

NOVIAN

Novian group's results for the 1st half of 2022

Novian – a digital advantage partner

NOVIAN

Technologies

NOVIAN | Technologies

- **Novian Eesti OÜ**
Tallinn, Estonia
- **Andmevara SRL**
Chişinău, Moldova

Software services

NOVIAN | Systems

- **Andmevara AS**
Tallinn, Estonia



Digitization

Zissor
a Novian company

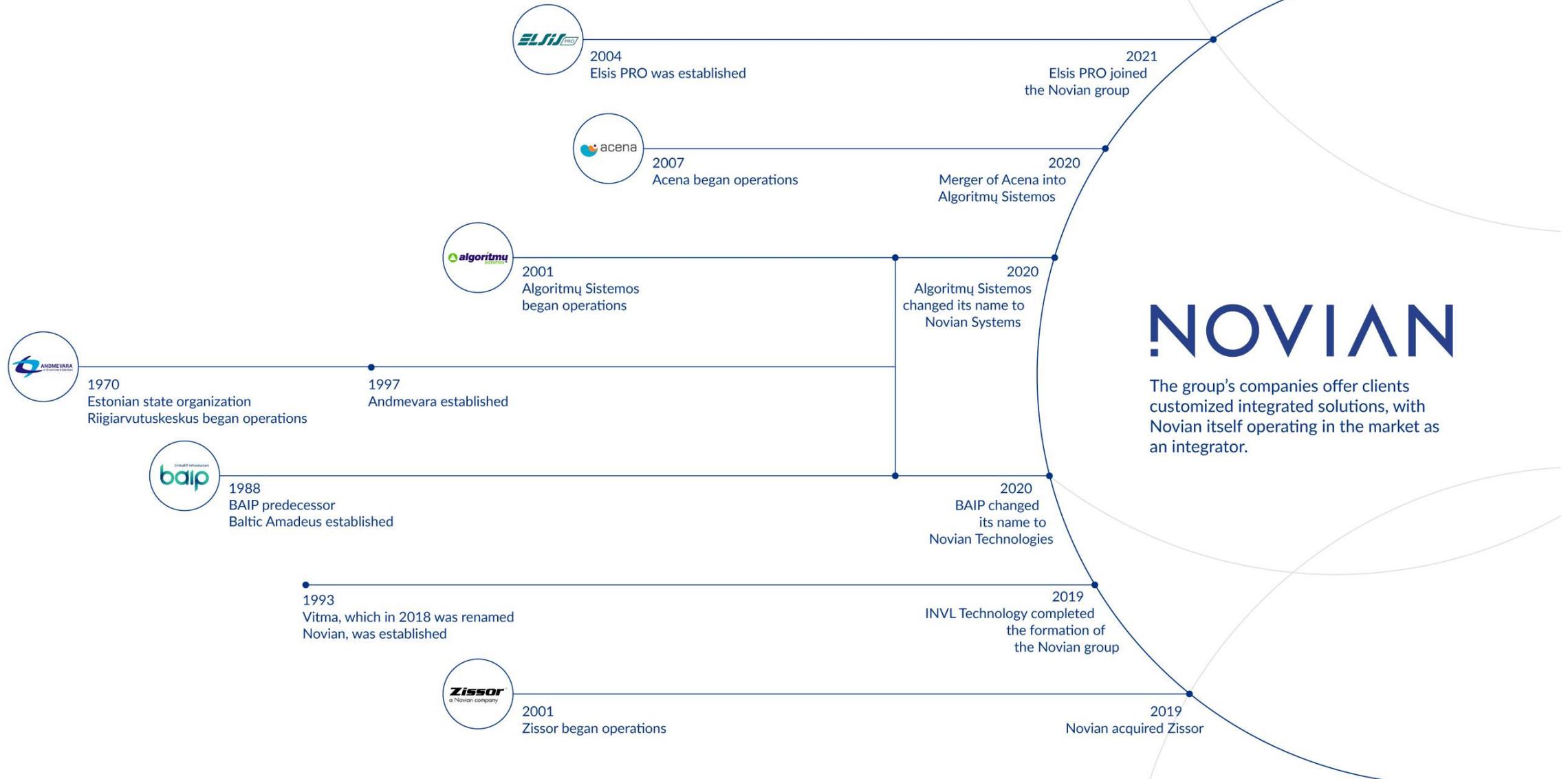
Drammen, Norway

The Novian group's companies work in software services, IT infrastructure and digitization areas, offering services and solutions for developing an organisation's digital advantage.

Novian's main areas of focus are **digital transformation services, data empowerment, and artificial intelligence and robotics solutions.**

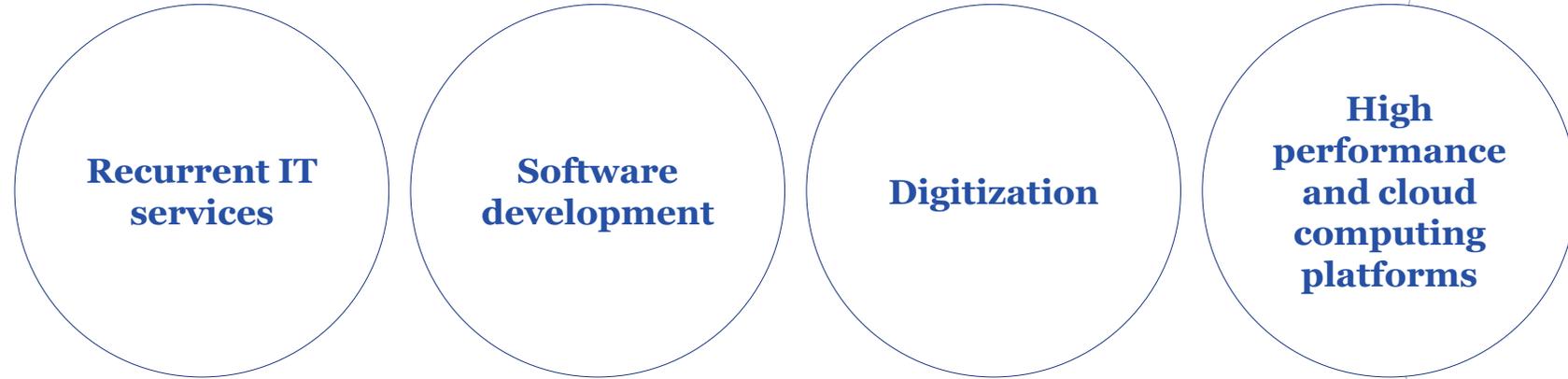
The Novian group's advantage is its ability to provide integrated IT services and solutions by combining the capabilities of the group's companies and thus giving clients more value.

Novian operates as an integrator



The Novian group's priority is to grow clients' organizations

Strategic growth areas:



Long term objectives:



Digitalization solutions for business and the public sector

Business

Public sector

1 • Organization's need for digitalization

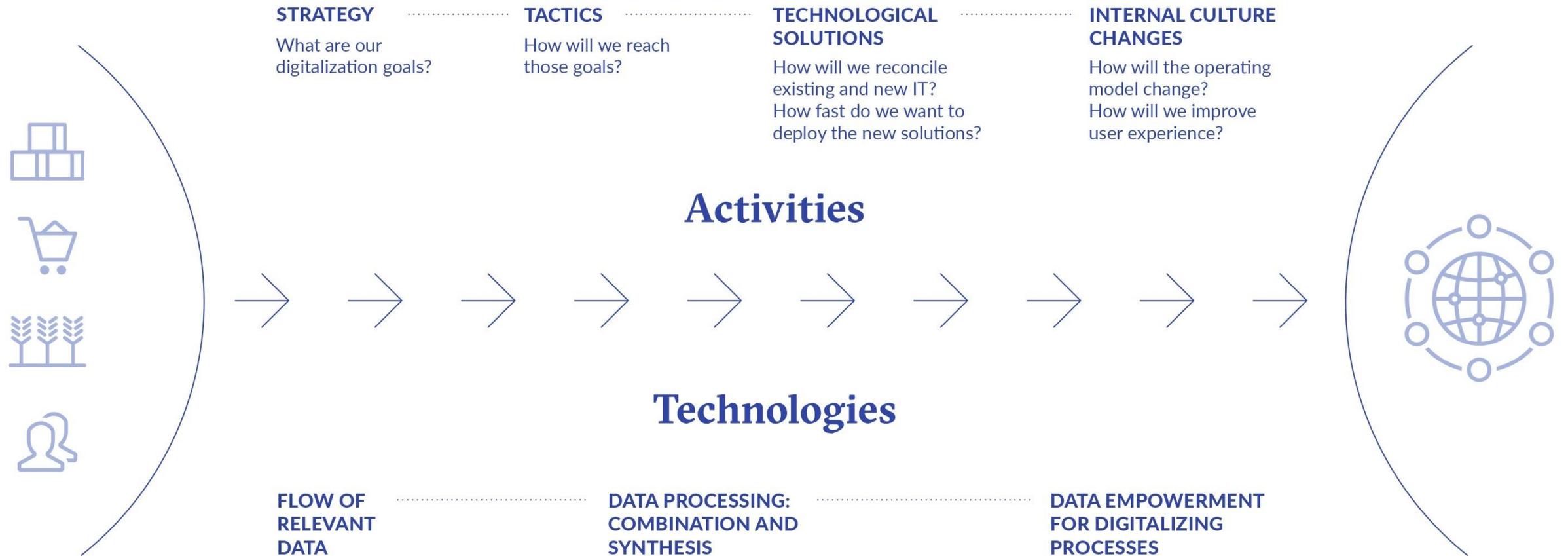
2 • Digital needs analysis

The Novian approach

3 • Optimal solution

4 • Fast implementation combining the Novian companies' experience, capacity and services.

Digital transformation of an organization



Data empowerment solutions



DIGITIZATION

- Scanning
- Segmentation

STORING AND PROTECTION

- Storage
- Backup
- Archiving

PROCESSING

- Computing power
- Information systems
- Conversion

EMPOWERMENT

- Search, access, and management capabilities
- Automation
- Artificial intelligence
- Smart Data



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Key events

Key events

- The Novian group has made full settlement in the transaction to acquire the software services company Elsis PRO. It did so on 26 May 2022, as per the agreements on the purchase and sale of the shares of Elsis PRO. The final value of the deal, at EUR 1.865 million, was determined after the preparation of Elsis PRO's audited financial statements for 2021.
- Effective 7 June, 2022 the Estonian IT company Andmevara Services OÜ has changed its name to Novian Eesti OÜ. The company continues to provide IT infrastructure and digitization services and also represents the group's other IT services and solutions.
- The Novian group's software services company Elsis PRO and technology company Novian Technologies joined the Artificial Intelligence Association of Lithuania. Elsis PRO became a member of the National Defence Industries Association of Lithuania.
- Novian.ee, a website presenting the Novian group's services in the Estonian language, launched in June 2022.

Key events

Technologies

- The eighth “Technologies and Resilience” conference organized by Novian Technologies was held in June 2022. The main topic this year was digital transformation and resilience. The event is organized once per year, it was intended for company executives, heads of IT and IT infrastructure professionals, developers, modern technology enthusiasts, and business process and finance managers.
- A modern Novian group digitization centre began operating in Estonia. It provides a variety of technical solutions for document digitization, with five types of scanners that can scan any paper documents – from quick and easy A4-format documents to complex large old newspapers and maps. The centre offers convenient logistics and scanning processes and results that are professional and reliable.
- In the first quarter of 2022, Novian Technologies became a Premier Business Partner of Red Hat, thus achieving the top level of partnership with the world’s leading provider of enterprise open source solutions. Novian Technologies is actively developing this partnership with a Cloud Infrastructure specialization. The new partnership level ensures direct access to the manufacturer’s resources and better purchasing terms.

Software development

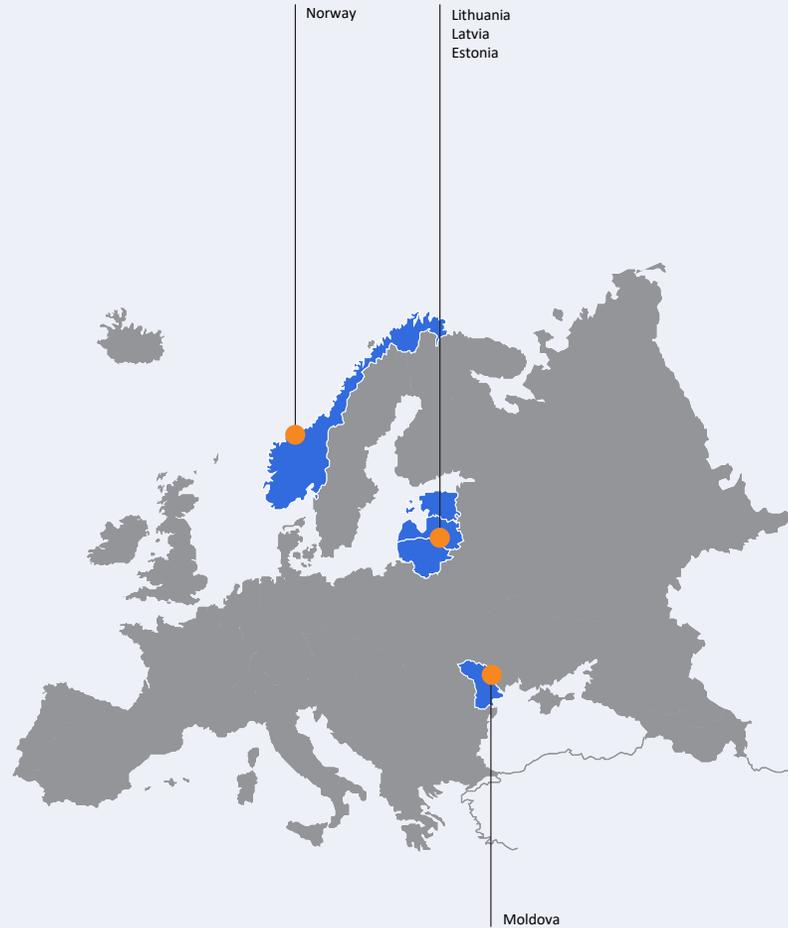
- Novian Systems successfully upgraded the Masis municipal land-rent tax administration system in many Lithuanian municipalities served. It is made for handling the accounting for taxes (on land, property rental, etc.), fees and licences administered by a municipality, and for managing electronic services for individuals and businesses.
- In May 2022, Elsis PRO obtained ISO 20000-1 IT Service Management System certification and ISO 14001 Environmental Management System certification. In addition, its previously obtained ISO 9001 Quality Management System and ISO 27001 Information Security Management System certifications were renewed through 2025.

Media monitoring and digitization

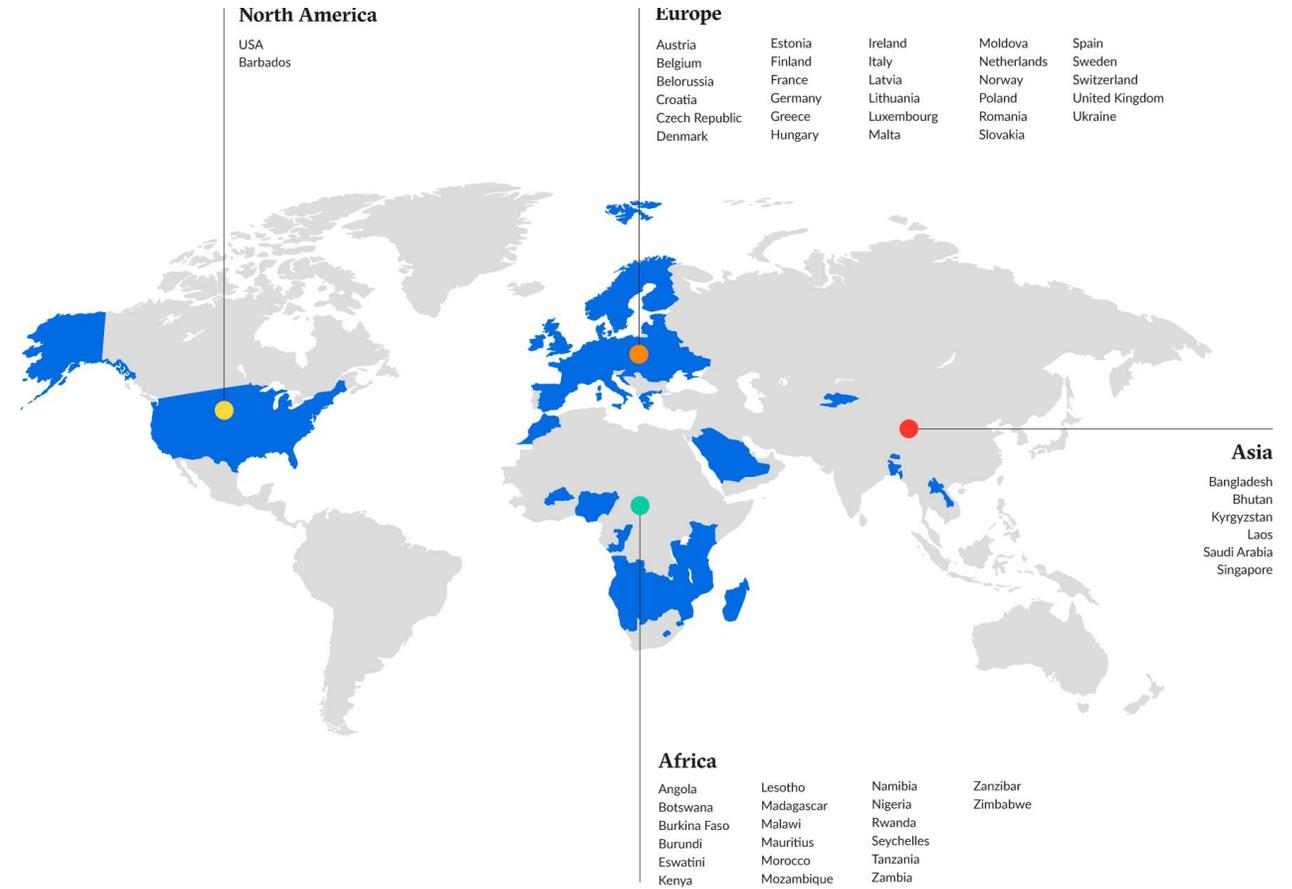
- Zissor remains focused on expanding its archive digitization services in the Nordic region and especially in Finland.
- The company is launching a new PDF to XML conversion service in the Nordics and Europe.
- Zissor is working on upgrades to the Zissor Media System, which will include a new artificial intelligence module for categorizing articles and a new PDF text and image extraction module.

The geography of Novian's companies and projects

Offices operate in 5 countries



The companies' projects in 2016-2022 took place in more than 50 countries



Financial results

Novian group key profit (loss) items, thousands of EUR

	Novian*													
			Technologies area				Software services area						Media monitoring and digitization area	
			Novian Technologies		Novian Eesti/ Andmevara SRL**		Novian Systems		Andmevara AS		Elsis PRO		Zissor	
	2021 H1***	2022 H1	2021 H1	2022 H1	2021 H1	2022 H1	2021 H1	2022 H1	2021 H1	2022 H1	2021 H1	2022 H1	2021 H1	2022 H1
Revenue	11,553	14,497	7,158	9,594	334	887	1,544	1,917	362	141	1,672	1,541	484	416
Gross profit	3,201	3,131	1,309	1,272	334	686	376	255	181	76	638	501	364	340
EBITDA	885	162	694	341	29	157	2	(155)	(9)	(39)	243	28	102	(23)
EBIT	460	(344)	476	84	24	134	(70)	(225)	(40)	(48)	145	(115)	102	(26)
Net profit (loss)	228	(500)	297	22	14	105	(63)	(168)	(74)	(75)	130	(122)	102	(26)

*Unaudited aggregated operating results of the Novian group are presented, which include the results of the companies submitted and the results of Novian UAB. When aggregating the profit (loss) statement items, dividend income was eliminated. The standalone annual financial statements of Novian Technologies UAB, Novian Systems UAB, Elsis PRO UAB and Zissor AS of 2021 are audited.

**Includes results of Novian Eesti OÜ (former Andmevara Services OÜ) and Andmevara SRL.

***2021 H1 results include the results of Elsis PRO UAB which was acquired in 2021 (revenue EUR 1,672 thousand, EBITDA EUR 243 thousand)

Novian group key balance sheet items, thousands of EUR

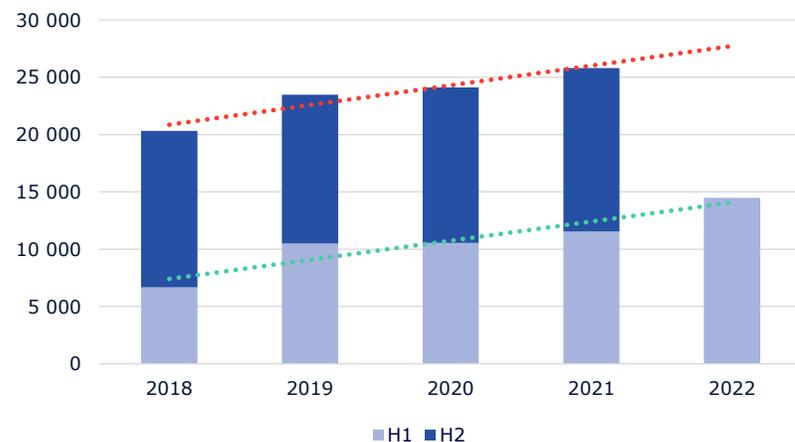
	Novian*													
			Technologies area				Software services area						Media monitoring and digitization	
			Novian Technologies		Novian Eesti/ Andmevara SRL**		Novian Systems		Andmevara AS		Elsis PRO		Zissor	
	31-12-2021	30-06-2022	31-12-2021	30-06-2022	31-12-2021	30-06-2022	31-12-2021	30-06-2022	31-12-2021	30-06-2022	31-12-2021	30-06-2022	31-12-2021	30-06-2022
Tangible assets	1,640	1,867	1,124	1,082	28	210	149	116	78	-	246	446	12	10
Intangible assets	2,426	2,306	48	77	4	4	1,882	1,875	-	-	492	350	-	-
Other non-current assets	1,987	3,082	441	139	-	-	1,368	2,088	-	-	97	97	110	84
Current assets	9,218	10,792	5,459	5,634	295	470	1,994	2,593	95	17	994	1,520	397	266
of which cash	2,687	1,605	1,484	662	111	104	424	443	36	10	357	217	259	158
Total assets	15,271	18,047	7,072	6,932	327	684	5,393	6,672	173	17	1,829	2,413	519	360
Equity	4,669	3,847	2,458	1,978	104	209	2,342	2,174	(811)	(877)	353	131	391	253
Non-current liabilities	2,994	4,552	286	278	-	135	1,389	1,295	27	-	117	949	-	-
Of which financial debt	2,834	3,760	262	261	-	135	1,253	1,158	27	-	117	311	-	-
Current liabilities	7,608	9,648	4,328	4,676	223	340	1,662	3,203	957	894	1,359	1,333	128	107
of which financial debt	1,373	2,749	418	1,339	50	38	832	1,744	876	859	307	61	-	-
Total liabilities and equity	15,271	18,047	7,072	6,932	327	684	5,393	6,672	173	17	1,829	2,413	519	360

*Unaudited aggregated operating results of the Novian group are presented, which include the results of the companies submitted and the results of Novian UAB. When aggregating balance sheet items, the value of investments in subsidiaries was eliminated. The standalone annual financial statements of Novian Technologies UAB, Novian Systems UAB, Elsis Pro UAB and Zissor AS of 2021 are audited.

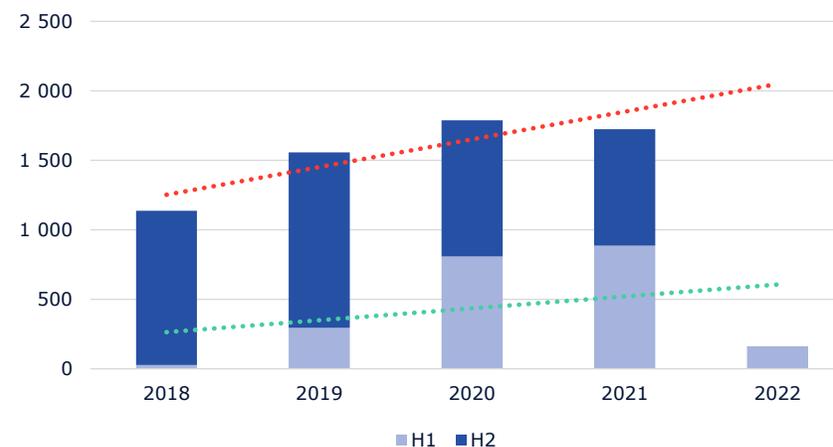
**Includes results of Novian Eesti OÜ (former Andmevara Services OÜ) and Andmevara SRL.

Novian group main financial figures

AGGREGATED REVENUE, THOUSANDS OF EUR



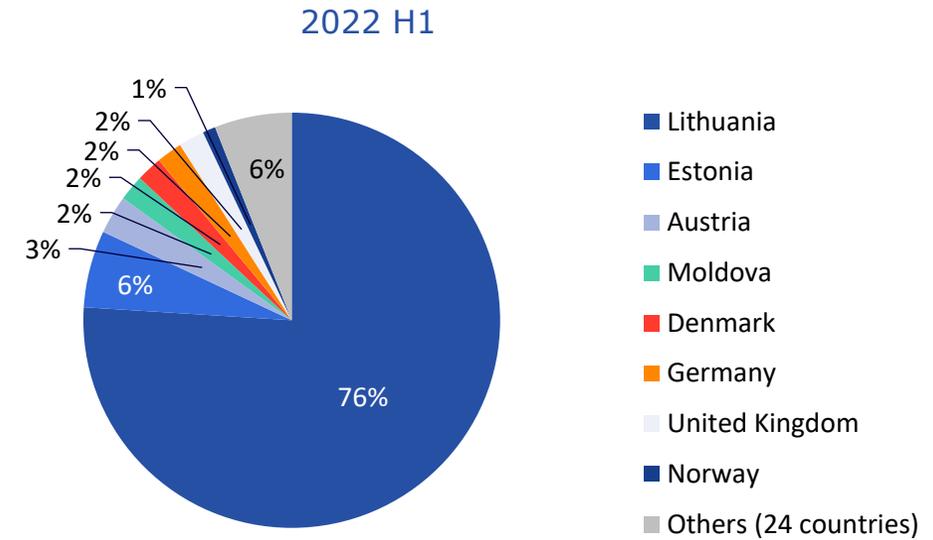
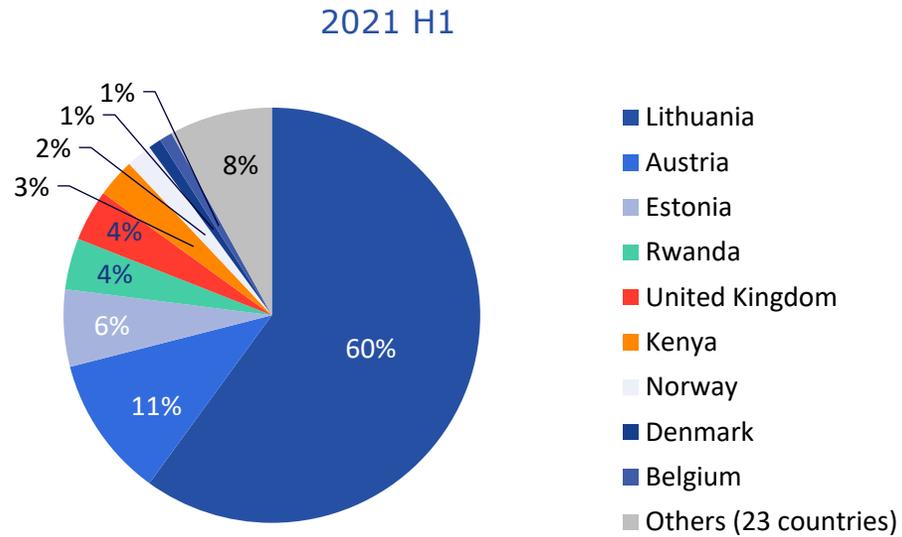
AGGREGATED EBITDA, THOUSANDS OF EUR



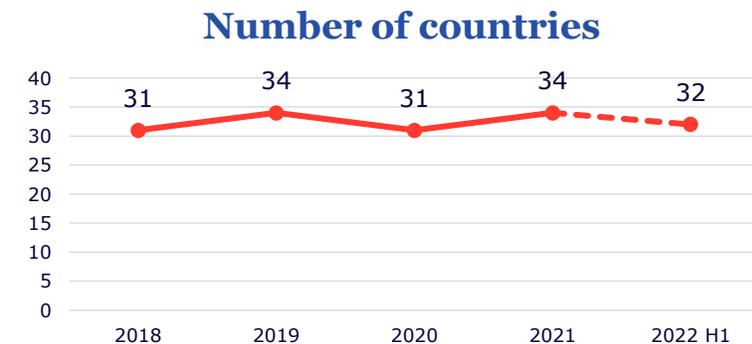
Thousands of EUR	2018 H1	2019 H1	2020 H1	2021 H1	2022 H1
Revenue	6,679	10,502	10,547	11,553	14,497
EBITDA*	28	294	808	885	162

* From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2018 and 2019-2022 is not directly comparable. The results of 2021 H1 include results of Elsis PRO UAB that was acquired in 2021 (revenue EUR 1,672 thousand and EBITDA EUR 243 thousand).

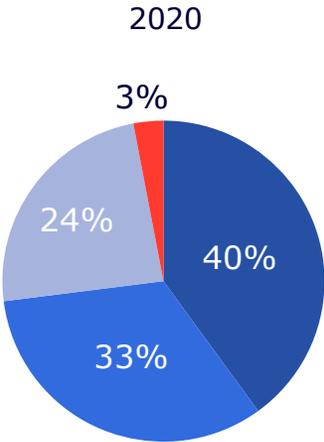
Novian group revenue by country



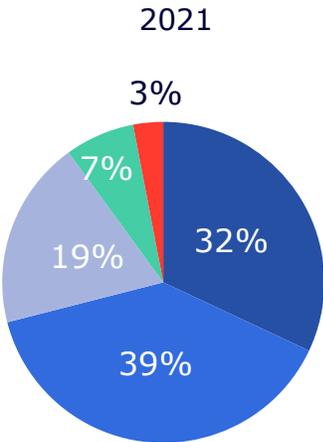
Thousands of EUR	2021 H1	2022 H1	Change
Lithuania	6,947 (60%)	11,010 (76%)	4,063
Other countries	4,606 (40%)	3,487 (24%)	(1,119)
Total	11,553	14,497	2,944



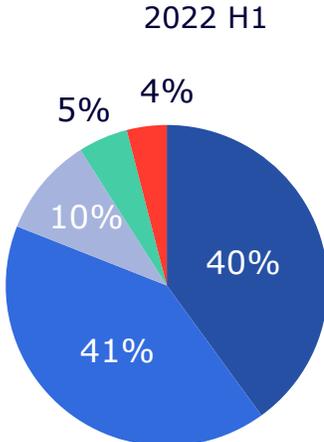
Novian group revenue by sectors



- Public*
- Private*
- Finance
- Other



- Public*
- Private*
- Finance
- Aviation, Aeronautics
- Other



- Public*
- Private*
- Finance
- Aviation, Aeronautics
- Other

*- excluding revenue from the finance and aviation, aeronautics sectors.

Technologies business area

Novian Technologies (Lithuania), Novian Eesti OÜ
(Estonia) and Andmevara SRL (Moldova)

Technologies business area



Solutions and services:

- Critical IT infrastructure design, deployment and maintenance
- Critical IT infrastructure maintenance managed services
- Cloud computing strategy and transformation implementation
- Data storage, recovery and archiving solutions
- Modern digital workplace strategy creation and implementation
- Supply-chain and infrastructure lifecycle management
- Managed printing services
- Digitization of document archives



Industries where active:

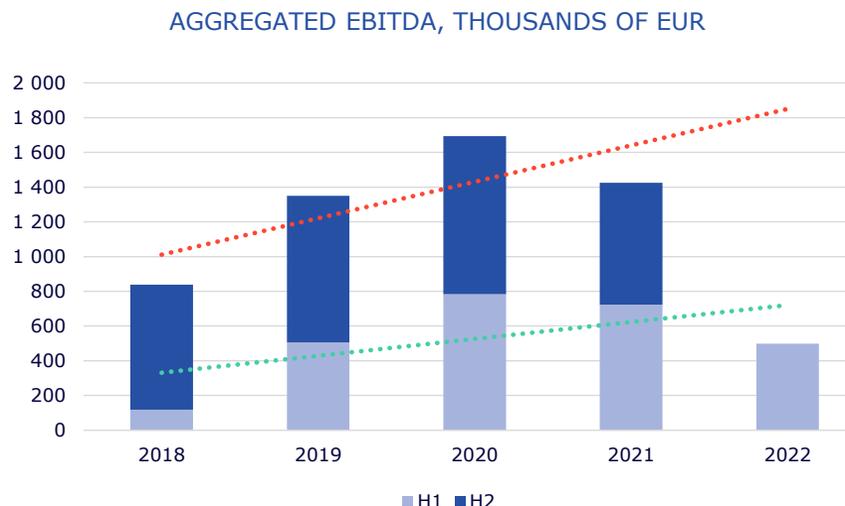
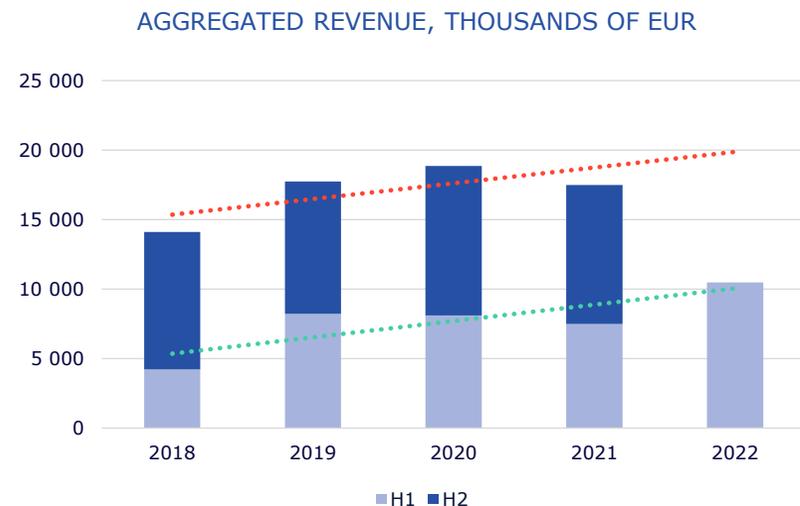
- Finance and insurance
- Wholesale and retail trade
- Logistics and warehousing
- ITT
- Energy
- Manufacturing
- Public sector
- Scientific institutions



Technologies and methodologies:

- Methodologies: CIMF v.3, Migritis, CopyPrint
- Intellectual property: Novian Eesti x-Scan document digitization software
- Technology partners:
 - Dell EMC, NVIDIA, Lenovo, IBM, Cisco, Zabbix, Prometheus, Oracle
 - Microsoft Azure, Google Cloud, Red Hat Openshift
 - Commvault, Veritas, Quantum
 - Mobile Iron, N-Able, Kyocera, Microsoft.
- Standards and Certifications:
 - ISO 90001, ISO 14001, ISO 20000-1

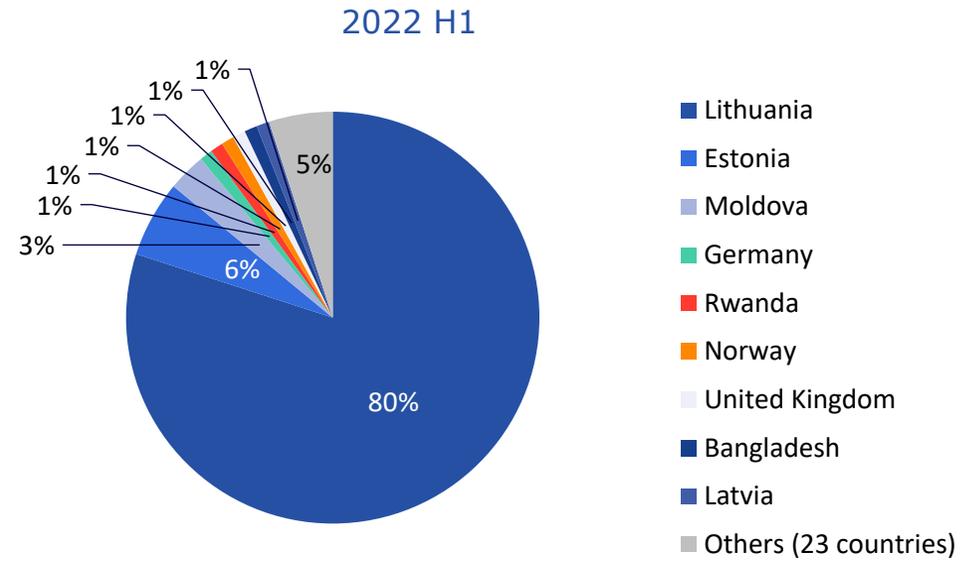
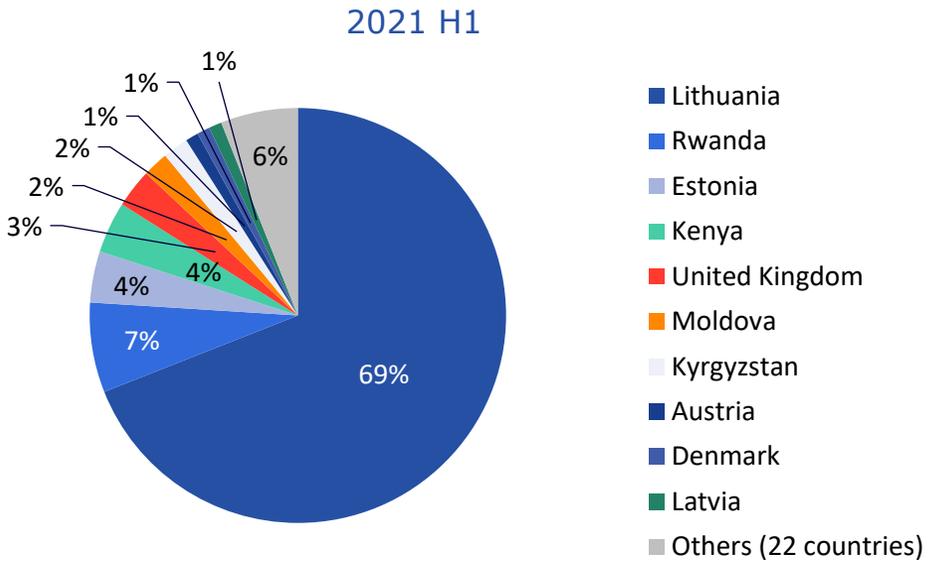
Technologies business area: main financial indicators



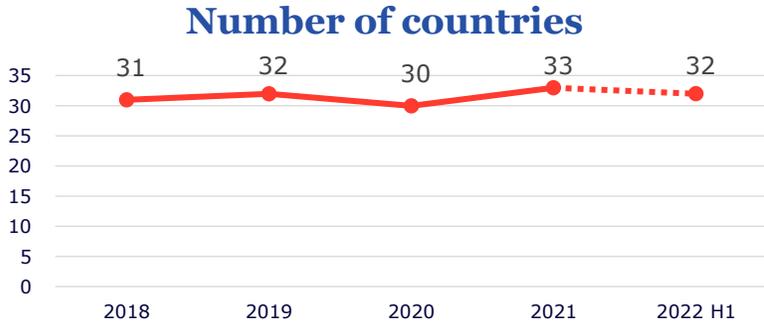
Thousands of EUR	2018 H1	2019 H1	2020 H1	2021 H1	2022 H1
Revenue	4,227	8,232	8,118	7,492	10,481
EBITDA*	118	506	783	723	498

* From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2018 and 2019-2022 is not directly comparable.

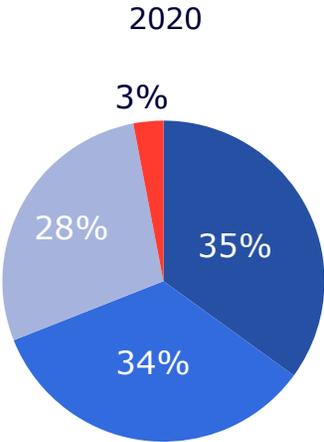
Technologies business area: revenue by country



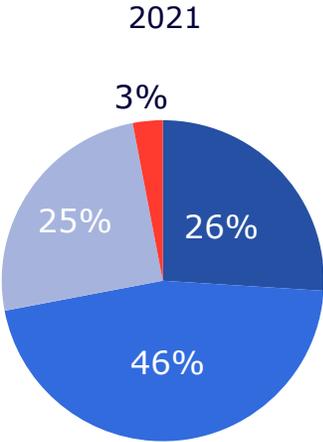
Thousands of EUR	2021 H1	2022 H1	Change
Lithuania	5,195 (69%)	8,403 (80%)	3,208
Other countries	2,297 (31%)	2,078 (20%)	(219)
Total	7,492	10,481	2,989



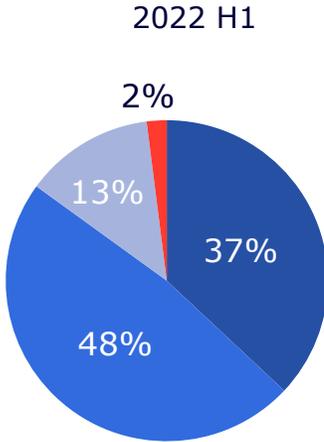
Technologies business area: revenue by sectors



- Public*
- Private*
- Finance
- Other



- Public*
- Private*
- Finance
- Other



- Public*
- Private*
- Finance
- Other

*- excluding revenue from the finance sector.

Main projects



Project

Deployment of high-performance computing clusters in the Southern African Development Community (SADC)

Installation of high-performance computing clusters for the Bangladesh Meteorological Department

Document digitization for the Moldovan agency for land relations and cadastre

Digitization of the Luxembourg National Library's archive

IT infrastructure audit at Rwanda's revenue authority

Project scope

A high-performance computing cluster for use in climate change modelling and weather forecasting will be deployed at Botswana Meteorological Services as the main SADC Climate Services Centre. As part of the project, HPC clusters will also be deployed in 17 other countries of the SADC.

HPC clusters will be installed for use in modelling climate change and preparing weather forecasts. The project is financed by the World Bank.

The project will involve the digitization of cadastral files. The total scope of the project is 13 archives with 29 million pages.

The project involves scanning the library's monographs. Its scope is 2 million pages. The digitization process will take 14 months.

An IT infrastructure assessment was performed. The audit was wide-ranging: from analysis of architecture solutions to evaluation of integrations with third parties in information systems (IS) and review of requirements for restoring the functionality of IS and their components.

Benefits

After completing the project, the Southern African countries that belong to the SADC will be able to forecast weather and model climate change faster and more accurately.

The equipment will help more accurately track and model climate change and prepare weather forecasts, and the calculations will be faster.

Use of the digitized documents will facilitate cadastral search and use processes and ensure files' longevity.

Digitizing the library's archive will ensure the preservation of the archived monographs while also facilitating information searches and use in electronic form by library staff and readers.

The recommendations made following the audit cover the development of the IT over the next 5 years, aiming at a sustainable transformation of the IT infrastructure and ensuring support for the organisation's operations.

Software services business area

Novian Systems, Elsis PRO (Lithuania),
Andmevara AS (Estonia)

Software services business area

Solutions and services:

- Development and maintenance of information systems
- Information systems integration
- Business process digitalization
- Performance analytics solutions
- Robotic process automation
- Critical resource management solutions
- Data distribution solutions (*OMG Data Distribution Service*)
- Big data
- Risk management solutions
- Consulting

Industries where active:

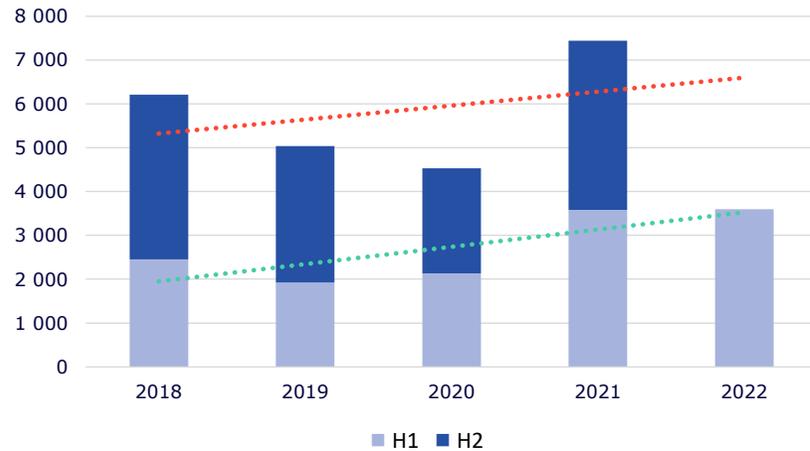
- E-governance
- E-tax
- E-health
- Environmental protection
- Smart cities
- Defense
- Aviation and space
- Regulatory institutions
- Corporations
- Scientific institutions

Technologies:

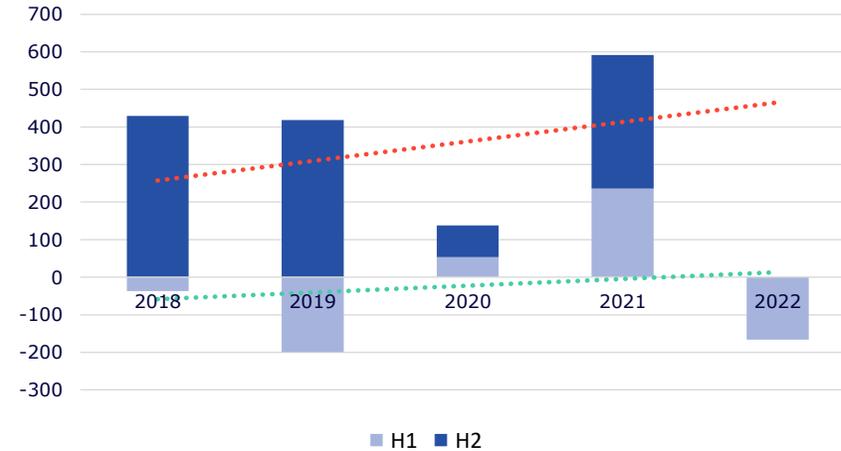
- Intellectual property:
 - Novian Systems:
 - Masis municipal tax management
 - Atris waste charges management
 - Elsis PRO:
 - PRO.Risks risk management
 - SHIFT air traffic controller scheduling software
 - Galaxy nano-satellite communication software (in development)
- Programming in Oracle/Java, C++, Angular, TypeScript and Microsoft.NET
- Low-code solutions
- Process robotization
- Big data and performance analytics, artificial intelligence
- Standards and Certifications:
 - Novian Systems: ISO 9001, ISO 27001, ISO 14001;
 - Elsis PRO: ISO 9001, ISO 27001, ISO 14001, ISO 20000-1.

Software services business area main financial figures

AGGREGATED REVENUE, THOUSANDS OF EUR



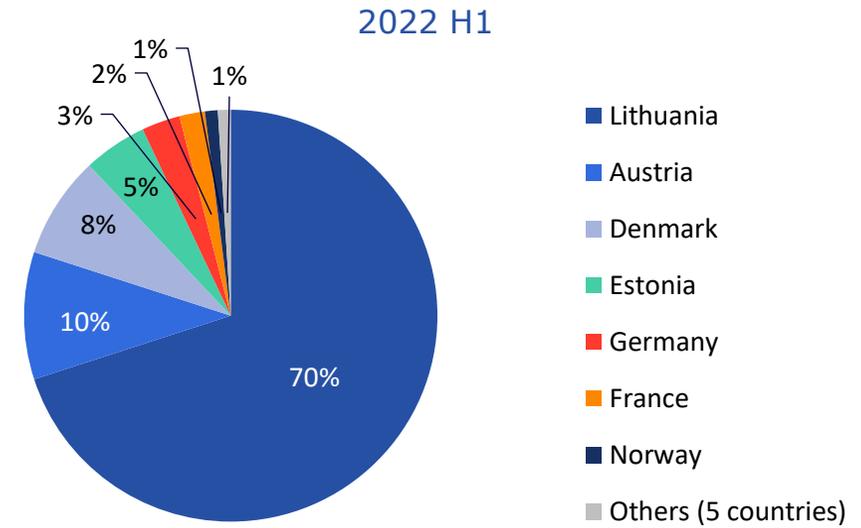
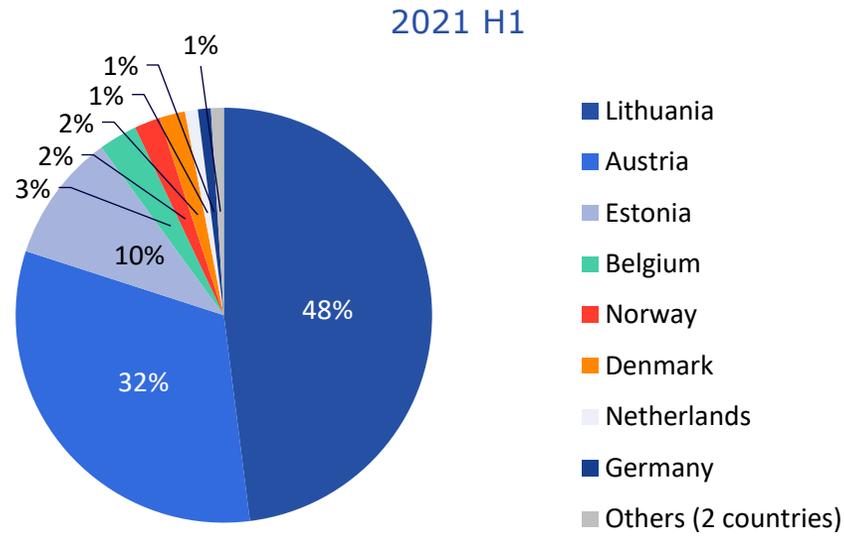
AGGREGATED EBITDA, THOUSANDS OF EUR



Thousands of EUR	2018 H1	2019 H1	2020 H1	2021 H1	2022 H1
Revenue	2,452	1,922	2,135	3,578	3,599
EBITDA*	(37)	(199)	53	236	(166)

* From 2019 IFRS 16 was adopted, which affected the amount of EBITDA, therefore the EBITDA for the periods 2018 and 2019-2022 is not directly comparable. The results of 2021 H1 include results of Elsis PRO UAB that was acquired in 2021 (revenue EUR 1,672 thousand and EBITDA EUR 243 thousand).

Software services business area by country

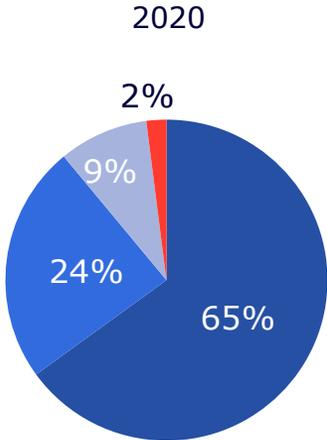


Thousands of EUR	2021 H1	2022 H1	Change
Lithuania	1,712 (48%)	2,520 (70%)	808
Other countries	1,866 (52%)	1,079 (30%)	(787)
Total	3,578	3,599	21

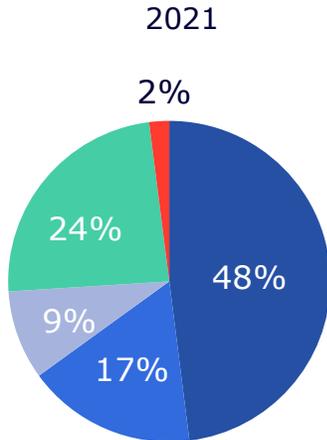
Number of countries



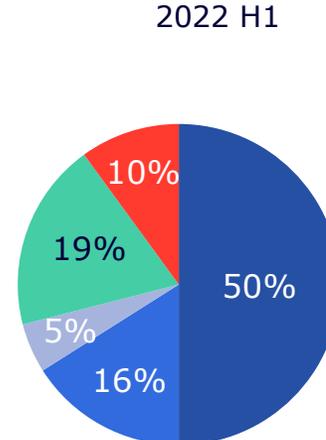
Software services business area by sectors. Number of countries



- Public*
- Private*
- Finance
- Other



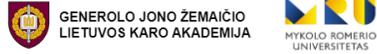
- Public*
- Private*
- Finance
- Aviation, Aeronautics
- Other



- Public*
- Private*
- Finance
- Aviation, Aeronautics
- Other

*- excluding revenue from the finance and aviation, aeronautics sectors.

Main projects



STATICUS



Project

Modernization of the Financial Crimes Investigation Service's Anti-Money Laundering Information System

Development of National Ecosystem for the Recognition and Analysis of the Information Effect Phenomena (NAAS)

Modernization of the Lithuanian Research Council's Project Administration Information System (LMTPAIS)

Payment tracking and accounting app for the international facade contractor Staticus

Implementation of Microsoft Power BI financial reporting at Litvalda

Project scope

For the modernisation, Elsis PRO is using process automation and artificial intelligence technologies. Software was updated to adapt to changing infrastructure needs and incorporate advanced data analytics, artificial intelligence and robotics solutions.

Elsis PRO is assessing solution alternatives and developing a prototype. For this purpose, a conceptual model is being put in place, a system architecture solution is being chosen and implemented, and tools for data collection and analysis are being developed and deployed. Research is being conducted in the areas of artificial intelligence and machine learning.

Novian Systems is modernizing an information system of the Lithuanian Research Council for the oversight of funding and research quality, to automate Council processes for the related collection, organization and processing of data.

The project's purpose is to track the status of bank payments and manage the related documentation centrally, in one app. The app will make it possible to register payments and notify the responsible persons that bank payments are ready and need to be confirmed.

In this project, Microsoft Power BI was used to create financial reports, merging and consolidating data from 25 sources (Rivilė).

Benefits

Processes for processing information and performing analyses will be automated. Data processing and the identification and description of significant items in unstructured text will be accelerated.

The proposed system architecture and other components will enable assessment of the system's suitability and innovativeness and the potential for developing it into a final solution.

The project will make business processes more efficient, reduce the time and labour costs to users when submitting data, enable the integration and re-use of that data, and most likely also reduce the administrative burden for institutions and applicants.

It's estimated that the new app will save the accounting division at least 230 hours of work a year and sharply reduce the risk of human errors.

The company's financial and project activity information was structured in a high quality and accurate way, reducing the risk of errors. The process of monitoring the company's performance was optimized.

Media monitoring and digitization area

Zissor (Norway)

Media monitoring and digitization area

Solutions and services:

- Media (press, online, broadcast, social networks) monitoring software
- Software to segment and digitize the contents of printed and/or scanned documents
- Media PDF file conversion to XML for other communication channels

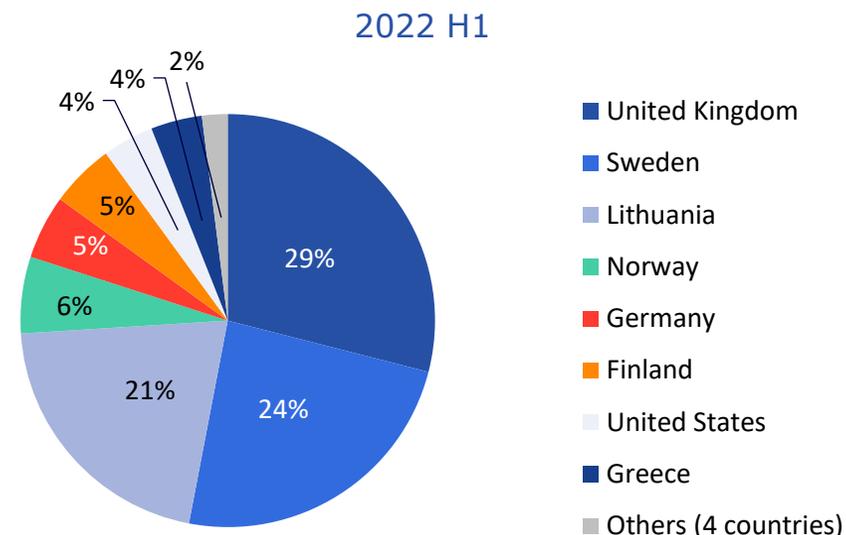
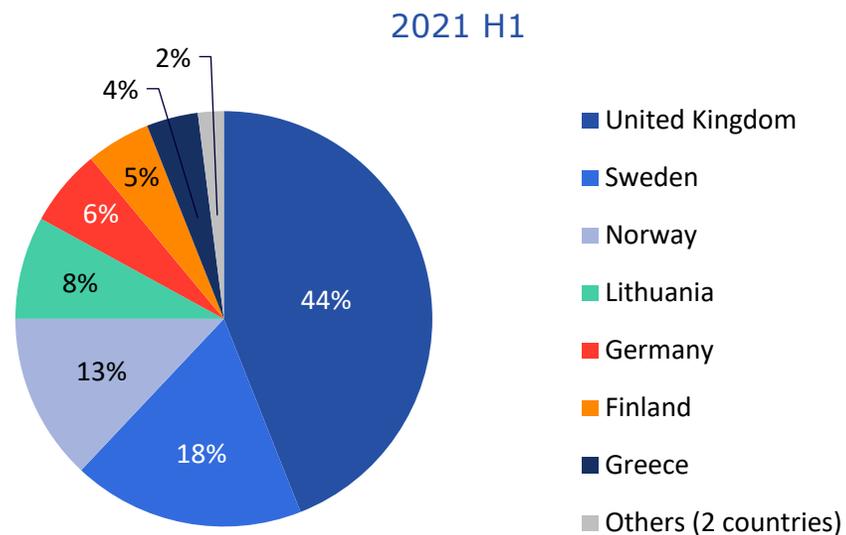
Industries where active:

- Providers of media monitoring services
- Magazine and newspaper publishers
- National archives and libraries

Technologies:

- Intellectual property:
 - Zissor Media Monitoring software
 - Zissor Archive Digitization software
 - Zissor PDF To Article Conversion software

Zissor revenue by country



Thousands of EUR	2021 H1	2022 H1	Change
Lithuania	40 (8%)	87 (21%)	47
Other countries	444 (92%)	329 (79%)	(115)
Total	484	416	(68)

Main projects



ILTALEHTI



Hordaland Folkeblad



Lister 24



FORECOMM

Project	Digitization of the Finnish newspaper Iltaalehti	Digitization of the Norwegian newspaper Hordaland Folkeblad	Digitization of the Norwegian newspaper Lister	PDF to XML conversion service for the French company Forecomm
Project scope	Zissor provided digitization services including scanning, optical character recognition (OCR), article segmentation and metadata extraction. The project covered the archive of the newspaper for 1980 to 2013.	During the project, the newspaper's archive for 1873 to 2005 were digitized. Zissor also provided scanning, optical character recognition (OCR), article segmentation and metadata creation services.	In this project, Zissor and Novian Eesti digitized the newspaper's archive. Scanning, optical character recognition (OCR), article segmentation and metadata extraction were among the digitization processes included.	Zissor is providing digitization services that include full conversion of PDF-format pages to XML. The service also includes some magazine illustrations.
Benefits	The newspaper's digitized archive can be used for text searches, and subscribers and journalists can use its pages and articles in e-format. A total of 380,000 newspaper pages were digitized.	A total of 75,000 newspaper pages were prepared for digital use. They are now available digitally to subscribers and the editorial team and can also be used for text searches.	The newspaper's archive for 1901 to 2014 was digitized during the project – a total of 200,000 pages. The digital format will make it easier to find and use the information and ensure the newspaper's long-term availability.	Digitization makes magazine contents easier to use in electronic form.

NOVIAN

Thank you