NAV before management fee
***** NAV value at 30/09/2022

Harmonised and special investment funds

With effect from 1 March 2022, in view of restrictions on trading on the Moscow Exchange (MOEX), which prevent trading and/or proper valuation of some of the securities comprising the investment portfolio of the INVL Russia ex-Government Equity Subfund, and seeking to protect the interests of participants, we have suspended the sale, redemption and exchange of units of the INVL Russia ex-Government Equity Subfund, as well as the execution of submitted orders. The liquidation of the sub-fund is currently in progress.

In July 2022, the new INVL Alternative Investments Fund for retail investors was launched, raising EUR 5.5 million in investments at the time of its placement. 572 investors invested in the fund. It is the first INVL fund to give retail investors the ability to invest in a diversified portfolio of different alternative asset classes: land and forests, infrastructure, real estate, renewable energy and private equity. To reduce the risk of investments in any one asset class, the alternative investments chosen will be spread over different asset classes.

The table below presents the results of investment funds managed and the value of net assets:

Fund	Accounting unit value, EUR		Net asset value, Eur	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
INVL Global Emerging Markets Bond Subfund	104.7314	121.611	6,800,453	8,077,819
INVL Emerging Europe Bond Subfund	37.1962	43.1685	7,272,050	9,648,824
INVL Emerging Europe Bond Fund	Class I: 84.95 Class R: 83.53	Class I: 98.12 Class R: 98.44	30,716,341	29,415,728
Investment of the INVL Emerging Europe Bond Subfund into the INVL Emerging Europe Bond Fund			(7,057,549)	(9,529,104)
INVL Russia ex-Government Equity Subfund[1,2]	15.3635	42.2203	332,813	5,845,516
INVL Baltic Fund	49.5541	49.531	9,923,566	10,489,291
Alternative Investments Fund	100.252	-	5,479,365	-
Total for investment funds:	**-**	**-**	**53,467,039**	**53,948,074**

[1] The title of the fund changed. Until 29/06/2021 the title of the fund was INVL Russia TOP20 Subfund.
[2] The Fund is suspended. Unit value and net asset value as at 30 August 2022.

Management of financial instruments portfolios

At the end of 2022, the Company managed financial instruments portfolios of 79 customers, while at the end of 2021 the Company managed financial instruments portfolios of 73 customers. The value of the portfolios under management increased by 43.4% during one year – from EUR 99.82 million to EUR 143.11 million.

The assets managed under management of portfolios increased due to increased assets managed of institutional customers.

Development prospects

The main objective of the Company is to ensure a successful management of customers' funds. We believe that our focus on the creation of wealth for our customers will enable us to increase the size of customer portfolio in 2023. This year, we will continue focusing on the improvement of customer services, new customer service channels and also launching the new products, which, in our expectations, will allow to significantly increase the number of customers who will entrust their asset management to us. In addition, we will prepare for the implementation of the retail merger transaction with Šiaulių bankas.

Analysis of financial and non-financial performance

2022 was a challenging year for global financial markets. The large-scale Russian war in Ukraine, which started at the beginning of the year, had a wide-ranging negative impact on the European and Lithuanian economies. The war-induced rise in natural resource prices and the resulting spike in electricity prices have led to inflation in Europe and Lithuania that has not been seen in many years. Central banks of the countries started to raise base interest rates to curb the rising inflation. Increased uncertainty about future economic developments and rising base interest rates led to significant price fluctuations in stock and bond markets. The bond market was particularly sensitive, with rising yields contributing to an uncharacteristic fall in prices in this asset class. In the last quarter of the year, the situation stabilised and stock and bond prices recovered slightly, but did not regain their value at the beginning of the year.

Despite these challenges, the previous year was successful for the Company. Thanks to stable inflows into pension fund products and successful placements of alternative products, the Company's total assets under management grew by around 10% and asset management income grew by 11%. The decrease in total income compared to 2021 was due to the success fees received in 2021 following the completion of significant divestments in the real estate and forest asset classes.

The assets of the largest product by assets under management, pillar II pension funds, remained stable despite the significant drop in financial market prices, while in pillar III the value of assets grew by 12% despite the drop in financial asset prices, as the clients of this product were loyal and their contributions remained stable.

Portfolios' assets under management also grew significantly, by as much as 43%.

The area of alternative fund management saw the successful second offering of the INVL Sustainable Timberland and Farmland Fund II in August 2022 after which the amount of investments raised to this fund increased up to EUR 81 million (2022: increase by EUR 30 million), additional offering in November 2022 of the INVL Renewable Energy Fund I which invests in renewable energy objects in the European Union, which increased the amount of investments raised to this fund by EUR 18 million up to EUR 53 million, and raising of funds of EUR 35 million to feeder INVL Partner Global Infrastructure Fund I in December 2022 meant that assets from alternative products in 2022 grew by 20% from EUR 337 million up to EUR 406 million. During 2022, the INVL Sustainable Timberland and Farmland Fund II continued successful investments in forests and agricultural land in Lithuania and Latvia. The Company's biggest alternative fund INVL Baltic Sea Growth Fund continued to expand its portfolio of managed investments, both through previous investments (InMedica and EcoBaltia, both managed by the Fund, expanded their activities through acquisitions of companies operating in the same sector) and by directly acquiring new investments. The Fund's largest investment was completed in December 2022 with the acquisition of Birštonas Nemunas and Eglė Sanatorium.

During the previous year, the Company generated profit of EUR 836 thousand. The assets accounted for in the Company's statement of financial position as at 31 December 2022 amounted to EUR 18.3 million.

The key performance indicators of the Company are presented in the table below.

Items	31 December 2022 (in EUR)	31 December 2021 (in EUR)	Change
Commission, management and service income	11,671,148	13,205,678	-11.62%
Profit/(loss) before tax	340,554	4,998,721	--93.17%
Net profit/(loss)	579,873	4,750,079	-87.79%
Assets	18,000,193	18,797,936	-4.24%
Shareholders' equity	12,300,178	13,582,572	-9.44%
Book value per share	0.65	0.72	-9.72%
Indicators	**At 31 December 2022**	**At 31 December 2021**	
Net profit margin	4.97%	36%	*
Return on assets (ROA)	3.22%	25%	*
Return on equity (ROE)	4.71%	35%	*

In 2022, the Company paid EUR 2,000,000 of dividends.

References to and additional explanations of data reported in the annual financial statements

The information in the annual financial statements is provided in sufficient detail; therefore, references and additional explanations are not provided.

Description of the Company's exposure to key risks and contingencies

The main risks to which the Company is exposed in its activities include credit risk, operational risk, liquidity risk and market risk which in turn includes interest rate risk, the risk of fluctuations in security prices and foreign exchange risk.

Credit risk. It is a risk that the other party will default on its liabilities to the Company. The Company applies measures to ensure on a continuous basis that transactions are concluded with credible parties and do not exceed the credit exposure limit established. The Company has not issued guarantees to secure the fulfilment of obligations of other parties.

Operational risk. Operational risk is defined as an exposure to potential direct and/or indirect losses that may occur from inadequate or unimplemented internal control processes, errors and/or illegal actions of employees and IT system disruptions or external events. Operational risk is managed by the internal control function implemented at the Company, by establishing procedures limiting potential exposure to risks and preparing business continuity plans, by obtaining insurance for the Company's property, plant and equipment, by assessing the level of acceptance of services provided, by implementing the functions on product and service pricing management and reallocation of internal resources, analysing internal processes and procedures and identifying risk factors and evaluating the adequacy of their control.

Liquidity risk. It is a risk of failure to fulfil the Company's payment obligations in a timely manner. The Company manages its liquidity risk by maintaining a sufficient amount of cash and cash equivalents, or ensuring the availability of financing, fulfilment of established commitments through an adequate amount of committed credit facilities or other borrowing instruments.

Market risk. It is a risk for the Company to incur losses due to fluctuations in market variables. The Company is mainly exposed to interest rate risk, the risk of fluctuations in security prices and foreign currency risk. The debts of the Company were short-term; therefore, interest rate risk is considered as insignificant. The Company also had no financial instruments designated to control the risk of interest rate fluctuations. The Company has invested a part of its financial funds into equity securities and units of the funds it manages. Before reaching the decision on investing own funds, the Company assesses the risk and liquidity levels of the investment and its compliance with investment objectives. As mainly all of the Company's operations are conducted in euros, open foreign currency positions are insignificant. The Company's foreign exchange risk is insignificant.

Exposure to financial risk and its management objectives

The Company manages its financial risk in the manner described in the annual financial statements. Exposure to financial risk is also described in these financial statements. In performing risk assessment and managing its operations, the Company follows the principles of prudence, conservativeness and precaution.

Personnel management policy

As at 31 December 2022, the number of the Company's actually working employees (excluding employees on parental leave) was 179 (31 December 2021: 134). Due to the nature of the INVL Group's business, out of 179 employees, 110 are employed under a multi-employer contract (the main employer of 55 employees is INVL Financial Advisors UAB FMĮ, and of 8 employees is INVL Life, a private limited liability insurance company). Conditions and opportunities are created for employees to acquire the financial broker or equivalent licence. 11% of employees with INVL Asset Management UAB as their main employer, i.e. 12 employees who work 100% at the Company, have the financial broker or equivalent licence. Professional development of employees was conducted based upon the needs of employees and development of their mandatory competences. The data in the table below are presented for all employees of the Company, not limited to those working 100%.

The Company has approved the policies with respect to employees whose professional activity and/or decisions made may have a significant impact on the Company's exposure to risks, including the Company's executive employees, members of managerial bodies, employees carrying out control functions and other employees who receive remuneration attributed to the remuneration category of the Company's management personnel (hereinafter jointly 'risk-assuming employees') ('the Remuneration Policy') which meet the requirements of the Law on Collective Investment Undertakings, the Law on Managers of Alternative Collective Investment Undertakings and other legal acts. As at 31 December 2022, the number of risk-assuming employees, other than those who work 100%, was 46. Considering the requirements of Article 37 (3) of the Law on Companies of the Republic of Lithuania, special closed-end type real estate investment company INVL Baltic Real Estate and special closed-end private equity investment company INVL Technology ("CEIC") shall approve remuneration policy, it is determined that the Company's policy is applicable at the CEIC, except for members of the Supervisory Board of the CEIC for whom separate remuneration policies of a CEIC Supervisory Board member are applied as prepared by the CEIC.

The remuneration policy is approved and amended by the Company's Board. Services of external advisers were not used in preparing the Remuneration Policy, there is no contribution from stakeholders. Considering the size of the Company, organisational structure and profile, scope and complexity of activities, the remuneration committee is not formed at the Company. The amount of a monthly service pay of the General Manager, and other employees who are subordinate (accountable) to the Company's Board or to the staff responsible for risk management and regulatory compliance under the direct supervision of the Board in accordance with the management structure approved by the Company's Board is established based on the Board's decision. For all other employees the amount of a monthly service pay is set by the decision of the Company's General Manager in accordance with the requirements applicable to the job position as well as the nature of work, qualification and skills of the employee, his/her experience and personal performance. The monthly salaries set for all the Company's employees are set out in employment contracts between the Company and the employee.

The employee's fixed remuneration consists of a monthly service pay, employer's taxes and additional benefits that are allocated to the employee irrespective of his/her performance and paid to all employees who meet the criteria established in accordance with the procedure set at the Company (e.g. pension contributions to voluntary pension funds). In addition to a monthly service pay or remuneration received in other form, an incentive may be paid, i.e. a bonus which is subject to the same procedure which is applied to the variable remuneration part. This procedure is set in the legislation regulating the activities of asset management. The bonus is allocated depending on the fulfilment of the Company's annual business plan and/or budget, fulfilment of annual targets set for the employee's division and/or team and fulfilment of the employee's individual plans and tasks indicated in the employee's individual performance assessment plan. A monthly service pay is established in a manner to ensure proper proportions of a monthly service pay and bonus. A monthly service pay represents a relatively large portion of the employee's overall remuneration thus enabling the Company to implement flexible promotional policies.

The bonus is paid to risk-assuming employees according to the following schedule:

- The portion equal to 60% of the bonus is paid as a lump sum in accordance with the procedure and within the time limits set in the order of the Company's General Manager;

- The remaining portion of the bonus (i.e. the remaining 40%) is paid to the employee within three years in accordance with the pro rata principle, i.e. the deferred part of the bonus is distributed proportionately throughout the deferral period; the payment is not made earlier than one year after the end of the employee's performance assessment and paid at the annual intervals to complete the payment of a proportionally calculated part of the bonus. In individual cases the competent body of the Company, which makes a decision on the allocation of the bonus, has the right to decide on a longer deferral period (usually not longer than five years), considering the business cycle of the Company and/or respective collective investment undertaking or the pension fund, its activity profile, risks assumed by the employee and results of activities as well as other criteria set forth in legal acts.

The previously set deferral period is not applied if the annual bonus allocated to an employee comprises up to 20% of the annual monthly service pay and is lower than EUR 15,000 (2021: EUR 8,000). In such case, the entire amount of the bonus is paid as a lump sum following the procedure and deadlines set by the order of the Company's General Manager or the decisions of the Company's Board. The same procedure is applicable and the bonus is paid to employees who are not considered risk-assuming employees.

The bonus, including a deferred part thereof, can be allocated and/or paid to the employee only if the Company's financial position is sustainable, considering the results of operations of the Company and/or the Company's unit and only in case the results of the employee's annual individual performance assessment are positive. The individual performance assessment of the employee also takes into consideration non-financial and behavioural (soft) criteria, such as compliance with the Company's internal rules and procedures, communication with customers and investors, observance of rules and professional development, etc. In paying bonuses or applying other incentive measures to employees the Company ensures that their payment (allocation) is not linked with sales of a specific collective investment undertaking or financial instrument. If the results of the Company's financial activities of a respective year are negative or the Company fails to achieve the business objectives set, the Company has the right to make a decision not to pay the bonus or a part thereof, to defer payment or to reduce the amount of the bonus allocated earlier as well as reduce the payment of such amounts previously earned by defining in advance the period of such non-payment, deferral or reduction. Such adjustment or deferral was not applied in the reporting period.

The bonus is usually paid in cash. Following the proportionality principle, the Company does not apply the requirement to pay a certain part of the bonus in financial instruments. However, if such a possibility is offered by the Company and the employee makes such a request, the bonus may be replaced with other incentive measures – granting financial instruments or their equivalents (share options, payments into a private pension fund). The abovementioned deferral is also applied when an employee is awarded other incentive measures than a bonus payment in cash.

In 2022, no employment termination benefits were paid out to risk-assuming employees (in 2021, not termination benefits were paid out to risk-assuming employees).

Bonuses of 2022 will be allocated in 2023, following the approval of the financial statements for 2022.

The distribution of remuneration and incentives allocated and paid in 2022 is presented below:

	Number of employees*	Annual fixed remuneration (including taxes), EUR	Variable remuneration (bonuses)**		Remaining allocated deferred variable remuneration (bonuses), EUR
			In cash and contributions to pension funds, EUR	In share-based financial instruments, EUR	
Management personnel	4	377,172	47,525	53,062	49,304
Risk-assuming employees, except for the Board members and management personnel	30	2,141,078	289,592	48,012	245,732
Employees	154	3,481,748	312,979	28,802	100,957
Total:	**188**	**5,999,998**	**650,096**	**129,876**	**395,993**

* Weighted average
** For the purpose of information disclosure, meets the definition of the bonus, as described above, and comprises the part of variable remuneration allocated for the previous year, which was paid/due in the financial year. Reduction of the deferred variable remuneration (bonus) for 2017–2022, by adjusting according to activity results, was not applied during the reporting period.

The remaining allocated deferred variable remuneration (bonus) in the table above comprises the entire allocated part which was not paid by 31 December 2022. Based on the Company's variable remuneration policy, part of this remuneration was recognised as the Company's costs and liabilities or share-based payment reserve before 31 December 2022. The part of variable remuneration (bonus) calculated for the year 2022 but which will be allocated only after the issue of the financial statements, is not included in the amounts in the table above. More details are provided in Notes 16 and 17 of the financial statements.

The Company's operation plans and prospects

In the field of retail investment product management (pension funds, investment funds), in 2023 the Company will focus on the implementation of the merger of its retail business with Šiaulių bankas to become a leading financial organisation providing saving and investment solutions to retail customers, offering the Company's customers opportunities to manage their long-term savings in an efficient and convenient manner.

The Company also plans to launch another closed-end special investment fund intended for retail customers and investing in alternative investments in 2023.

In the area of private equity investment management, the Company plans to implement one more stage of funds raising into the alternative fund investing into forestry and land assets INVL Sustainable Timberland and Farmland Fund II, which was established in 2021, and to invest the funds raised by this fund to attractive timberland and farmland units. In the activities of the INVL Baltic Sea Growth Fund, the Company will continue to invest the funds raised by extending the portfolio of the companies managed by this fund. In 2023, the Company plans to establish one more fund, investing into a third-party product attractive to customers.

Information on the positions held by members of the management and their main workplace

Information on other managing positions held by the head of the Company and members of the board, and information on their main employment is provided below:

Laura Križinauskienė – General Manager of the Management Company

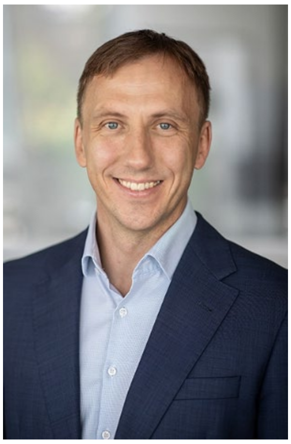
Main workplace – INVL Asset Management UAB (company code: 126263073, address: Gynėjų St. 14, Vilnius), General Manager.

Involvement in activities of other companies: INVL Financial Advisors UAB FMĮ (company code: 304049332, address: Gynėjų St. 14, Vilnius), Member of the Board; IPAS INVL Asset Management (investment management joint-stock company, company code: 40003605043, address: Kronvalda bulvāris 3-3, Riga, Latvia), Member of the Supervisory Board; AS INVL atklātajs pensiju fonds (company code 40003377918, address: Kronvalda bulvāris 3-3, Riga, Latvia), Member of the Supervisory Board.

Darius Šulnis – Chairman of the Board of the Management Company

Main workplace – Invalda INVL AB (company code: 121304349, address: Gynėjų St. 14, Vilnius), President.

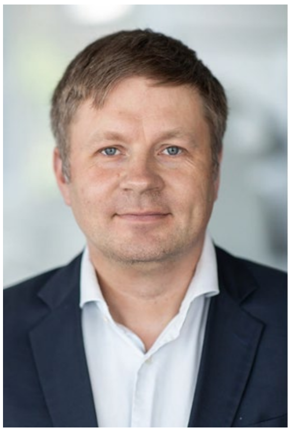
Involvement in activities of other companies: Šiaulių bankas AB (company code: 112025254, address: Tilžės St. 149, Šiauliai), Member of the Supervisory Board; Litagra UAB (company code: 304564478, address: Savanorių Ave. 173, Vilnius), Member of the Board; INVL Asset Management UAB (company code: 126263073, address: Gynėjų St. 14, Vilnius), Chairman of the Board; INVL Asset Management UAB (company code: 126263073, address: Gynėjų St. 14, Vilnius), Member of the Investment Committee of the managed fund INVL Baltic Sea Growth Fund; FERN Group AB (company code: 306110392, address: Granito St. 3-101, Vilnius), Chairman of the Supervisory Board.



Nerijus Drobavičius – Member of the Board of the Management Company

Main workplace – INVL Asset Management UAB (company code: 126263073, address: Gynėjų St. 14, Vilnius), Partner for Private Equity.

Involvement in activities of other companies: BSGF Sanus UAB (company code: 304924481, address: Gynėjų St. 14, Vilnius), Director; Reneso UAB (company code: 302941941, address: Gynėjų St. 14, Vilnius), Director; InMedica UAB (company code: 300011170, address: L. Asanavičiūtės St. 20-201, Vilnius), Chairman of the Board; MBL A/S (company code: 12825242, address: Glarmestervej 18, st. Silkeborg 8600 Denmark), Member of the Supervisory Board; MBL Denmark 2020 AS (company code: 41642068, address: Glarmestervej 18B, st. th, 8600 Silkeborg, Denmark), Member of the Supervisory Board; MBL Denmark AS (company code: 27386598, address: Glarmestervej 18B, st. th, 8600 Silkeborg, Denmark), Member of the Supervisory Board; MBL Poland Sp. Z.o.o. (company code: 0000065219, address: Sulejowska 45d, 97-300 Piotrkow Trybunalski, Poland), Member of the Supervisory Board; Salt Invest UAB (company code: 306193648, address: Gynėjų St. 14, Vilnius), Director; Salt Holding UAB (company code: 306193153, address: Gynėjų St. 14, Vilnius), Director; Namita UAB (company code: 301026531, address: Dvaro St. 123A, Šiauliai), Chairman of the Board; Eglės sanatorija UAB (company code: 152038626, address: Eglės St. 1, Druskininkai), Chairman of the Board; INVL Asset Management AB (company code: 126263073, address: Gynėjų St. 14, Vilnius), Member of the Investment Committee of the managed fund INVL Baltic Sea Growth Fund.



Vytautas Plunksnis – Member of the Board of the Management Company

Main workplace – INVL Asset Management UAB (company code: 126263073, address: Gynėjų St. 14, Vilnius), Head of Private Equity.

Involvement in activities of other companies: Eco Baltia AS (company code: 40103435432, address: Maskavas str. 240-3,Rīga, Latvia), Chairman of the Supervisory Board; SIA Eco Baltia vide (company code: 40003309841, address: Ropažu nov., Stopiņu pag., Rumbula, Getliņu iela 5, Latvia), Member of the Supervisory Board; UAB Ecoservice (company code: 123044722, address: Dunojaus St. 29, Vilnius, Lithuania), Chairman of the Board; special closed-end type private equity investment company INVL Technology (company code: 300893533, address: Gynėjų St. 14, Vilnius), Member of the Investment Committee; Norway Registers Development AS (company code: NO 985221405 MVA, address: Lokketangen 20 B, 1337 Sandvika, Norway), Member of the Board; NRD Companies AS (company code: NO 921985290 MVA, address: Lokketangen 20 B, 1337 Sandvika, Norway), Member of the Board; NRD Systems UAB (company code: 111647812, address: Gynėjų St. 14, Vilnius), Member of the Board; NRD CS UAB (company code: 303115085, address: Gynėjų St. 14, Vilnius), Member of the Board; Novian Systems UAB (company code: 125774645, address: Gynėjų St. 14, Vilnius), Chairman of the Board; BC MAIB SA (MAIB) (company code: 1002600003778, address: Constantin Tănase St. 9/1, Chisinau, Moldova), Chairman of the Supervisory Board; Investors Association (company code: 302351517, address: Konstitucijos Ave. 23, Vilnius), Chairman of the Board; SIA B2Y (company code: 40103243404, address: Maskavas 322A, 3.st, Riga, Latvia), Chairman of the Board.

Other required disclosures

The Company has no authorisations or commitments to issue or purchase its own shares. The Company is not engaged in any research and development activities.

General Manager Laura
Križinauskienė

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	Note	2022	2021
Revenue from contracts with customers	4	11,671,148	13,205,678
Other income	6	266,154	103,071
Net change in fair value of financial instruments measured at fair value through profit or loss	11	1,680,641	2,661,632
Employee benefits	5, 3.15, 3.16	6,920,243	6,427,910
Fees on fund distribution		1,340,945	833,090
Amortisation of costs for obtaining contracts with customers	10	371,639	361,403
IT maintenance and development expenses		1,002,596	611,689
Depreciation and amortisation	9, 10	345,507	257,023
Rent of premises and utility services		549,216	378,142
Advertising and other sales promotion expenses		350,238	289,070
Impairment, write-downs and provisions		-	-
Other expenses	7	2,357,625	1,748,018
Interest expenses (IFRS 16)	18	39,380	65,315
Operating profit (loss)		**340,554**	**4,998,721**
Profit/(loss) before tax for the reporting period		**340,554**	**4,998,721**
Income tax (expenses) / income	8	239,319	(248,642)
Net profit (loss) for the reporting period attributable to the Company's shareholders		**579,873**	**4,750,079**
Other comprehensive income		**-**	-
Total comprehensive income (expenses) for the year attributable to the Company's shareholders		**579,873**	**4,750,079**

The accompanying notes form an integral part of these financial statements.

These financial statements were signed and approved for issue on behalf of the Company by:

General Manager	Laura Križinauskienė	___________	31 March 2023
Chief Accountant	Dovilė Lukoševičienė	___________	31 March 2023

SEPARATE STATEMENT OF FINANCIAL POSITION

	Note	31 December 2022	31 December 2021
ASSETS			
Non-current assets			
Property, plant and equipment	9	381,809	176,889
Right-of-use assets	18	983,375	1,090,560
Intangible assets	10	141,658	1,564,201
Costs of obtaining contracts with customers	10	-	2,540,434
Investments in subsidiaries/associates	20	279,977	279,977
Financial assets at fair value through profit or loss	11	8,560,577	6,126,078
Other amounts receivable	12	161,145	-
Deferred income tax assets	8	506,093	491,706
Total non-current assets		**11,014,634**	**12,269,845**
Current assets			
Trade and other receivables	12	1,414,249	2,873,335
Assets from contracts with customers	12	55,339	1,266,422
Overpaid income tax		86,038	-
Prepayments and deferred costs	13	70,261	173,303
Cash and cash equivalents	14	106,650	2,215,031
Assets related to business held for sale	21	**5,253,022**	**-**
Total current assets		**6,985,559**	**6,528,091**
TOTAL ASSETS		**18,000,193**	**18,797,936**

SEPARATE STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	31 December 2022	31 December 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	15	5,452,000	5,452,000
Reserves	16	1,750,621	1,375,367
Retained earnings/(loss)		5,097,557	6,755,205
Total equity		**12,300,178**	**13,582,572**
Amounts payable and liabilities			
Amounts payable after one year and non-current liabilities			
Non-current portion of contract liabilities	19	-	1,326,275
Non-current portion of lease liabilities	18	723,182	900,012
Trade and other payables	17	30,284	94,365
Total amounts payable after one year and non-current liabilities		**753,466**	**2,320,652**
Amounts payable within one year and current liabilities			
Current portion of contract liabilities	19	-	184,426
Current portion of lease liabilities	18	327,535	303,633
Payable income tax		-	163,598
Trade and other payables	17	1,824,054	2,243,055
Liabilities related to business held for sale	21	**2,794,961**	
Total amounts payable within one year and current liabilities		**4,946,550**	**2,894,712**
TOTAL EQUITY AND LIABILITIES		**18,000,194**	**18,797,936**

General Manager	Laura Križinauskienė	____________	31 March 2023
Chief Accountant	Dovilė Lukoševičienė	____________	31 March 2023

SEPARATE STATEMENT OF CHANGES IN EQUITY

		Reserves			
	Share capital	Reserve for share-based payments	Legal reserve	Retained earnings (loss) restated	Total
Balance at 31 December 2020	**5,452,000**	**796,460**	**109,277**	**3,740,746**	**10,098,483**
Net profit/(loss) for the year (restated)	-	-	-	4,750,079	4,750,079
Share-based payments (Note 16)	-	378,010	-	-	378,010
Dividends paid	-	-	-	(1,644,000)	(1,644,000)
Legal reserve	-	-	91,620	(91,620)	-
Balance at 31 December 2021	**5,452,000**	**1,174,470**	**200,897**	**6,755,205**	**13,582,572**
Net profit/(loss) for the year	-	-	-	579,873	579,873
Share-based payments (Note 16)	-	137,654	-	79	137,733
Dividends paid	-	-	-	(2,000,000)	(2,000,000)
Legal reserve	-	-	237,600	(237,600)	-
Balance at 31 December 2022	**5,452,000**	**1,312,124**	**438,497**	**5,097,557**	**12,300,178**

General Manager Laura Križinauskienė ___________ 31 March 2023

Chief Accountant Dovilė Lukoševičienė ___________ 31 March 2023

SEPARATE STATEMENT OF CASH FLOWS

	Note	2022	2021
Cash flows from operating activities			
Net profit/(loss) for the year		579,873	4,750,079
Adjustments for non-cash items:			
Depreciation and amortisation	9, 10, 18	716,051	518,580
Dividend income	6	(195,824)	(103,071)
Interest income		(58,225)	-
Interest expense		39,380	65,315
Current year income tax expense/(income)	8	(239,319)	248,642
Unrealised/(gain) loss from financial instruments measured at fair value	11	(1,680,643)	(2,462,121)
Realised/(gain) loss from financial instruments measured at fair value	11	-	(199,512)
Share-based payments expenses	16	48,023	97,779
Expenses of bonuses	17	826,542	1,302,916
(Profit) loss from amendments to lease agreements		(35,578)	-
Amortisation of costs of obtaining contracts with customers	10	371,639	361,403
		371,919	**4,580,010**
Changes in working capital:			
(Increase)/decrease in trade and other receivables	12	2,156,689	(3,009,470)
(Increase)/decrease in other current assets	12	100,385	(138,259)
Increase/(decrease) in trade and other payables	17	(129,129)	(464,458)
Increase/(decrease) in contract liabilities	19	198,736	304,099
Income tax paid		(249,637)	(115,767)
Sale/(acquisition) of tax losses	8	-	-
Net cash flows from/(used in) operating activities		**2,448,963**	**1,156,155**
Cash flows from investing activities			
(Acquisition) of property, plant and equipment	9	(355,180)	(277,055)
Dividends received	6	195,824	103,071
Costs for obtaining contracts with customers		(551,737)	(454,881)
Loans granted		(2,384,000)	-
Loans recovered		2,234,000	
Investments in subsidiaries	20	-	-
Proceeds on disposal of financial assets		-	328,594
Acquisition of financial assets		(753,856)	(510,599)
Interest received	17	47,079	-
Net cash flows from/(used in) investing activities		**(1,567,870)**	**(810,870)**
Cash flows from financing activities			
Payments of lease liabilities	18	(380,710)	(229,346)
Interest payments	18	(39,380)	(65,315)
Dividends paid		(2,000,000)	(1,644,000)
Net cash flows from/(used in) financing activities		**(2,420,090)**	**(1,938,661)**
Net increase (decrease) in cash flows		**(1,538,997)**	**(1,593,376)**
Cash and cash equivalents at the beginning of the period		**2,215,031**	**3,808,407**
Cash and cash equivalents at the end of the period	14, 21	**676,034**	**2,215,031**

General Manager Laura Križinauskienė ___________ 31 March 2023

Chief Accountant Dovilė Lukoševičienė ___________ 31 March 2023

NOTES TO THE FINANCIAL STATEMENTS

1 General information

INVL Asset Management UAB ('the Company') is a private limited liability company registered in the Republic of Lithuania. The address of its registered office is as follows:

Gynėjų St. 14,

Vilnius,

Lithuania.

The Company was established and registered with the Register of Legal Entities on 21 July 2003 under the name of Finasta Investicijų Valdymas UAB. On 8 October 2009, the Company was renamed to Finasta Asset Management UAB.

On 27 March 2015, Finasta Asset Management UAB was renamed to INVL Asset Management UAB.

As at 31 December 2022, the sole controlling shareholder of the Company was Invalda INVL AB. The Company's authorised share capital totalled EUR 5,452,000 and it was divided into 18,800,000 ordinary registered shares with the par value of EUR 0.29 each.

As at 31 December 2022, the Company had 179 (31 December 2021: 134) employees.

The Company's activities are regulated by the Lithuanian Law on Collective Investment Undertakings and the Law on Managers of Alternative Collective Investment Undertakings of the Republic of Lithuania.

On 9 January 2004, the Securities Commission of the Republic of Lithuania issued an operating license No. VĮK – 005 to INVL Asset Management UAB of a management company operating in accordance with the Law on Collective Investment Undertakings, which was later supplemented. The licence issued permits the Company to perform the following operations:

- manage harmonised collective investment undertakings;
- manage collective investment undertakings investing into transferable securities;
- manage real estate collective investment undertakings;
- manage private capital collective investment undertakings;
- manage collective investment undertakings investing into other collective investment undertakings;
- manage portfolios of financial instruments of other entities;
- manage pension funds accumulated from a part of state social security contributions;
- manage portfolios of financial instruments in additional voluntary pension accumulation pension funds;
- consult on issues relating to investment into financial instruments;
- safe-keep and handle investment units of investment funds managed by other management companies or shares of investment companies;
- manage collective investment undertakings established in accordance with the Law on Collective Investment Undertakings Intended for Informed Investors.

On 02/10/2017 the Bank of Lithuania granted the Company the licence (No 3) of a management company operating in accordance with the Law on Managers of Alternative Collective Investment Undertakings of the Republic of Lithuania. Under the licence the Company is authorised to engage in the following activities:

- manage portfolios of collective investment undertakings intended for informed investors, including collective investment undertakings intended for professional investors;
- manage portfolios of financial instruments of other entities;
- manage additional voluntary pension accumulation pension funds;
- safe-keep and handle investment units or shares of collective investment undertakings;
- manage pension funds accumulated from a part of state social security contributions;
- consult on issues relating to investment into financial instruments;
- accept and transmit orders for financial instruments;
- manage occupational pension funds.

As at 31 December 2022, the Company managed 1 harmonised investment fund, 1 harmonised umbrella investment fund consisting of 3 subfunds, 13 pension funds, 79 portfolios of clients' financial instruments, 2 closed-end investment companies, 2 closed-end umbrella investment funds intended for informed investors, one of them consists of 7 and 1 subfunds and 1 closed-end investment fund intended for professional investors and a hedged alternative investment fund established in Luxembourg (as at 31 December 2021, the Company managed 1 special investment fund, 1 harmonised umbrella investment fund consisting of 3 subfunds, 13 pension funds, 73 portfolios of clients' financial instruments, 2 closed-end investment companies, 2 closed-end umbrella investment funds intended for informed investors, one of them consists of 7 and 1 subfunds and 1 closed-end investment fund intended for professional investors and a hedged alternative investment fund established in Luxembourg).

As required by the Lithuanian Law on Companies, the annual financial statements prepared by management should be approved at the General Shareholders' Meeting. The shareholders of the Company have a statutory right to approve these financial statements or not to approve them and to require preparation of a new set of the financial statements.

The Company's management signed these financial statements on 31 March 2023. The Company's shareholders have a statutory right to either approve the financial statements or not to approve them and prepare a new set of financial statements.

2 Going concern basis

These financial statements have been prepared on a going concern basis.

3 Significant accounting policies

The principal accounting policies applied in the preparation of the Company's financial statements for 2022 are set out below.

3.1. Basis of preparation

Statement of compliance

These financial statements have been prepared on a historical cost basis, except for investments in equity securities, units of collective investment undertakings, contingent consideration liabilities measured at fair value and assets and liabilities held for sale, which are measured at the lower of the carrying amount and fair value less costs to sell.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The Company does not prepare consolidated financial statements as permitted by the legislation of the Republic of Lithuania, as the Company and its subsidiary are included into a full consolidation in the consolidated financial statements of the parent company Invalda INVL. Invalda INVL was established in Lithuania and its consolidated financial statements are available at https://invaldainvl.com/lit/lt/investuotojams/ataskaitos.

Standards endorsed by the EU that are not yet effective and that have not been early adopted

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1);
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice statement 2);
- Definition of Accounting Estimates (Amendments to IFRS 8);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

Other amendments to existing standards and new standards, which are not yet adopted by the EU, are not relevant to the Company.

Presentation currency

The Company keeps its accounting records in the euro and all amounts in these financial statements have been presented in the national currency of the Republic of Lithuania, the euro (EUR).

3.2. Property, plant and equipment

Property, plant and equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and estimated impairment. Cost includes replacement costs of components of property, plant and equipment when incurred and when these costs meet the recognition criteria of property, plant and equipment.

Depreciation is calculated using the straight-line method over useful lives established as follows:

Computer hardware	3–4 years
Office equipment, furniture	4–6 years

The assets' carrying amounts, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year to ensure that they reflect economic benefits expected to be derived from property, plant and equipment.

All other property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the asset is derecognised. The accounting policies of right-of-use assets are disclosed in part 3.13.

3.3. Business combinations and goodwill

Subsidiaries acquired on a business combination involving entities under common control are not within the scope of IFRS 3, Business Combinations, and accordingly, such acquisitions were accounted for using the predecessor value method. No assets or liabilities were restated by the Company to their fair values. Instead, the Company incorporated their predecessor carrying amounts. They are generally the carrying amounts from the consolidated financial statements of the entity that has the highest common control. These amounts include any goodwill recorded at the consolidated level in respect of the acquired entity. No goodwill arises in predecessor accounting, and the results of the combined entities are presented in the financial statements from the date of acquisition. Upon reorganisation of companies and their combination, the goodwill which arose before, during the acquisition of companies, and other assets and liabilities recognised at the time of acquisition are transferred to the statement of financial position of the company which continues its activities after the reorganisation.

3.4. Intangible assets

The Company's intangible assets include computer software and fund’s management rights acquired on business combination.

Intangible assets are initially stated at acquisition cost. Intangible assets are recognised only when it is probable that future economic benefits associated with these assets will flow to the Company and the value of assets can be measured reliably. Subsequently, intangible assets are stated at acquisition cost, less accumulated amortisation and impairment losses, if any. Intangible assets, excluding goodwill, are deemed to have a finite useful life. Intangible assets are amortised using the straight-line method over the estimated useful live.

Computer software

Costs associated with the acquisition of new computer software are capitalised and recognised as intangible assets, provided that such costs are not associated with computer hardware. Computer software is amortised over a period of 2 to 4 years.

Costs incurred in relation to restoration or maintenance of the expected economic benefits from operation of the existing software systems are recognised as expenses in the period during which such maintenance and support works have been carried out.

Fund management rights

Fund management rights represent the rights to manage assets of pension funds recognised on acquisition of management companies. Fund management rights acquired on business combination are capitalised at their fair value on the acquisition date and classified as intangible assets. Fund management rights are subsequently carried at cost less amortisation and accumulated impairment losses. Fund management rights are amortised over the period of 10 to 20 years.

3.5. Costs of obtaining contracts with customers

The Company uses the services of external intermediaries when distributing pillar II and III pension funds. Commission fees are paid to intermediaries for the conclusion of the agreement. Commission fees are paid only when the agreement is concluded and economic benefit is expected to be received in the future. As for pension funds, the Company assesses that each participant of the fund is its customer, because the Company directly communicates with each participant of the pension funds. Therefore, the Company considers that commissions paid to intermediaries for the conclusion of new agreements with pension funds’ participants are costs of obtaining contracts with customers and capitalises and amortises them over the average probable period of the new customer’s relationship with the Company, i.e. 10 years. Capitalised commission fees paid to intermediaries are recognised within non-current assets in the statement of financial position as costs of obtaining contracts with customers.

3.6. Investments in associates and subsidiaries

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor interest in a joint venture. Significant influence is an ability to take part in making financial and operating policy decisions but is not control or joint control over those policies generally accompanying a shareholding from 20 to 50 per cent.

A subsidiary is a company over which the Company has control.

In these stand-alone financial statements the Company recognises investments in associates and subsidiaries at acquisition cost. The acquisition cost is equal to the cost of the investment that comprises non-contingent and contingent consideration. Contingent consideration is recorded as financial liability measured at fair value. The Company has selected to recognise change in the fair value of contingent consideration related to investments in associates through profit or loss under IFRS 9.

3.7. Impairment of non-financial assets

At the reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset’s net realisable value and value in use. An asset's recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In assessing fair value, less estimated selling expenses, the discounted cash flow method is used. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If any such indication exists, the Company makes an estimate of the asset's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation (if any), had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

3.8. Investments and other financial assets

Financial assets within the scope of IFRS 9 are classified as either financial assets at fair value through profit or loss (either through OCI or through profit or loss) or financial assets measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are recognised when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as separate line item in the statement of comprehensive income.

Trade and other receivables

The Company's trade and other receivables are classified within the category of financial assets measured at amortised cost, since according to the business model of these assets, these assets are held for the purpose of receiving contractual cash flows, which meet the requirement of solely payments of principal and interest. This category also includes the line item of cash and cash equivalents within financial assets. The Company reclassifies debt instruments only when the business model for managing such assets changes.

Financial assets at fair value through profit or loss

The Company's investments in equity securities are measured as financial assets at fair value through profit or loss. Since such assets are not held for trading at initial recognition, the Company has an irrevocable election to present equity instruments at fair value through profit or loss or other comprehensive income subsequent to initial recognition. At the Company, all investments in equity securities are measured at fair value through profit and loss.

Interest received or paid on investments is recognised as interest income or expense using the effective interest rate. Dividends received on investments are presented in profit or loss within 'other income' when the right to receive the payment of dividends is established.

Regular purchases and sales of financial assets are recognised on the settlement-date – the date on which the Company commits to purchase the asset. All regular way purchases and sales represent purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention.

Fair value

The fair value of investments traded in active financial markets is based on quoted closing market prices available at the date of the statement of financial position. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent market transactions, reference to the market value of similar instruments calculated using the discounted cash flow method and other valuation models.

3.9. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost.

The Company has the following two types of financial assets for which the expected credit losses model established by IFRS 9 is applied:

- trade and other receivables, contract assets;
- cash and cash equivalents.

Trade receivables, other receivables, contract assets and cash and cash equivalents are considered to be low credit risk when they have a low risk of default, and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term.

The financial asset is considered as credit-impaired, if objective evidence of impairment exists at the reporting date. Evidence of impairment may include indications that debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in payments, the probability that they will enter bankruptcy or other financial reorganisation, or the debtor's payments are past due more than 90 days.

Financial assets are written off, in whole or in part, when there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectible.

For trade receivables, contract assets and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Receivables are classified either as Stage 2 or Stage 3:

- Stage 2 – comprises receivables for which the simplified approach was applied to measure the expected lifetime credit losses, except for certain trade receivables classified in Stage 3;
- Stage 3 – comprises trade receivables which are overdue more than 90 days or individually identified as impaired.

The Company's receivables are from the funds managed and related parties, and are paid over a month from the balance sheet date or later, if such a decision is made by the Company's shareholder for cash flow management purposes. Accordingly, the expected credit losses for the receivables of the 2nd stage are recognised only if considered significant. The Company does not account for expected credit losses for cash and cash equivalents as the Company's cash is held at banks of high creditworthiness and the Company assesses that expected credit losses for such financial assets would be insignificant.

3.10. Financial liabilities

The Company recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at fair value through profit or loss) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost using the effective interest method, except for liabilities for contingent consideration. A financial liability is derecognised when the obligation under the liability is settled, cancelled or expires.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Financial liabilities included in trade payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted. If a financing agreement concluded before the date of the statement of financial position proves that the liability was non-current as at the date of the statement of financial position, that financial liability is classified as non-current.

Financial liabilities measured at fair value

Contingent consideration liabilities related to investments in other companies are recognised as financial liabilities measured at fair value through profit or loss.

3.11. Cash and cash equivalents

Cash comprises cash on hand and cash at bank. Cash equivalents represent short-term highly liquid investments easily convertible to a known amount of cash. The maturity of such investments does not exceed three months and the risk of changes in their value is insignificant.

3.12. Share capital

The share capital is presented in the statement of financial position at the amount subscribed.

3.13. Leases

The determination of whether an arrangement is a lease, or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

The Company as a lessee

Leases where the Company is a lessee are recognised by accounting for right-of-use assets and a respective lease liability when the underlying assets become available for use.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability, lease payments made at or before the commencement date (less any lease incentives received), initial direct costs incurred by the Company. The lease liability is measured at the net present value of the lease payments.

Lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. It is the interest rate that the lessee would be required to pay for its debt obligations necessary to acquire right-of-use assets in a similar economic environment and on similar terms and guarantees, as specified in the lease agreement.

The Company incurs a possible future increase in variable lease payments related to an index specified in the lease agreement which is not included into the value of lease liability until it becomes effective. When lease payments are adjusted due to a change in an index, the lease liability is remeasured and adjusted also adjusting the value of the right-of-use assets.

Lease payments are apportioned between the settlement of lease liability and interest expenses. Interest expenses are recognised in profit or loss over the lease term retaining the constant interest rate for the remaining amount of lease liability in each period.

Right-of-use assets are depreciated over the lease term of an underlying asset.

3.14. Revenue recognition

Income from asset management fees

The Company manages customers' funds invested in the funds managed by the Company and earns management fees for this service. Irrespective of whether a separate participant (investor) of the fund or the entire fund is regarded as the Company's customer, income from management fees is recognised during the period when services are rendered. Asset management services are rendered as long as the customer retains investments in the funds managed by the Company. Income from management fees fluctuates because a management fee is usually calculated as an agreed percentage of the average fair value of assets managed during the period or of the nominal value of obligations assumed by investors to invest in the fund during the investment period.

Income from fund distribution fees

The Company earns from customers distribution fees for the distribution of certain funds. Distribution fees may be received either entirely for the sum invested in the fund or may be paid on the amounts invested in the fund over the agreed period. The Company estimates whether the distribution of a specific fund is a separate service provided to the customer (the performance obligation). If the distribution of the fund is a separate service provided to the customer, income thereof is recognised when the distribution of the fund is affected. If the distribution of the fund is not a separate service provided to the customer, but rather a part of the asset management services, the recognition of income from distribution fees is deferred and recognised over the average period of the contract with the customer.

Income from a success fee

The Company earns a variable fee, i.e. a success fee, when return from certain funds exceeds the established return limit. Depending on the fund's rules the Company earns the right to a success fee immediately when return from the fund exceeds the established return limit or only at the end of the existence of the fund when the assets of the fund are distributed. A success fee is recognised by the Company as income when it earns the right to receive a calculated success fee. If the Company cannot confirm that it is highly probable that expected income from a success fee will not be reversed in the future, then it does not recognise a success fee.

Income from the management of customers' portfolio

The Company earns management fee for the management of customers' portfolio. The commission fee is calculated from the value of managed portfolio. Income from commission fee for portfolio management is recognised over the service provision period.

Interest income

Interest income is recognised on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future net cash receipts through the expected life of the financial instruments to the net carrying amount of the financial instruments.

Dividend income

Dividend income is recognised when the right to receive dividend payment is established and is included in other income.

3.15. Employee benefits

Social security contributions

The Company pays social security contributions to the State Social Security Fund ("the Fund") on behalf of its employees based on the defined contribution plan in accordance with the Lithuanian legal requirements. A defined contribution plan is a plan under which the Company pays fixed contributions into the Fund and will have no legal or constructive obligations to pay further contributions if the Fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. The social security contributions are recognised as an expense on an accrual basis and are included within staff costs. Social security contributions each year are allocated by the Fund for pension, health, sickness, maternity and unemployment payments.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to present value.

3.16. Bonuses

After the end of the year, achievements of all of the Company's employees of the previous year are assessed and, if an incentive – a bonus is intended to be allocated, amounts of the part are determined for each employee based on the performance of the Company, the respective department and employee of the Company for the previous year. Bonuses are awarded and paid following approval of the Company's audited annual financial statements. However, an exception came into effect as of 2021 providing that in the absence of an approved set of the Company's financial statements, the Company's management can decide on payment of Bonuses and the total amount of Bonuses in cash for employees whose main activity in the Company is participation in the taking of investment decisions on asset management of alternative collective investment undertakings (hereinafter – ACIU) based on the life cycle of ACIU. In accordance with the Company's practice, unless otherwise stated, the Company's employees have the possibility to choose the incentive method (bonus, pension scheme contribution to the pension fund, insurance contribution or acquisition of share options of the parent company Invalda INVL). The Company's employees who make decisions related to risk management, 60% of the bonus is paid once awarded and the remaining 40% part is paid in equal amounts in three years (in certain cases might be paid within five years) after the bonus has been awarded. The same principles are applied for alternative incentive measures. Based on the Company's internal procedures, if these employees leave the Company before the term of the bonus payment, the outstanding part of the bonus is not paid.

Payment plans of bonuses based on which employees can choose one of the incentive methods: share-based payment or payment in cash not linked to shares, are accounted for as a compound financial instruments linked to shares comprising debt and equity parts in accordance with International Financial Reporting Standard 2 (IFRS 2). The fair value of this financial instrument comprises the fair values of debt and equity parts. The fair value of the debt part is measured applying International Accounting Standard 19 (IAS 19) based on option value of cash payment. On initial recognition, the fair value of equity part is carried as a difference between the fair value of the whole compound financial instrument and the fair value of debt part considering that an employee must refuse to receive the payment in cash in order to receive the equity part. If on initial recognition the fair value of the compound instrument does not exceed the value of the debt part, the entire amount of compound instrument is accounted for as liability.

The Company carries separately the employee services based on each bonus compound financial instrument. For the debt part, the Company recognises costs for the services received and liability to pay for these services over the period of service provision. The bonus which has already been recognised as costs and which will be paid later than after one year is recognised as non-current liability.

For equity part, the Company recognises costs for received services and increase in equity share-based payments reserve on a proportionate basis over the period of service provision. When an employee refuses to receive payment in cash under this compound financial instrument, i.e. when he or she enters into a share option agreement, then the accumulated part of liability is transferred to equity and continues to be recognised as described above, based on the accounting requirements for equity-settled share-based payments transactions.

As described above, part of payment of bonus is deferred from one to three years (up to five years in certain cases) after the end of the reporting period and the employee must remain employed at the Company until the deferred part is paid. For both debt and equity parts, the Company recognises costs for received services proportionately over the period of service provision, which starts at the beginning of the year for which the bonus was allocated and ends on the date when the employee obtains a non-cancellable right to receive cash payments (coincides with the moment of payment) or receives share options.

The possibility to choose incentive in equity instruments is separately approved by the Board of the parent company; therefore, the grant-date of equity part is deferred until the approval of the possibility to receive share options instead of a bonus has been obtained.

On the grant-date of equity part, the fair value of the equity part is remeasured so that the equity-settled amounts recognised for the services rendered by employees correspond to the fair value of equity instruments established at the grant-date of equity part. Remeasurement at fair value is based on the following assumptions:

- including the impact of market performance vesting conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and retention of employment relations with the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement for employees to save.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. The effect of adjustment (if any) of initial estimates is recognised in profit or loss and equity is adjusted accordingly.

3.17. Income tax

Income tax charge is calculated on profit or loss for the year and considers deferred taxation. Income tax is calculated in accordance with the Lithuanian regulatory legislation on taxation.

Lithuanian companies are subject to a standard income tax rate of 15 per cent.

Tax losses can be carried forward for indefinite period of time against future taxable income, except for losses arising from the disposal of securities and/or derivative financial instruments which can be carried forward for the period of 5 years. Losses arising from the disposal of securities and/or derivative financial instruments can be covered using taxable income received from transactions of the same type.

Deferred taxes are calculated using the balance sheet liability method. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be reversed. Deferred tax assets on lease liabilities and deferred tax liabilities on right-of-use assets are calculated separately.

Deferred tax assets are recognised in the statement of financial position to the extent the management believes it is probable that they will be realised in the foreseeable future, based on taxable profit forecasts. If it is believed that part of the deferred tax asset is not going to be realised, this part of the deferred tax asset is not recognised in the financial statements.

3.18. Provisions

Provisions are recognised only when the Company has a legal obligation or irrevocable commitment as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects that the amount of provision will be compensated in part or in full, e.g. by insurance, compensation to be received is recorded as a separate asset, but only when it is virtually certain. Expenses related to provisions are recorded in the statement of comprehensive income, net of compensation receivable. If the effect of the time value of money is material, the amount of provision is discounted using the effective pre-tax discount rate set based on the interest rates for the period and taking into account specific risks associated with the provision as appropriate. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

3.19. Assets and liabilities held for sale

The assets and liabilities are separated from the Company's other assets and liabilities in statement of financial position and disclosed under separate items of current assets and current liabilities in the statement of financial position as assets and liabilities held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. These assets and liabilities are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated. The statement of financial position shall only separate assets and liabilities that are directly attributable to the Company's business held for sale. Those assets and liabilities that relate to both the held for sale and continuing operations of the Company are not separated from the other assets and liabilities of the Company.

3.20. Contingencies

Contingent consideration liabilities are not recognised in the financial statements. They are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow of income or economic benefits is probable.

3.21. Subsequent events

Events after the reporting period that provide additional information about the Company's position at the date of the statement of financial position (adjusting events) are reflected in the financial statements. Subsequent events other than adjusting events are disclosed in the explanatory notes to the financial statements when such events are significant.

3.22. Critical accounting estimates used in the preparation of the financial statements

The preparation of financial statements in conformity with International Financial Reporting Standards, as adopted by the EU, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingencies. The significant areas of estimation used in the preparation of the accompanying financial statements relate to the measurement of fair value of financial assets, realisation of deferred tax assets, impairment indicators of non-financial assets and measurement of the recoverable amount of such assets, useful lives of intangible assets and assets from contracts with customers, effect of application of IFRS 16 and share-based plans.

Below are presented key assumptions concerning the future and other key sources of estimation uncertainty at the date of the statement of financial position that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement of financial assets and liabilities

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using valuation techniques. More information on estimates is disclosed in Note 24.

Realisation of deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be earned against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. In assessing the realisation of deferred income tax assets the Company referred to the Company's 10-year taxable profit forecasts. Refer to Note 8 for more detailed information.

Determining impairment indications of non-financial assets and measurement of recoverable amount

At each reporting date, the Company assesses whether any indications of impairment of non-financial assets exist. Non-financial assets are reviewed for impairment whenever indications exist that the assets may not be recoverable. The values in use are determined by management with reference to estimated probable future cash flows from assets or cash generating units, using an appropriate discount rate, and estimating the present value of cash flows. The analysis of impairment of costs of obtaining contracts with customers is presented in Note 10.

Useful life of assets

The Company's significant accounting estimates related to useful lives are the amortisation periods of fund management rights and costs of obtaining contracts with customers. For fund management rights acquired on a business combination, the Company uses the amortisation period of 10 years, as the Company estimates that during this period it will receive substantially all benefits from these assets. If the useful life of funds' management rights were shorter by one year, in 2022 and 2021 the Company should recognise additional amortisation expenses of EUR 19 thousand, and if it were longer by one year, the Company should reduce amortisation expenses by EUR 16 thousand. The amortisation period of costs for obtaining contracts with customers is 10 years based on the average probable duration of the customer's relationship with the Company. If this period were shorter by one year, the Company should recognise additional amortisation expenses of EUR 44 thousand (2021: EUR 39 thousand), and if it were longer by one year, the Company should reduce amortisation expenses by EUR 36 thousand (2021: EUR 32 thousand).

Recognition and measurement of lease liability and right-of-use assets

In 2022, the Company leased premises in Vilnius, Kaunas and Klaipėda. When calculating lease liability and right-of-use assets, for premises in Vilnius and Kaunas the Company applied the market interest rates announced by the Bank of Lithuania as the Company has no loans received and, as to the management's assessment, this rate is an appropriate estimate of the Company's potential borrowing rate (see Note 18 for more details).

Bonuses

The Company's employees have the possibility to choose the incentive method (bonus, contribution to pension funds or acquisition of share options of the parent company Invalda INVL AB). As described in more details in Note 3.16, this arrangement with employees is accounted for as a compound financial instrument comprising debt and equity part. When determining the period of service provision and recognising costs proportionately over the set period of service provision, the Company uses an accounting estimate. Also, the equity part of bonus is paid through derivative financial instruments – share options. These instruments are stated at the fair value of the option at the time of granting the instrument. The fair value calculation method is a significant accounting estimate. The fair value of these instruments is accounted for using the Black-Scholes method for pricing of options. All main inputs, except for volatility, are observable market data (the price of shares of the parent company and risk-free interest rate). Share price volatility is calculated based on market data on historical change in share price. More details on calculation principles and inputs are provided in Note 16.

Future events may cause assumptions used in making estimates to change. The effect of such changes on estimates will be disclosed in the financial statements as they occur.

3.23. Significant judgements affecting the financial statements

In applying the Company's accounting policies, management made the following judgements that had the major impact on the amounts recognised in these financial statements:

Recognition of distribution fees related to managed funds

The Company makes a judgement in determining whether the distribution of managed funds is a separate service, or a part of the asset management services.

The Company estimates that the distribution of alternative funds, funds for informed investors and investment funds is a separate service because each fund is a specialised fund and the Company provides to a person or undertaking investing in such a fund a separate identifiable distribution service which comprises the elements of the fund's selection, adaptation.

In terms of the distribution of pension funds, the Company estimates that distribution is not a separate service, but a part of asset management services, as pension funds are standardized retail investment products intended for a wide range of investors. As a result, income from pension funds' distribution fees is recognised over the average period of the contract with the customer, i.e. 10 years.

Recognition of success fees related to managed funds

The success fee accumulated in the funds manged by the Company is not recognised as income until the conditions for the payment of success fee to the Company are met. In the Company's assessment, until the payment conditions are met, a significant uncertainty related to the amount of the success fee and payment term exists.

Funds' control

In assessing whether it has control over managed funds, the Company makes judgement. The main aspects assessed by the Company include the volatility of general economic interest and rights held by the investors limiting the rights of the manager, including the right to replace the manager. The Company assessed the volatility of economic interest and rights held by investors for all of its funds and, considering the results, made a decision that it does not control any of the funds under management.

Retail asset management business held for sale

The Company's management has decided that the retail asset management business held for sale (see Note 21) is not a discontinued operation as defined in IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Management made this judgement in the context of its consideration of whether the business held for sale meets the definition of a discontinued operation. In management's assessment, the business held for sale does not meet the definition of a discontinued operation because:

- the retail asset management business held for sale does not meet the definition of a component of the Company as its operations and cash flows cannot be clearly separated from the rest of the Company's activities. The Company has centralised most of its functions (e.g. finance, compliance, administration, HR, IT) and these functions serve both the business held for sale and the rest of the Company's activities, namely alternative funds and portfolio management.

- the business held for sale is not a separate material part of the business activities, as the Company's shareholders treat the entire asset management activities as a single asset management business with similar operational and risk characteristics.

4. Revenue from contracts with customers

Funds and portfolio management revenue by type:

	2022	2021
Revenue recognised over time	11,618,040	13,202,007
Management fee	11,415,930	10,274,367
Success fee	(639)	2,769,620
Distribution fee recognised over time (Note 19)	202,749	158,020
Revenue recognised at a point in time	53,108	3,671
Fee on payments	-	-
Distribution fee recognised at a point in time	52,896	3,611
Exit fee income	212	60
	11,671,148	**13,205,678**

In 2022, the Company did not earn any success fee income.

In 2022, the Company did not include the amount of success fee which is accumulated in the investment company managed by the Company: BRE (EUR 900 thousand) as the conditions for the payment of this amount have not been met (see Note 3.23). In 2021, the Company did not include the amounts of success fee which are accumulated in the investment companies managed by the Company: BRE (EUR 218 thousand) and INVL Technology (EUR 2,338 thousand) as the conditions for the payment of these amounts have not been met (see Note 3.23).

In 2022, the Company accounted for almost EUR 224 thousand revenue (2021: EUR 138 thousand) which at the beginning of the period was accounted for as contract liabilities (see Note 19).

Success fee income for 2021 included the success fee of EUR 1,516 thousand from the closed-end investment company INVL Baltic Real Estate (BRE). BRE is committed to pay a success fee to the management company. The size of the success fee depends on the return earned by BRE which is calculated with respect to the Company, as a whole, rather than an individual shareholder, and which is based on the internal return rate. The success fee amounts to 20% of the return in excess of the annual internal return rate of 8% (using the principle of the highest limit achieved).

In 2021, success fee income also included EUR 1,218 thousand success fee of the Baltic Forests Fund as at the end of the year following disposal of the assets managed by this fund and payment of the majority of the funds to investors the success fee payment conditions were met.

5. Employee benefits

	2022	2021
Wages and salaries and related expenses	5,927,872	5,024,472
Expenses of bonuses to employees	826,542	1,302,916
Share-based payment expenses	48,023	97,780
Other expenses related to employees	117,806	2,742
	6,920,243	**6,427,910**

6. Other income

	2022	2021
Dividend income	195,824	103,071
Other income	70,330	-
	266,154	**103,071**

7. Other expenses

	2022	2021
Maintenance of motor vehicles	140,652	126,976
Maintenance and repair of premises	177,413	79,836
Taxes to the State	728,085	485,231
Professional services	535,143	319,476
Fees for operations with securities	460,067	429,123
Other expenses	316,265	307,376
	2,357,625	**1,748,018**

Presented below are all the services rendered by the audit firm to the Company and the Funds in 2022 and 2021.

	To the Company and pillar II pension funds in 2022	To the Company and pillar II pension funds in 2021
Audit of the Company's financial statements under agreements	38,900	14,060
Audit of the funds' financial statements under the agreements	28,000	22,472
Assurance and other related services	-	-
Tax consultation services	-	-
The Company's expenses related to other services	350	350
The funds' expenses related to other services	9,475	-
	76,725	**36,882**

8. Income tax

	2022	2021
Components of income tax (expenses) income:		
Income tax expenses for the current period	-	(166,857)
Adjustment to income tax of the previous year	-	-
Change in deferred income tax	239,319	(81,785)
Income tax (expenses)/income recognised in profit or loss	**239,319**	**(248,642)**

	2022	2021
Deferred income tax assets		
Tax losses carried forward for indefinite period related to operating activities	669,006	538,757
Social security on accrued vacation	1,310	1,139
Bonuses to employees	107,490	158,427
Lease liabilities	157,607	180,547
Revaluation of financial assets	-	-
Contract liabilities	-	226,605
Bad debts	1,131	1,131
Fund management rights	-	-
Deferred income tax assets	**936,544**	**1,106,606**
Less: unrecognised deferred income tax assets arising from a part of tax losses	(149,919)	(169,264)
Deferred income tax assets, net	**786,625**	**937,342**
Deferred income tax liability		
Fund management rights and goodwill recognised for tax purposes	-	(5,416)
Costs of obtaining contracts with customers	-	(99,175)
Right-of-use assets	(147,506)	(163,584)
Revaluation of financial assets	(133,026)	(177,461)
Deferred income tax liability	**(280,532)**	**(445,636)**
Deferred income tax, net	**506,093**	**491,706**

Income tax at the rate of 15 per cent was used in the calculation of deferred income tax in 2022 and 2021.

The movement of deferred income tax is presented in the table below:

	2022	2021
Deferred income tax assets at the beginning of the period	**491,706**	**573,490**
Transfers to assets held for sale	(224,932)	
Change in deferred income tax recognised in profit or loss	239,319	(81,785)
Sold tax losses	-	-
Deferred income tax assets at the end of the period	**506,093**	**491,705**

In 2022, the Company took over tax losses for EUR 691,893 from the parent company Invalda INVL AB.

Deferred income tax assets amounting to EUR 731,025 (EUR 506,093 for continued operations and EUR 224,932 for business held for sale) (31 December 2021: EUR 491,706) were recognised as at 31 December 2022 considering the long-term performance forecasts for 2023–2027. The recognised amount represents the probable recoverable amount for which the Company projects to earn taxable profit in the future. It is based on assumptions about the profitability of the Company relating to the forecast growth of the Funds and customer portfolios, management fees, future return of the funds, and the number of customers.

Income tax expenses can be reconciled to the theoretical amount of income tax using the income tax rate as follows:

	2022	2021
Profit (loss) before income tax	340,554	4,998,721
Income tax calculated at a rate of 15%	(51,083)	(749,808)
Expenses not deductible for tax purposes	(54,850)	(83,896)
Income not subject to tax	325,907	258,878
Support	-	2,100
Change in not recognised income tax from part of tax losses	19,345	324,084
Adjustment to income tax of the previous year	-	-
Income tax change recognised in profit or loss	**239,319**	**(248,642)**

9. Property, plant, and equipment

2022	Computer hardware and office equipment	Furniture	Total
Acquisition cost			
Balance at the beginning of the year	405,224	152,292	557,516
Additions	115,878	203,782	319,660
Disposals (write-offs)	(16537)	-	(16,537)
Balance at the end of the year	504,565	356,074	860,639
Accumulated depreciation			
Balance at the beginning of the year	303,690	76,937	380,627
Charge for the year	65,074	39,639	104,713
Disposals (write-offs)	(6,510)	-	(6,510)
Balance at the end of the year	362,254	116,576	478,830
Carrying amount at the end of the year	**142,311**	**239,498**	**381,809**

2021	Computer hardware and office equipment	Furniture	Total
Acquisition cost			
Balance at the beginning of the year	326,901	152,292	479,193
Additions	78,323	-	78,323
Disposals (write-offs)	-	-	-
Balance at the end of the year	405,224	152,292	557,516
Accumulated depreciation			
Balance at the beginning of the year	256,216	53,458	309,674
Charge for the year	47,474	23,479	70,953
Disposals (write-offs)	-	-	-
Balance at the end of the year	303,691	76,937	380,627
Carrying amount at the end of the year	**101,533**	**75,355**	**176,889**

Depreciation expenses of property, plant and equipment are included in operating expenses in profit or loss.

10 Intangible assets and costs of obtaining contracts with customers

2022	Software	Goodwill	Fund management rights	Total
Acquisition cost				
Balance at the beginning of the year	472,289	58,422	2,270,137	2,800,848
Transfers to assets held for sale (Note 21)	(163,856)	(58,422)	(2,270,137)	(2,492,415)
Additions	40,285	-	-	40,285
Balance at the end of the year	348,718	-	-	348,718
Accumulated amortisation				
Balance at the beginning of the year	168,345	-	1,068,302	1,236,647
Charge for the year	79,591	-	161,203	240,794
Transfers to assets held for sale (Note 21)	(40,876)	-	(1,229,505)	(1,270,381)
Balance at the end of the year	207,060	-	-	207,060
Carrying amount at the end of the year	**141,658**	**-**	**-**	**141,658**

2021	Software	Goodwill	Fund management rights	Total
Acquisition cost				
Balance at the beginning of the year	288,303	58,422	2,270 137	2,616,862
Additions	183,986	-	-	183,986
Balance at the end of the year	472,289	58,422	2,270 137	2,800,848
Accumulated amortisation				
Balance at the beginning of the year	157,559	-	893,018	1,050,577
Charge for the year	10,786	-	175,284	186,070
Balance at the end of the year	168,345	-	1,068,302	1,236,647
Carrying amount at the end of the year	**303,944**	**58,422**	**1,201,835**	**1,564,201**

In 2015, MP Pension Funds Baltic UAB was merged to INVL Asset Management UAB by way of reorganisation. During the reorganisation, the management of the assets in the amount of EUR 3,300 thousand was transferred to INVL Asset Management UAB. Intangible assets relating to the fund management right and amounting to EUR 2,207 thousand during the reorganisation were accounted for accordingly. In November 2022, following the signing of the Retail Business Merger Agreement between Invalda INVL and Šiaulių bankas, the amortisation of these assets was discontinued and the carrying amount of these assets of EUR 1,040,633 was reclassified to *Assets related to business held for sale* in the statement of financial position (Note 21). The value of the net assets held for sale in the transaction of Šiaulių bankas is significantly above the carrying amount of the net assets held for sale; therefore, we consider that the fair value of these assets less costs to sell is higher than their carrying amount, and no adjustment to the value of these assets is required.

Costs of obtaining contracts with customers

Costs of obtaining contracts with customers comprise the capitalised amount of commission fees paid to the intermediaries for the distribution of pension funds, which, under IFRS 15, are treated as contract acquisition costs recognised as intangible assets and amortised over the period set forth in the accounting policies. See more in Note 3.5.

During 2022, EUR 256,652 of commission fee for distribution of pillar II pension funds and EUR 661,060 of commission fee for distribution of pillar III pension funds was capitalised and recognised as non-current assets (2021: EUR 249,926 and EUR 204,954 respectively).

The movement in costs of obtaining contracts with customers in 2022 and 2021 is presented in the table below:

2022	
Balance as at 1 January	2,540,434
Costs of obtaining contracts with customers incurred over the period	551,737
Amortisation of costs of obtaining contracts with customers recognised as expenses over the period	(371,639)
Transfers to assets held for sale (Note 21)	(2,720,532)
Costs of obtaining contracts as at 31 December 2022	**-**
Pillar II pension funds agreements	1,735,854
Pillar III pension funds agreements	**984,678**
Agreements on the management of investment direction	-

2021	
Balance as at 1 January	2,446,957
Costs of obtaining contracts with customers incurred over the period	454,880
Amortisation of costs of obtaining contracts with customers recognised as expenses over the period	(361,403)
Costs of obtaining contracts as at 31 December 2021	**2,540,434**
Pillar II pension funds agreements	**1,618,522**
Pillar III pension funds agreements	**898,912**
Agreements on the management of investment direction	**23,000**

As in November 2022, following the conclusion of the Retail Business Merger Agreement between Invalda INVL and Šiaulių bankas, the capitalised amount of costs of obtaining contracts with pillar II and pillar III pension fund customers was reclassified to *Assets related to business held for sale* in the statement of financial position (Note 21) and the measurement of this item became the lower of the carrying amount and the fair value less costs to sell (3.19) and, under the above agreement, the selling price of the entire net assets held for sale is significantly higher than the carrying amount of those net assets, the assets are considered to be measured at their carrying amount appropriately.

In 2021, indications of impairment of costs of capitalised amount of obtaining contracts with pillar III pension funds customers were identified; therefore, the impairment test was performed. Capitalised costs of obtaining contracts with pillar III pension funds customers were attributed to a separate cash-generating unit.

The recoverable amount of cash generating unit in 2021 was determined with reference to the value in use estimates using the cash flow projections based on financial forecasts for the period of 10 years, using the assumptions approved by management regarding long-term customer attraction, growth of costs, market growth, growth of managed assets and other assumptions. Management used 10-year forecasts taking into consideration the weighted average life expectancy of the Company's clients based on which recoverability of new clients is calculated.

11. Financial assets at fair value through profit or loss

The Company's financial assets at fair value through profit or loss include as follows:

	2022	**2021**
Equity securities (0.7% investment into AB Šiaulių bankas shares)	2,709,700	3,005,950
Units of collective investment undertakings, whereof:	5,850,877	3,120,128
Funds managed by INVL Asset Management, including funds for the investment portfolio of which INVL Asset Management is responsible	5,369,197	2,509,108
Closed-end investment undertakings managed by INVL Asset Management	481,680	611,020
	8,560,577	**6,126,078**

In 2022, the Company invested EUR 47 thousand into the INVL Partner Global Distressed Debt Fund I. Also, EUR 115 thousand into the INVL Renewable Energy Fund I, EUR 452 thousand into the INVL Sustainable Timberland and Farmland Fund II-Capital Fund, EUR 137 thousand into the INVL Partner Global Infrastructure Fund and EUR 10 thousand into the INVL Alternative Investment Fund. In May 2022, the Company sold the remaining units of INVL Baltic Forest Fund I Sub-Fund for EUR 8 thousand. As at 31 December 2022, the remaining liability amount to INVL Partner Global Distressed Debt Fund I was USD 85 thousand and to INVL Renewable Energy Fund I – EUR 625 thousand.

In 2021, the Company invested EUR 54 thousand into the INVL Partner Global Distressed Debt Fund I. Also, EUR 160 thousand into the INVL Renewable Energy Fund I and EUR 296 thousand into the INVL Sustainable Timberland and the Farmland Fund II-Capital Fund. In December 2022, the Company sold investment units of the subfund INVL Baltic Forests Fund I for EUR 329 thousand. As at 31 December 2022, the remaining liability amount to INVL Partner Global Distressed Debt Fund I was EUR 142 thousand, INVL Renewable Energy Fund I – EUR 840 thousand, and INVL Sustainable Timberland and Farmland Fund II-Capital Fund – EUR 453 thousand.

Net change in the fair value of financial instruments measured at fair value through profit or loss:

	2022	2021
Realised gain on disposal of financial assets measured at fair value through profit or loss	-	199,512
Unrealised gain (loss) on revaluation of securities	1,680,641	2,462,121
Unrealised gain (loss) on change in the fair value of financial liabilities measured at fair value	-	-
	1,680,641	**2,661,632**

12. Trade and other receivables

	At 31 December 2022	At 31 December 2021
Trade receivables, gross	1,377,066	2,870,902
Other receivables, gross	205,868	9,973
Taxes receivable, gross	-	-
Assets from contracts with customers	55,339	1,266,422
Trade and other receivables, gross	**1,638,273**	**4,147,297**
Less: provision for impairment of trade and other receivables	(7,540)	(7,540)
Trade and other receivables, net	**1,630,733**	**4,139,757**

In 2022, the majority of trade receivables was management fees receivable. The majority of receivables in 2021 was the success fee receivable from the closed-end investment company INVL Baltic Real Estate, and the majority of assets from contracts with clients comprised the success fee calculated from the subfund INVL Baltic Forests Fund I.

Non-current receivables recorded in the statement of financial position consist of a loan maturing on 30 June 2024.

Expected credit losses were not recognised as they were immaterial.

Receivable from funds managed by the Company represent the major portion of the Company's receivables. The credit quality of these receivables is high.

13. Prepayments and deferred costs

	At 31 December 2022	At 31 December 2021
Deferred costs	28,176	39,166
Prepayments	42,085	134,137
	70,261	**173,303**

14. Cash and cash equivalents

	At 31 December 2022	At 31 December 2021
Cash balances in bank accounts		
Cash denominated in EUR	106,650	2,215,031
Impairment of cash balances in bank accounts	-	-
Total cash and cash equivalents	**106,650**	**2,215,031**

The Company had no term deposits as at 31 December 2022 and 2021.

15. Share capital

The management of the Company is constantly monitoring that the ratio of the shareholder's equity would not be less than 50% of its authorised share capital as required by the Lithuanian Law on Companies. As at 31 December 2022 and 2021, the Company complied with this requirement set in the Lithuanian Law on Companies in respect of the Company's shareholders' equity. See Note 22 for the own funds ratio.

During 2022 and 2021, the Company did not increase its share capital.

The Company plans to allocate the retained earnings as at 31 December 2022 as follows: EUR 29,000 to legal reserve and to allocate EUR 500,000 as dividends. The draft profit allocation will be approved together with these annual financial statements by the shareholders' meeting.

16. Reserves

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of 5% of net profit calculated in accordance with the Lithuanian regulatory legislation on accounting are required until the reserve reaches 10% of the authorised share capital. This reserve can be used only to cover losses.

Based on the variable bonus arrangements described in Part 3.16 of the Significant accounting policies, in May 2022 and in May 2021 the Company made an agreement with employees who chose to receive incentive in equity instruments (share options) on option conditions related to acquisition of shares of the Company's controlling shareholder INVL Invalda AB.

The movement in the number of share options based on effective option contracts is presented in the table below:

	2022	**2021**
The number of share options to which the Company's employees are entitled at the beginning of the period	245,700	244,779
Acquired rights to share options during the period	6,177	42,119
Change in accruals	-	-
Exercised share options	(33,564)	(40,228)
Annulled options as a result of employment agreement termination	(1,655)	(970)
The number of issued options at the end of the period	**216,658**	**245,700**
The number of share options to which the Company's employees are entitled at the end of the period	**88,156**	**105,116**
The number of options based on signed contracts to which employees are not yet entitled	**128,502**	**140,584**

The main terms and conditions of these transactions are as follows:

- The right to acquire the shares becomes effective after three years after the conclusion of share option contracts; consummation on an earlier date is not allowed;
- The right to acquire a part of the shares becomes effective on future dates: 30 April of 2023, 2024 and 2025 (granted options in 2021: 30 April of 2022, 2023 and 2024 respectively), provided the employment contract of the employee does not terminate by that date;
- Share acquisition price – EUR 1;
- Upon reaching the time-limit for the employee to acquire the shares, the right to acquire the shares shall be realised by selling own shares held by the controlling shareholder to the employee, or by offering the employee an option to subscribe to newly issued shares;
- The employee shall not transfer the rights acquired under the contract.

The value of share-based payments in equity is recognised in share-based payments reserve. Share-based payments expenses are recognised proportionately to the time worked by employees during the vesting period, considering the fair value of share options. Vesting period is considered to start at the beginning of the year for which options are granted and is considered to end when an employee obtains a non-cancellable right to share options. Based on the rules of payment of the deferred bonus to employees making decisions related to risk management, employees obtain the right to 60% of share options immediately after the granting, and the remaining 40% proportionately after one, two or three years following the option grant-date. When an employee chooses share options, part of its bonus liability is transferred to equity share-based payments reserve (see the movement below).

Movement of the recognised share-based payments reserve is disclosed in the table below:

	2022	**2021**
Amount of share-based payments reserve at the beginning of the period	1,174,470	796,460
Transfer of bonuses to share-based payments reserve (Note 17)	89,631	280,230
Share-based payments expenses (Note 5)	48,023	97,780
Amount of share-based payments reserve at the end of the period	**1,312,124**	**1,174,470**

Allocated part of share-based payments which has not yet been recognised in the item of share-based payments reserve is disclosed in Note 23.

Key inputs used in determining the fair value of options using the Black-Scholes method are disclosed in the table below:

	2022	2021
Option grant-date	31/05/2022	10/05/2021
Share price on the option grant-date	12.10	EUR 9.40
Risk-free interest rate, %	0.657	-0.692
Share volatility calculated using historical share price fluctuations	31.26%	30.03%
Expected dividend rate	0%	0%
Calculated fair value of share options at the grant-date	11.12	8.38

17. Trade and other payables

Trade payables are non-interest bearing and are normally settled within the term of 14 to 30 days.

Amounts payable within one year:

	At 31 December 2022	At 31 December 2021
Trade receivables	611,509	432,044
Amounts payable for non-current assets	-	5,262
Employment-related liabilities	410,663	580,700
Liabilities related to bonuses to employees	716,598	1,056,180
Other payables	99,213	257,214
Gross taxes payable	16,355	6,019
Financial liabilities measured at fair value through profit or loss	-	-
Total trade and other payables	**1,854,338**	**2,337,419**

Trade payables comprise commission fees payable to intermediaries for pension accumulation contracts concluded, fee payable to the depository and other amounts payable for services received.

Non-current trade and other payables in the statement of financial position comprise the following: non-current portion of bonuses of EUR 30,284 (2021: non-current portion of bonuses of EUR 94,365).

Bonus liabilities are accrued for the period for which the employee earned a bonus. For employees for which the payment of bonus is deferred, liabilities are accrued proportionately over the period from the beginning of year for which the bonus is allocated until the expected date of payment of bonus. The part of bonus liability chosen by employees to be obtained in share options is transferred to share-based payments reserve when share options are allocated to employees (see Note 16).

The table below presents the movement of bonus liabilities during the year:

	2022	2021
Bonus liability at the beginning of the period	1,056,180	643,292
Adjustment to bonuses of the previous year	11,706	(17,252)
Transfer of bonuses to share-based payments reserve (Note 16)	(89,631)	(280,230)
Payment of bonuses	(722,515)	(592,546)
Accrual of bonuses of the financial year	826,542	1,309,015
Reversal of bonuses due to employees leaving the company	-	(6,099)
Transfer of accumulated bonuses to liabilities related to business held for sale	(365,684)	-
Bonus liability at the end of the period	**716,598**	**1,056,180**

18. Right-of-use assets and lease liabilities

The Company leases premises in Vilnius, Kaunas and Klaipėda, and parking spaces in Vilnius. The main information on lease agreements

Lease location	Leased assets	Agreement duration	Indexation	Lease liabilities determined using a discount
Vilnius	Premises, parking	31 March 2026	Yes, HICP*	4.39
Kaunas	Premises	31 March 2025	Yes, HICP	3.85
Klaipėda	Premises	31 July 2022	Yes, HICP	3.40

*harmonised index of consumer prices

To measure the value of lease liabilities in Vilnius, the Company used the average market interest rate equal to 4.39% in accordance with the average fixed rate from 1 year announced by the Bank of Lithuania in October 2022 for non-financial companies, and to measure the value of lease liabilities in Kaunas and Klaipėda, the Company used the average fixed rate from 1 year announced by the Bank of Lithuania for non-financial companies (in 20221, the following interest rates were used: 3.85% in Kaunas, 3.40% in Klaipėda and 2.07% in Vilnius).

By the agreement of parties, the lease term may be extended. When calculating the lease liability, the Company did not consider the potential extension of the lease agreements.

Based on lease agreements for premises concluded as at 31 December 2022 but not yet in force as at the reporting date, the Company's future lease payment liabilities in 1 year amount to EUR 327 thousand, and in 2-4 years – to EUR 723 thousand.

In addition, the Company leases cars. The lease agreements for cars may be terminated upon an advance notice of 30 days; therefore, these leases are treated as short-term leases and related lease liabilities are not capitalised.

The table below discloses the movement of right-of-use assets and lease liabilities during 2022.

	2022	2021
Right-of-use assets at 1 January	1,090,560	1,145,793
New contracts	422,020	-
Depreciation	(370,544)	(261,556)
Termination of asset lease	(290,089)	-
Additionally recognised assets due to change in leased area and term	-	173,107
Contract modification impact	126,041	-
Recalculation of asset value due to indexation	5,387	33,215
Right-of-use assets as at 31 December	**983,375**	**1,090,560**
Lease liabilities at 1 January	1,203,645	1,226,670
New contracts	422,020	-
Calculated interest	39,380	65,315
Lease payments	(420,090)	(294,662)
Termination of liabilities	(325,667)	-
Contract modification impact	126,041	-
Additionally recognised liabilities due to increase in leased area	-	173,107
Recalculation of liability value due to indexation	5,388	33,215
Lease liabilities at 31 December	**1,050,717**	**1,203,645**

19. Contract liabilities

The requirements of IFRS 15 Revenue from Contracts with Customers also apply to the recognition of income from the distribution fee of pillar III pension funds of INVL Asset Management. The Company treats this income as part of the asset management service. Therefore, the distribution fee is recognised as income over the average life of customers – 10 years.

Significant changes in the contract asset and the contract liability balances during 2022:

	2022
Contract liabilities at 31 December 2022	-
Non-current portion	1,484,863
Current portion	224,575
Transferred to liabilities related to business held for sale (Note 21)	(1,709,438)
Contract liabilities at 31 December 2021	**1,510,702**
Non-current portion	1,326,276
Current portion	184,426

20. Investments in subsidiaries

In 2022 and 2021, the Company manages 51% of UAB Mundus shares, the company engaged in the management of private debt products. In 2020, the Company invested EUR 15,000 into 100% of the share capital of INVL LUX GP 1 S.à r.l., the company established in Luxembourg. This company is the General Partner of the Company's umbrella fund INVL ALTERNATIVE ASSETS UMBRELLA FUND, SCSp SICAV-RAIF established in Luxembourg.

21. Assets and liabilities related to activities of retail asset management business that is held for sale

According to the agreement signed by Šiaulių bankas AB and Invalda INVL on 22 November 2022 on the merger of a part of retail businesses, INVL Asset Management intends (planned by the end of 2023, but may be extended under contractual conditions) to transfer the retail asset management business to Šiaulių bankas AB, which includes pillar II and pillar III pension funds, harmonised investment funds and investment funds investing in other collective investment undertakings. The employees, systems, assets and liabilities related to the development and management of these assets will be transferred. Therefore, in these financial statements, the assets and liabilities directly attributable to the retail asset management business are separated from the other assets and liabilities of the Company and disclosed in the asset side of the statement of financial positions as *Assets related to business held for sale* and *Liabilities related to business held for sale*. The specification of these items of the statement of financial position is presented in the table below. The accounting policy for these items is set out in Note 3.19.

	31/12/2022
Goodwill	58,422
Fund management rights	1,040,633
Intangible assets	122,981
Costs of obtaining contracts with customers	2,720,532
Trade and other receivables	499,164
Assets from contracts with customers	14,317
Prepayments and deferred costs	2,657
Deferred income tax assets	224,932
Cash and cash equivalents	569,384
Assets related to business held for sale	**5,253,022**
Contract liabilities	1,709,438
Trade payables	19,983
Employment related liabilities	199,369
Bonus liabilities (non-current portion)	57,003
Bonus liabilities (current portion)	308,681
Other amounts payable	500,488
Liabilities related to business held for sale	**2,794,961**

22. Management of financial risks and capital

In the ordinary course of business, the Company is exposed to various risks. The main risks inherent to the Company's operations are those related to credit risk, operational risk, liquidity risk, and market risk. Risk management policies established by the Company with respect to the mentioned risks are summarised in the paragraphs below.

For the purposes of the risk assessment, receivables and current liabilities include amounts that have been reclassified to assets and liabilities in accordance with Note 21.

Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk arising from different financial instruments. Significant credit risk concentration is related to amounts receivable from related parties (Note 24).

	At 31 December 2022	At 31 December 2021
Items of the statement of financial position		
Cash at bank (Notes 14 and 21)	676,034	2,215,031
Amounts receivable (Note 12, included portion of assets held for sale disclosed in Note 21)	1,630,733	4,139,757
Total credit exposure	**2,306,767**	**6,354,788**

Financial assets by credit risk

The Company's financial assets exposed to credit risk comprise only trade receivables, assets from contracts with customers, and cash at bank. Low credit risk funds held at banks are those which are held at banks with a BBB- and higher credit rating as set by S&Ps or an equivalent investment rating as set by other rating agencies. Where the bank's rating is lower than the investment rating, funds are classified as exposed to a higher credit risk. Trade receivables and assets from contracts with customers are deemed as exposed to a low credit risk when amounts receivable comprise amounts receivable from the pension, investment or alternative funds managed by the Company, or, in the case of other amounts receivable, when they are past due for a shorter period than 30 days. If they are past due for a longer period than 30 days, such amounts receivable are classified as exposed to a higher risk. In the case of existence of impairment indications, amounts receivable are classified as impaired assets. As at 31 December 2022 and 2021 all of the Company's cash at bank and amounts receivable were of low risk.

Operational risk

Operational risk is defined as an exposure to potential direct and indirect losses that may occur from inadequate or unimplemented internal control processes, errors and/or illegal actions of employees and IT system disruptions or external events.

Operational risk is managed by the internal control function implemented at the Company, by establishing procedures limiting potential exposure to risks, by obtaining insurance for the Company's property, plant and equipment, by assessing the level of acceptance of services provided, by implementing the functions on product and service pricing management and reallocation of internal resources, analysing internal processes and procedures and identifying risk points and evaluating the adequacy of their control.

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 or other funding sources to meet its commitments at a given date in accordance with its plans.

Liquidity risk is managed by the internal control function implemented at the Company, by establishing procedures limiting potential exposure to risks and preparing business continuity plans, by obtaining insurance for the Company's property, plant and equipment, by assessing the level of acceptance of services provided, by implementing the functions on product and service pricing management and reallocation of internal resources, analysing internal processes and procedures and identifying risk points and evaluating the adequacy of their control. For the purpose of assessing liquidity risk, the Company calculates the liquid assets to current liabilities ratio, which exceeds the set target level of 100% with a margin.

When calculating liquid assets, the Company's investments into managed funds and equity securities are considered liquid assets only if these investments are listed or the fund's manager has committed to redeem fund units on investor's demand.

	At 31 December 2022	At 31 December 2021
Liquid assets		
Cash at bank (Note 14)	676,034	2,215,031
Amounts receivable	1,630,733	4,139,757
Liquid financial assets (Note 11)	3,296,111	3,738,581
Total liquid assets	**5,602,878**	**10,093,369**
Current liabilities	**4,946,550**	**2,894,712**
Liquidity ratio, %	**113**	**349**

The table below shows undiscounted future payments:

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
			31 December 2022			
Other amounts payable	694,753	111,274	649,744	-	-	1,455,771
Lease liabilities	30,477	60,872	274,297	758,051	-	1,123,697
Total	**725,230**	**172,146**	**924,041**	**758,051**	**-**	**2,579,468**
			31 December 2021			
Other amounts payable	467,025	154,261	73,942	-	-	695,228
Lease liabilities	27,083	54,780	246,512	930,408	-	1,258,783
Total	**494,108**	**209,041**	**320,454**	**930,408**	**-**	**1,954,011**

Market risk

Market risk is defined as the risk that the Company will suffer losses due to the volatility of financial instruments resulting from changes of market variables (foreign currency rate, market interest rate, prices of securities). The Company has made investments into products under its own management (a closed-end investment company, collective investment undertakings, and collective investment undertakings intended for informed investors) and equity securities, and aims to gain a profit from these investments in the long-term (Note 11). As at 31 December 2022, the Company's investments mainly comprised investments into the banking sector (32%) (2021: 49%) of all investments) and the forestry sector (54%) (2021: 35%). If as at 31 December 2022 the value of investments in quoted equity securities and closed-end investment companies shares decreased by 20%, and the value of investments into units of managed funds decreased by 10%, the Company would incur losses of EUR 1,175 thousand (2021: losses of EUR 974 thousand). The Company manages the risk of short-term fluctuations by limiting the gross amount of the investments. Before investing additional funds, the Company assesses the current and future own funds and liquidity ratios, and only then decides on increasing or reducing its investments.

Foreign exchange risk

The Company is not exposed to a significant currency risk because its assets and liabilities are denominated in euros.

Interest rate risk

As at 31 December 2022 and 2021, the Company had no loans with variable interest rates granted or received; therefore, potential exposure to interest rate risk arising from different repricing dates of assets and liabilities was insignificant. Given the above, the Company had no financial instruments designated to control the risk of interest rate fluctuations.

Internal control

The management must ensure the implementation of appropriate organisational measures, procedures and information systems supporting its business processes, which, as a whole, must ensure the adequacy on the internal control system in place. The following key internal control components are to be noted: checking primary system data on completed operations against operation data in the accounting system, separation of functions, daily accounting, market assessment, limits and control thereof, other control measures.

Disclosure of own funds ratio (unaudited)

	At 31 December 2022	At 31 December 2021
Aggregate amount of capital requirement	2,812,133	2,071,616
Liquid equity	5,103,034	2,682,947
Own funds ratio	**1.81**	**1.30**

In accordance with the own funds requirements approved by the Bank of Lithuania, the own funds ratio cannot be lower than 1. In the calculation of the own funds ratio above, profit for 2022 was not included; if the profit for 2022 were included, the Company's own funds ratio (unaudited) would equal to 1.88. The Company's profit will be included into capital base immediately after it has been approved by the Company's shareholders.

Compliance with the own funds ratio is monitored by the Company's management on a daily basis. The Company is obliged to keep its own funds ratio not less than 50% of its authorised share capital, as imposed by the Law on Companies of the Republic of Lithuania. As at 31 December 2022 and 2021, the Company complied with the latter requirements (Note 15).

23. Provisions, off-balance sheet commitments and contingencies

The Tax Authorities have not performed full-scope tax investigations at the Company. The Tax Authorities may inspect accounting, transaction and other documents, accounting records and tax returns for the current and previous 3 calendar years at any time, and where appropriate, for the current and previous 5 or 10 calendar years and impose additional taxes and penalties. The management of the Company is not aware of any circumstances which would cause calculation of additional significant liabilities due to unpaid taxes.

As at 31 December 2022, the Company managed EUR 1.496 billion of the customers' assets (31 December 2021: EUR 1.365 billion).

Specification of bonuses not recognised as costs (for more details, see Notes 16 and 17 and part 3.16 of Significant accounting policies):

	At 31 December 2022	At 31 December 2021
Allocated for payment in share options	18,033	74,257
Allocated for payment in cash or contributions into pension funds	94,111	41,518
Calculated for the year but not yet allocated	74,417	78,239

24. Related-party transactions

The parties are deemed to be related when one party has a power to exercise control over the other party or make significant influence on its financial and operation decisions. The Company's income earned from related parties comprises income from management and success fee, and expenses incurred in relation to related parties comprise expenses for portfolio management and funds' distribution, lease, IT maintenance and other expenses. INVL Asset Management funds are not considered related parties with the Company as the Company does not have control or significant impact in them.

Transactions conducted by the Company with related parties in 2022 and balances arising from these transactions as at 31 December 2022 were as follows:

2022	Amounts payable, EUR	Amounts receivable, EUR	Revenue, EUR	Expenses (compensation for expenses), EUR
AB INVL Baltic Real Estate	-	14,627	176,259	-
special closed-end private equity investment company INVL Technology	-	131,012	589,909	-
UAB Novian Technologies	6,919	-	-	107,477
UAB NRD CS	3,751	-	-	37,225
UAB INVL Financial Advisors	760,658	35,960	10,027	1,240,245
IPAS INVL Asset Management	96	-	-	2,469
UAB FINtime	1,634	-	-	16,200
AB Invalda INVL	-	-	-	140,145
UAB Mundus	-	11,958	73,482	-
UAB Litagra	-	-	47,079	-
UAB Novian Systems	3,052	-	-	40,730
UAB Proprietas	-	-	-	300
UADB INVL Life	-	62,222	46,851	(47,783)
	776,110	**255,779**	**943,607**	**1,537,008**

Transactions conducted by the Company with related parties in 2021 and balances arising from these transactions as at 31 December 2021 were as follows:

2021	Amounts payable, EUR	Amounts receivable, EUR	Revenue, EUR	Expenses (compensation for expenses), EUR
CEIC INVL Baltic Real Estate	-	1,532,711	1,725,288	(7,272)
CEIC INVL Technology	-	164,763	602,547	-
UAB Novian Technologies	13,737	-	-	148,796
UAB NRD CS	3,751	-	-	18,000
UAB FMĮ Finasta	208,875	18,825		655,170
IPAS INVL Asset Management	873	-	-	3,593
UAB FINtime	1,634	-	-	16,200
AB Invalda INVL	-	3,187	-	173,916
UAB Mundus	-	-	45	-
UAB Inservis	-	-	-	21
AB INVL Baltic Farmland	-	2,054	-	(1,745)
UAB Novian Systems	2,352	-	-	29,427
UAB Proprietas	-	-	125	150
	231,222	**1,721,540**	**2,328,005**	**1,036,256**

The Company has acquired the funds under its management, information whereof is disclosed in Note 11.

Terms and conditions of transactions with related parties

Year-end balances are not covered with insurance, do not bear interest (except for loans) and settlements are made in cash. There were no guarantees given or received in respect of the related-party payables and receivables. In 2022 and 2021, the Company did not make any provision for doubtful debts relating to amounts owed by related parties. The assessment of doubtful debts is reviewed each financial year by examining the financial position of the related party and the market in which the related party operates.

Remuneration of management and other benefits

The management remuneration comprises short-term and long-term benefits. In 2022, remuneration of the Company's management totalled EUR 370,677, social security contributions – EUR 6,494, and the awarded bonuses comprised cash payments and share-based payments in the amount of EUR 100,586; social security contributions – EUR 1,780 (2021: EUR 286,422; social security contributions – EUR 5,070; awarded bonuses – EUR 142,946; social security contributions – EUR 2,530). In 2022 and 2021, the Company's management included its General Manager and Members of the Board.

25. Fair value of financial instruments

In these financial statements, financial instruments carried at fair value are presented at three fair value levels as follows:

Level 1. The fair value of financial assets traded in active markets is based on a quoted price at the reporting date and is determined using the market method. The market is active if prices are continuously observable in the Bloomberg terminal (BGN – Bloomberg Generic) and these prices reflect actually conducted transactions and transactions conducted in the market on a continuous basis under market conditions. The bid price of the Company's assets is used. This method is applied for measuring the Company's investments into quoted equity securities and closed-end investment companies, managed by the Company, the shares of which are quoted.

Level 2. The fair value of financial assets is determined by market method. Inputs that have a significant impact on the fair value determined are observable in the market either directly or indirectly. The price of collective investment undertakings is based on the announced net asset value (NAV) of the funds at which units of the funds would be redeemed. NAV is determined using the carrying amounts method on the basis of market prices of the securities held with the funds, with reference to Bloomberg, Nasdaq and other sources that provide most reliable estimates of the market price of the securities at the reporting date. Other NAV-comprising elements of assets and liabilities (cash, payable management and custodian fees, other amounts receivable and payable) are measured at carrying amounts which correspond to their fair values. NAV is measured based on the NAV calculation methodology approved by the Company. This method is applied for measuring the Company's investments into collective investment undertakings that invest solely into quoted securities.

Level 3. Fair value of financial assets is determined by such valuation methods which use inputs not based on market data and making significant impact on the fair value determined. These valuation methods are used for the establishment of the fair value of units of alternative investment funds and financial liabilities measured at fair value.

The Company's investments into alternative funds are measured based on funds' NAV established as at the reporting date using the method of carrying amounts. The value of the assets to which the fund invests is determined using the market (if the fund's assets have been acquired recently and no significant changes occurred in the assets prices until the reporting date) or income (based on the discounted value of expected cash inflows from the assets managed by the funds) method. Other elements of assets and liabilities comprising NAV (cash, payable management and custodian fees, other amounts receivable and payable) are measured at carrying amounts which approximate their fair values.

Change in fair value is accounted for in profit or loss under the item "Net change in fair value of financial instruments measured at fair value through profit or loss.

No movements of financial instruments between the different levels were observed in 2022 and 2021.

At 31 December 2022	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:				
Collective investment undertakings	-	104,731	5,264,466	5,369,197
Closed-end investment companies	481,680	-	-	481,680
Equity securities	2,709,700	-	-	2,709,700
	3,191,380	**104,731**	**5,264,466**	**8,560,577**

At 31 December 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:				
Collective investment undertakings	-	121,611	2,387,497	2,509,108
Closed-end investment companies	611,020	-	-	611,020
Equity securities	3,005,950	-	-	3,005,950
	3,616,970	**121,611**	**2,387,497**	**6,126,078**

Movement of financial assets attributed to Level 3:

	2022	2021
Opening balance	2,387,497	728,827
Acquisition of financial instruments	762,229	510,599
Revaluation of financial instruments	2,123,288	1,476,666
Sale of financial instruments	(8,549)	(328,594)
Closing balance	5,264,465	2,387,497

As at 31 December 2022, the values of the Company's investments into funds were based on the estimated NAV of the funds, determined by the managers of the funds. The table below provides a sensitivity analysis of the value of the investment in INVL Sustainable Timberland and Farmland Fund II (STAFF), which was EUR 4,657 thousand at 31 December 2022, and the value of the investment in INVL Renewable Energy Fund I (REFI), which was EUR 308 thousand at 31 December 2022, based on the information received from the fund's managers and asset valuators. The value of the investments into these funds was measured based on the fund's NAV.

To determine the STAFF Fund's NAV, the investments into forests were evaluated by an independent asset valuator using the discounted cash flow method by applying 100 years of planned cash flow from forest management and comparable prices method, and investments into agricultural land were also evaluated using the discounted cash flow method by applying 100 years of planned cash flow from land lease activities and comparable prices method. The fair value of the assets under valuation was determined as the weighted average of the value determined using the discounted cash flow method and the value determined using the comparable prices method, using weights determined by the valuator.

To determine the REFI Fund's NAV, the investments into solar power plant projects were evaluated by an independent asset valuator using the discounted cash flow method by applying 31-32 years of planned cash flow from solar power plant management (based on the expected lifetime of the solar power plant once built).

The main assumptions for the measurement models of STAFF and REFI investments and their sensitivity are presented in the table below:

Item	Value used in the model	Expected change	Change in the value of the Company's investments
INVL Sustainable Timberland and Farmland Fund II			
Discount rate, %	5.75% - LT 5.50% - LV	+/- 1pp	(1,519)/2,384
Annual inflation rate	2.00%	+/- 1pp	2,456/(1,565)
INVL Renewable Energy Fund I			
Discount rate, %	8.34%-9.12%	+/- 1p	(41)/36
Annual inflation rate	2.5%	+/- 1pp	61/(53)

As at 31 December 2021, the values of the Company's investments into funds were based on the estimated NAV of the funds, determined by the managers of the funds. The sensitivity analysis for the value, which as at 31 December 2021 amounted to EUR 2,129 thousand (1.5 investment units managed), of the investment into INVL Sustainable Timberland and Farmland Fund II, is presented in the table below based on the information received from the fund's managers and asset valuators: The value of the investment into this fund was measured based on the fund's NAV. When determining the fund's NAV investments into forests were evaluated by an independent asset valuator using the discounted cash flow method by applying 100 years of planned cash flow from forest management, and investments into agricultural land were also evaluated using the discounted cash flow method by applying 100 years of planned cash flow from land lease activities. The main assumptions for the measurement models of forest and agricultural land and their sensitivity is presented in the table below:

Item	Value used in the model	Expected change	Change in the value of the Company's investments
Discount rate, %	5.25% -LT 5.00% - LV	+/- 1pp	-1,386/2,472
Annual inflation rate	2.75% - 1-10 year land lease revenue LT 4% - 1-10 year land lease revenue LV 2.00% all other revenue and expenses	+/- 1pp	2,518/-1,389

26. Subsequent events

On 10 February 2023, the Company completed the acquisition of the Mundus private debt fund management company.

In addition to the above-mentioned, there are no other significant subsequent events that would require disclosure in or adjustments to these financials statements.

Dokumentą elektroniniu parašu
pasirašė DOVILĖ,LUKOŠEVIČIENĖ
Data: 2023-03-31 19:39:16

Dokumentą elektroniniu parašu
pasirašė LAURA,KRIŽINAUSKIENĖ
Data: 2023-03-31 19:34:16