

NOVIAN

Novian group's results for 2021

Novian – a digital advantage partner

NOVIAN

Technologies

NOVIAN | Technologies

- **Andmevara Services OÜ**
Tallinn, Estonia
- **Andmevara SRL**
Chişinău, Moldova

Software services

NOVIAN | Systems

- **Andmevara AS**
Tallinn, Estonia



Digitization

Zissor[®]
a Novian company

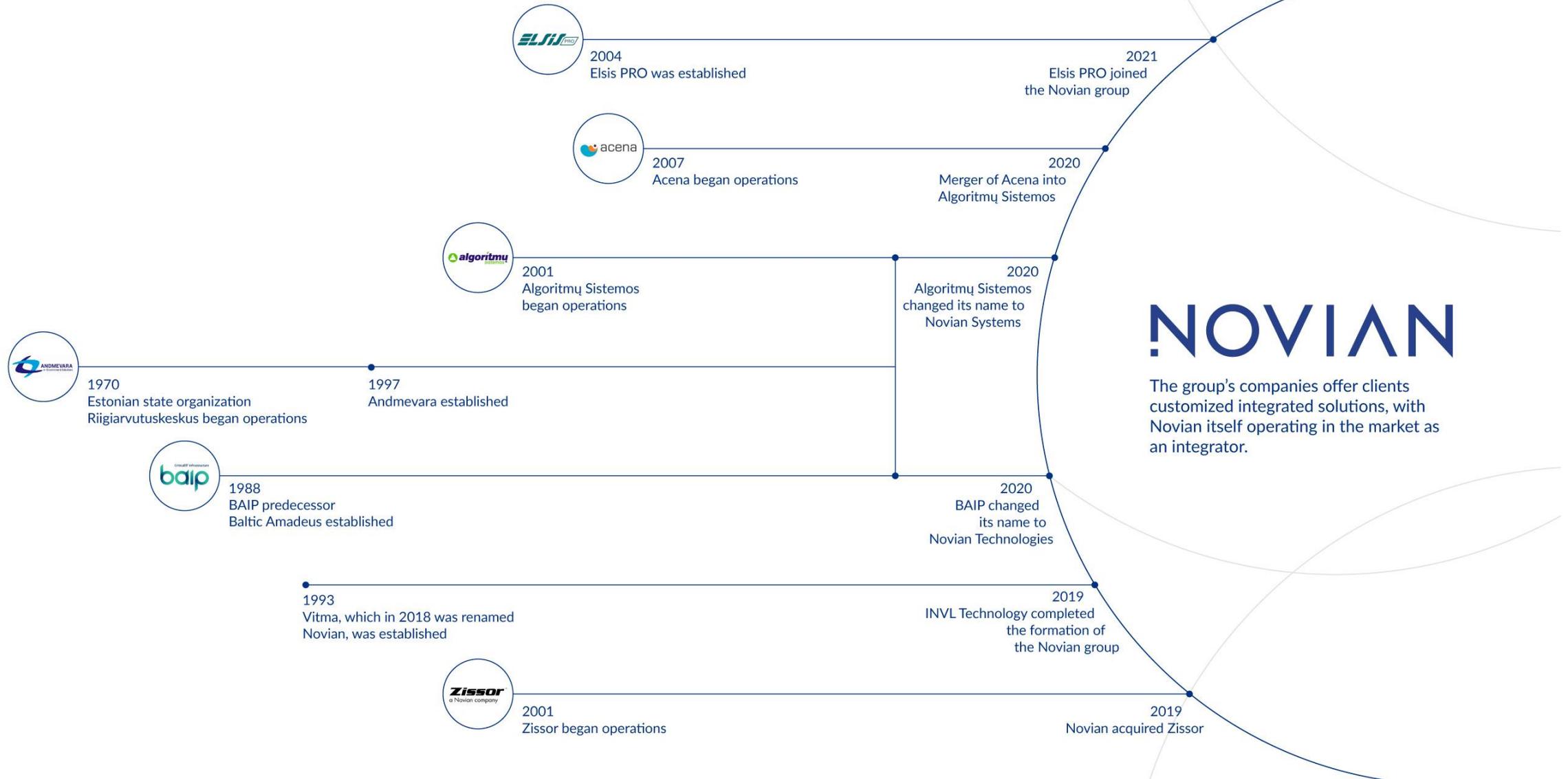
Drammen, Norway

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.**

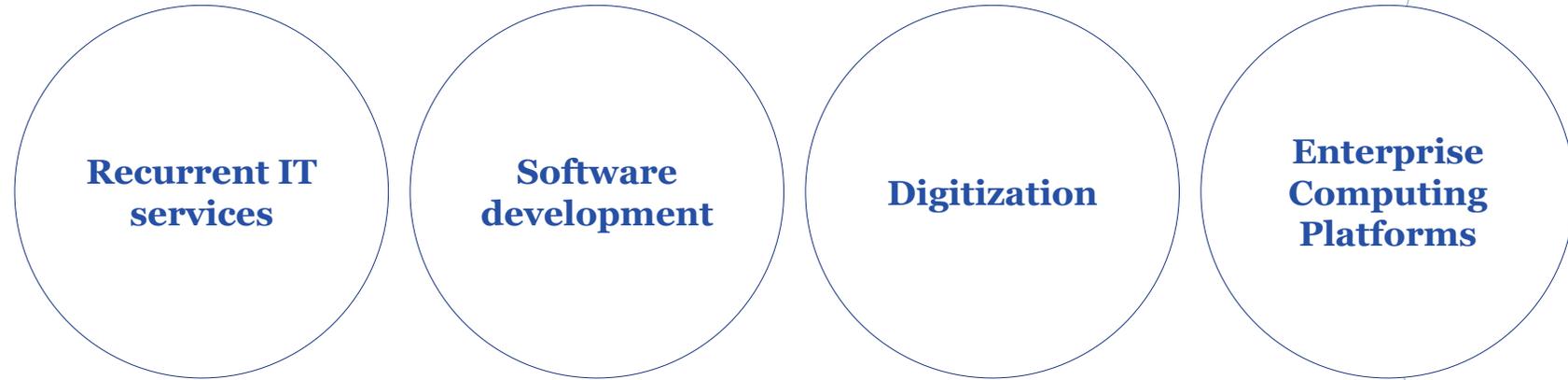
The Novian group's advantage is its ability to provide integrated IT services and solutions by combining the capabilities of the group's companies and thus giving clients more value.

Novian operates as an integrator



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

Strategic growth areas:



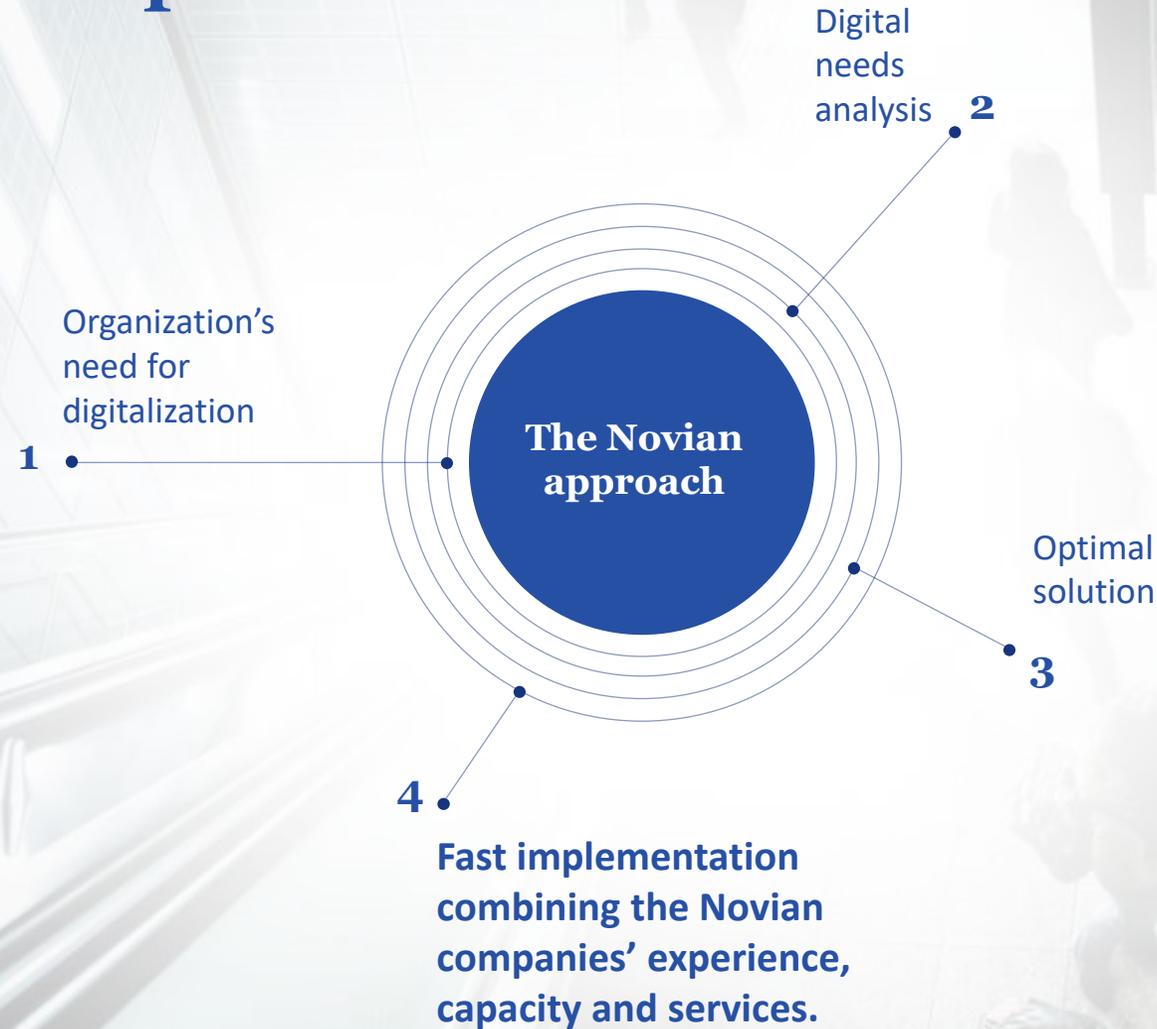
Long term objectives:



Digitalization solutions for business and the public sector

Business

Public sector



Novian group's management team



Evaldas Rėkus

CEO of Novian, Novian Systems and Andmevara AS



Gytis Umantas

CEO of Novian Technologies and Andmevara Services OU



Rimvydas Jančiauskas

CEO of Elsis PRO



Ove Dirdal

CEO of Zissor



Aivaras Smirnovas

CEO of Andmevara SRL



Rokas Ralys

Head of Digital Transformation & Innovation at Novian



Artūras Milašauskas

Head of Sales at Novian Technologies



Paulius Vaitkevičius

Business Development Director at Novian Systems



Lina Rimkevičienė

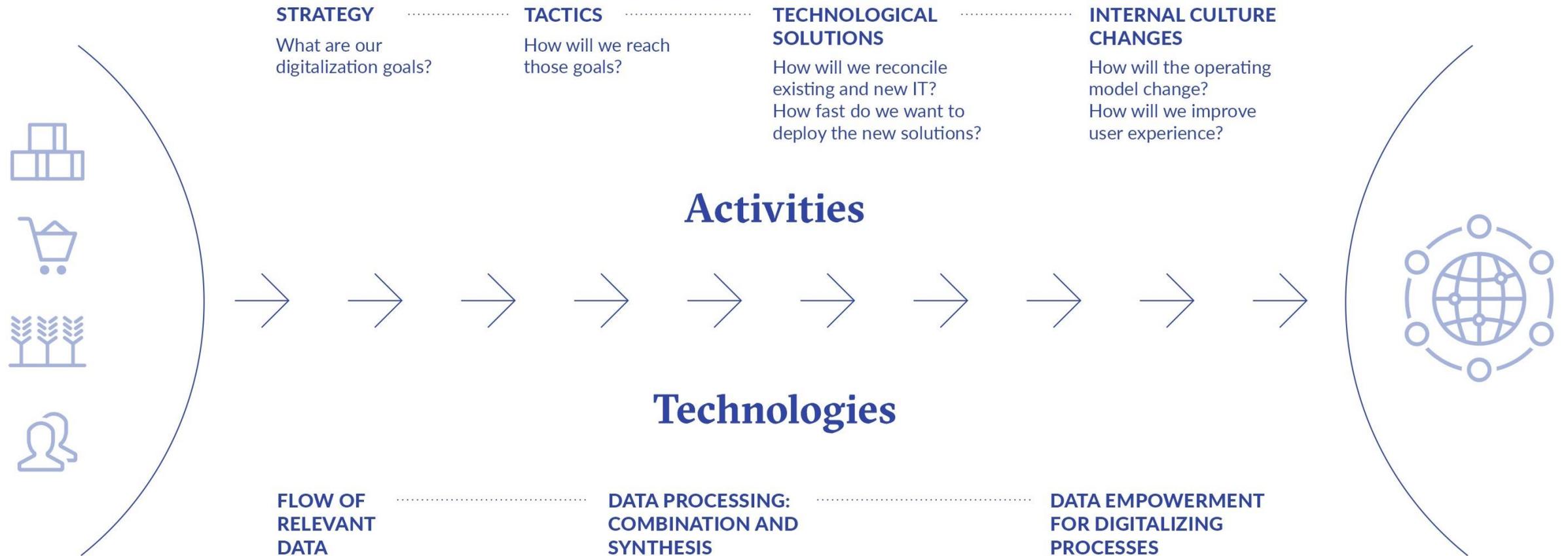
Sales Director at Elsis PRO



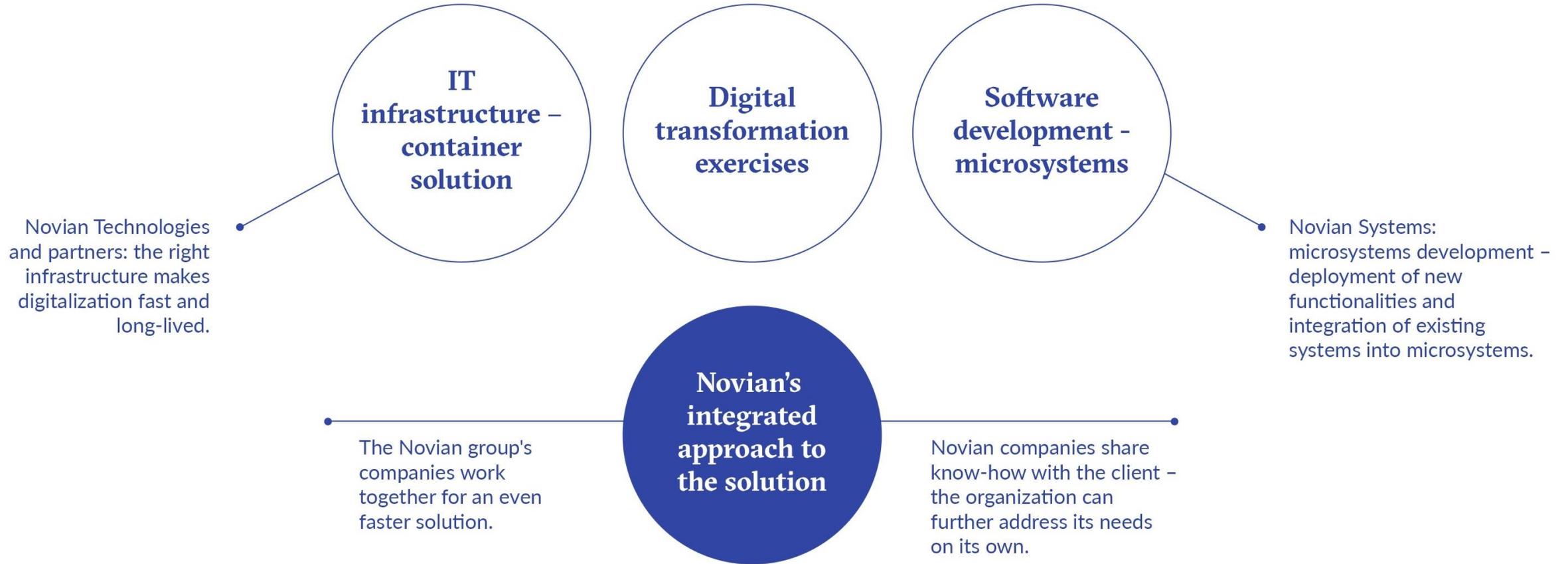
Ieva Dunajevaitė-Narmontienė

Head of Communication and Marketing of Novian

Digital transformation of an organization



Novian's digital transformation technological solution



Change, that allows an organization to challenge the status quo and experiment often to find the best solution.

Data mobilization 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

- On 22 October 2021, the transaction, by which Novian group was joined by information systems and software development company Elsis PRO, was completed. The agreements to buy 100% of Elsis PRO's shares was signed by the Novian group company Novian Systems. The deal expanded the Novian group's software development competencies and capabilities in the fields of aviation, transport and energy, and marked the start of a strategic partnership with the Elsis group.
- In June 2021, Evaldas Rėkus, the CEO of Novian, assumed the role of CEO of Novian Systems and Andmevara AS from Elena Vengrienė, who stepped down temporarily for family reasons.
- In November 2021, the Novian group joined the EnergyTech Digital group, an initiative to promote the wider use of digital technologies in the energy sector.
- In November 2021, the Lithuanian Space Technology Cluster was established. Elsis PRO was included among the founding space technology companies.
- In late 2021, Novian Technologies joined the Norwegian-Lithuanian Chamber of Commerce.

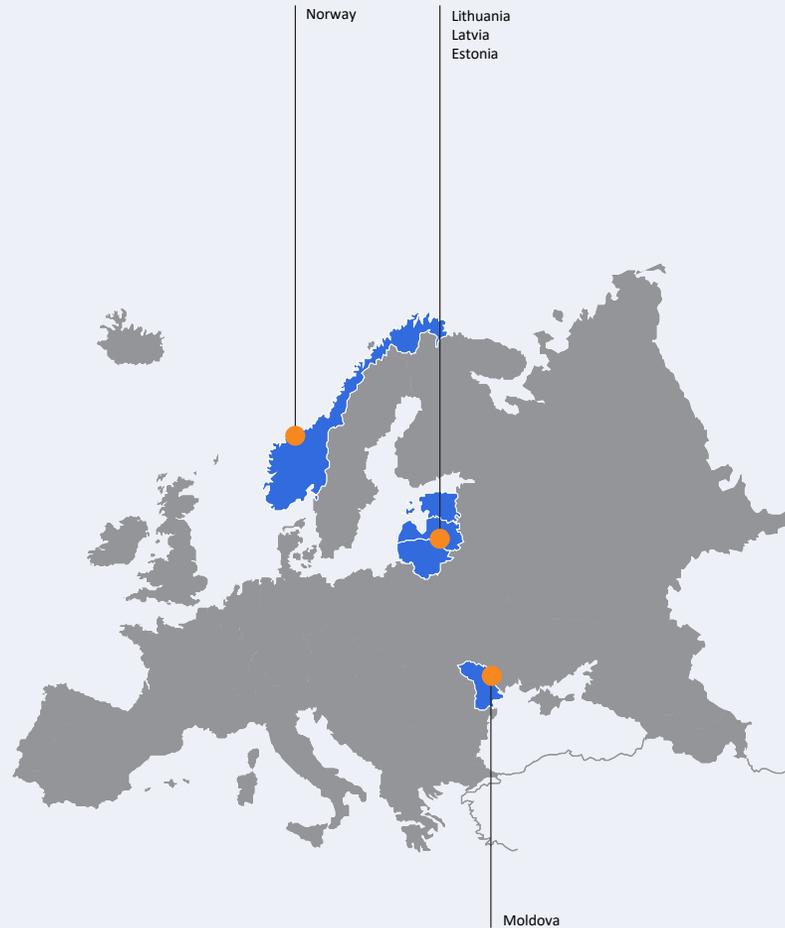
Key events

Markets

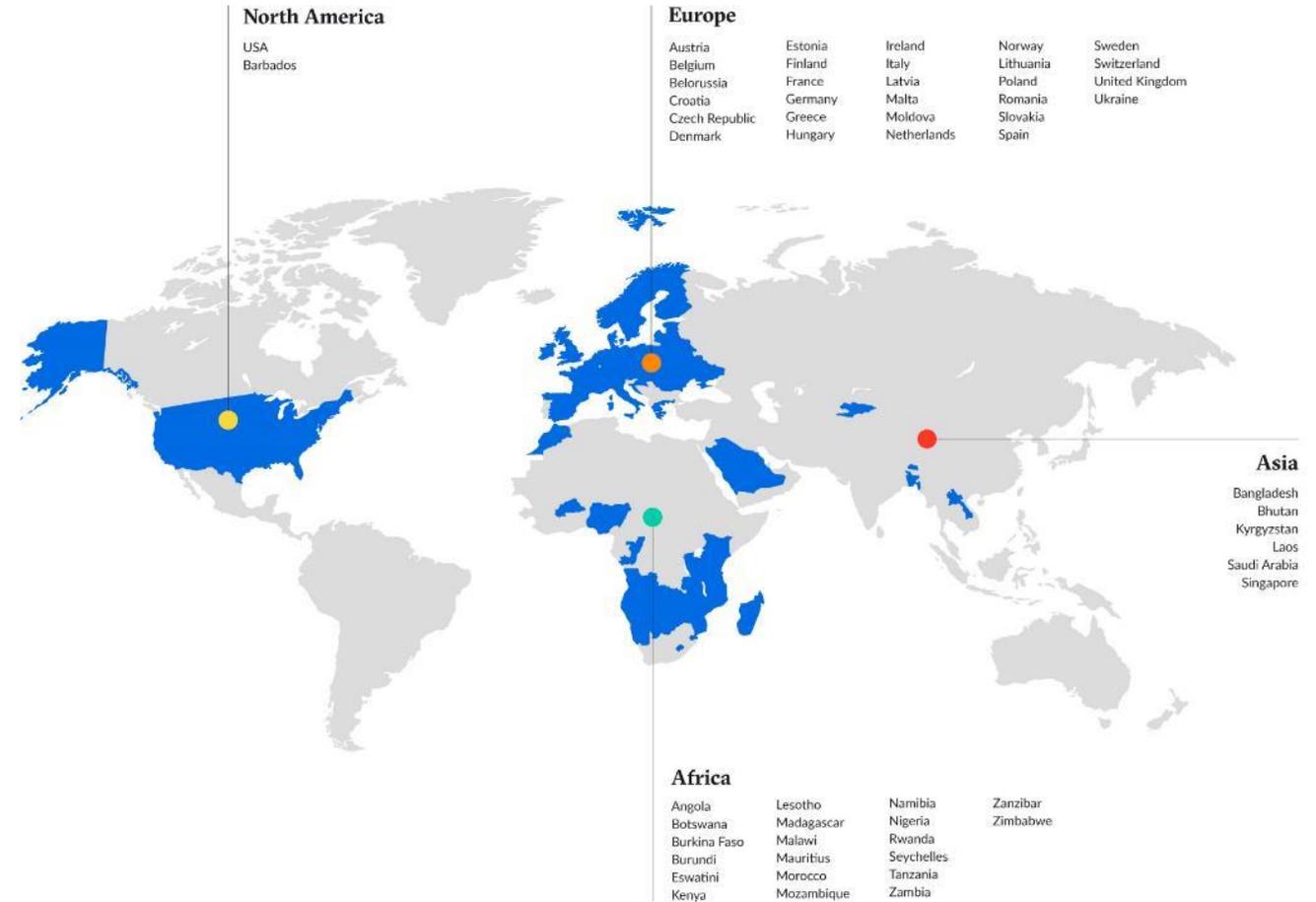
- Introduction of Novian Technologies' IT infrastructure managed services in Lithuania and Norway has been ongoing since 2021 (cataloguing of the services, adaptation to the Nordic market and marketing campaigns in Norway and Lithuania).
- In 2021, Novian Technologies organized an ongoing Red Hat TechClub project for open-source professionals in Lithuania to develop technical skills and promote open-source systems. The club met monthly, with training led by Red Hat experts.
- In May 2021, a Novian Technologies conference on "Technologies and Resilience" was held for organizations and heads of IT.
- In 2021, Novian Systems held webinars on the use of microservice architecture in the development of information systems and software solutions, together with partners held a webinar entitled "Lack employees? The answer is rapid automation" to present the possibilities of low code software development solutions.
- In 2021, Novian Technologies Dell "Titanium" partnership was renewed, as was the pan-Baltic Kyocera "Black Belt" service partnership. In 2022, the company achieved the Red Hat "Premier" partnership level.
- In the first half of 2022, Novian Systems is upgrading the municipal land rent administration system Masis SMP. It is designed for accountancy of the municipal taxes (for land and property rent, etc.), fees and licences, and management of the electronic services for individuals and businesses. Upgrade of the technological part of the system will ensure faster operation and improved usability.
- Zissor introduced the PDF-to-XML conversion service in the Nordics, signed new contracts and began several pilot projects.
- In the second quarter of 2022, Zissor plans to launch new artificial intelligence functionality in the upgraded Zissor Media System.
- In Finland, Zissor introduced its archive digitization service and began a new project in the country.
- In the spring of 2022, a modern digitization centre is planned to be opened in Estonia.

The geography of Novian's companies and projects

Offices operate in
5 countries



The companies' projects in 2016-2021 took place
in more than 50 countries



Financial results

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

	Novian ¹													
	Technologies area						Software services area						Media monitoring and digitization area	
	Novian Technologies		Andmevara Services OU/ Andmevara SRL ²		Novian Systems ³		Andmevara AS		Elsis PRO		Zissor			
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Revenue	24,113	25,826	18,223	16,523	651	979	3,739	3,974	789	508	2,632	2,956	711	886
Gross profit	5,737	6,421	2,850	2,672	651	876	1,394	1,041	190	234	865	890	652	708
EBITDA	1,788	1,725	1,628	1,267	65	157	394	291	(256)	(81)	274	382	108	105
EBIT	996	814	1,065	875	49	147	264	148	(318)	(142)	76	80	88	103
Net profit (loss)⁴	596	483	774	593	30	117	225	144	(374)	(219)	1	94	68	102

¹ Unaudited aggregated results of the Novian group are presented, which include the results of the presented companies and the results of Novian UAB. Elsis PRO UAB was acquired in 2021, therefore the results of this company are aggregated only in 2021. The standalone financial statements of Novian Technologies UAB, Novian Systems UAB, Elsis PRO UAB and Zissor AS are audited.

² Includes results of Andmevara Services OU and Andmevara SRL.

³ Acena UAB was merged into Novian Systems UAB on 31 December 2020. Aggregated merged information of these two companies are shown for 2020.

⁴ Adjusted net profit is represented after eliminating one-off impairments of Novian Systems investments in subsidiaries. In 2020 Novian Systems UAB eliminated the impairment of Andmevara AS - EUR 64 thousand (additional deferred income tax income - EUR 10 thousand) and impairment of Acena UAB - EUR 27 thousand (income from additional deferred income tax - EUR 4 thousand). In 2021 Novian Systems UAB eliminated the impairment of loan granted to Andmevara AS - EUR 817 thousand (additional deferred income tax income - EUR 123 thousand). The aggregated net profit of the Novian group was adjusted accordingly.

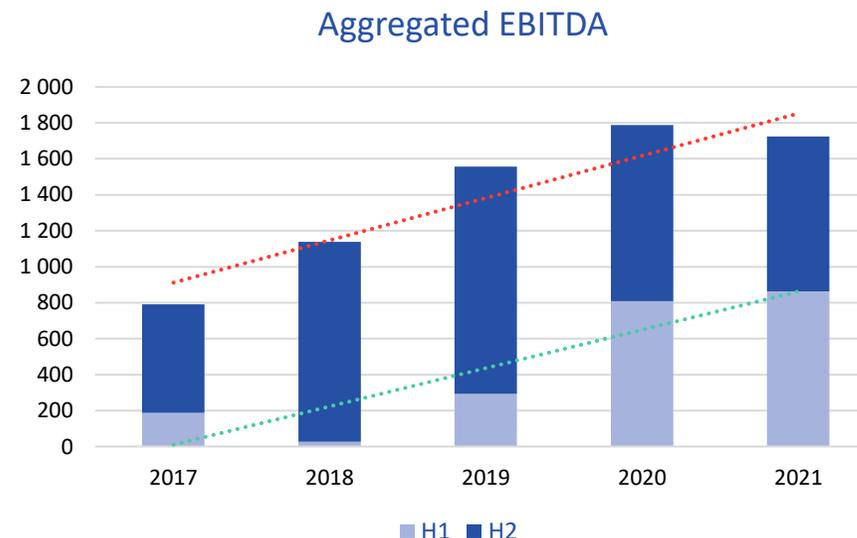
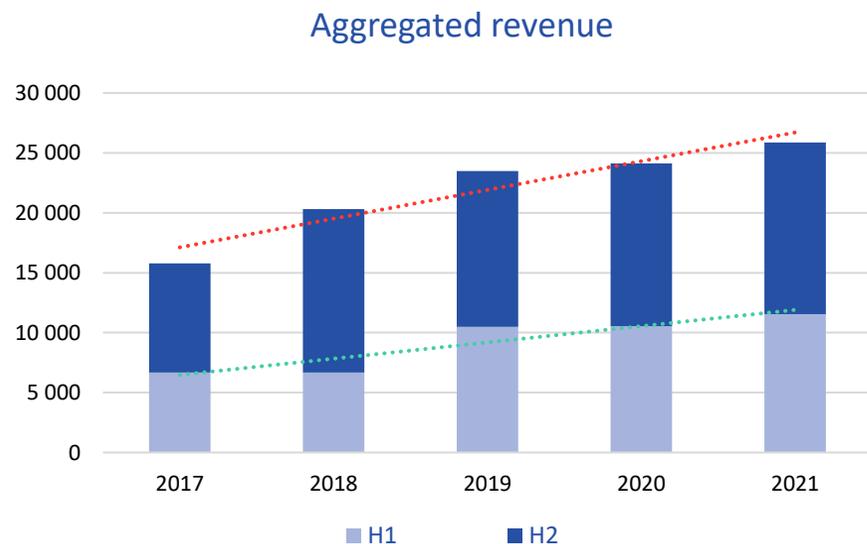
Novian group key balance sheet items, thousands of EUR

	Novian ⁵													
			Technologies area				Software services area						Media monitoring and digitization	
			Novian Technologies		Andmevara Services OU/ Andmevara SRL ⁶		Novian Systems		Andmevara AS		Elsis PRO		Zissor	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Tangible assets	1,006	1,640	611	1,124	19	28	233	149	138	78	341	246	3	12
Intangible assets	1,969	2,426	62	48	3	4	1,902	1,882	1	-	620	492	-	-
Other non-current assets	711	1,987	512	441	-	-	151	1,368	-	-	34	97	104	110
Current assets	9,820	9,218	7,021	5,459	134	295	2,491	1,994	248	95	1,110	994	426	397
of which cash	2,344	2,687	1,323	1,484	37	111	496	424	21	36	1	357	274	259
Total assets	13,506	15,271	8,206	7,072	156	327	4,777	5,393	387	173	2,105	1,829	533	519
Equity	5,836	3,852	3,365	2,458	(19)	104	2,892	2,342	(592)	(811)	259	353	365	391
Non-current liabilities	751	2,994	175	286	-	-	450	1,389	86	27	410	117	40	-
Of which financial debt	360	2,834	147	262	-	-	87	1,253	86	27	410	117	40	-
Current liabilities	6,919	8,425	4,666	4,328	175	223	1,435	1,662	893	957	1,436	1,359	128	128
of which financial debt	1,042	2,190	209	418	50	50	495	832	729	876	103	307	-	-
Total liabilities and equity	13,506	15,271	8,206	7,072	156	327	4,777	5,393	387	173	2,105	1,829	533	519

⁵ The unaudited aggregated results of the Novian group are presented, which include the results of the presented companies and the results of UAB Novian. Elsis PRO was acquired in 2021, so the results of this company is aggregated only in 2021. The value of investments in subsidiaries was eliminated by aggregating balance sheet items. The standalone financial statements of Novian Technologies, Novian systems, Zissor AS and Elsis PRO are audited.

⁶ Includes Andmevara Services OU and Andmevara SRL results.

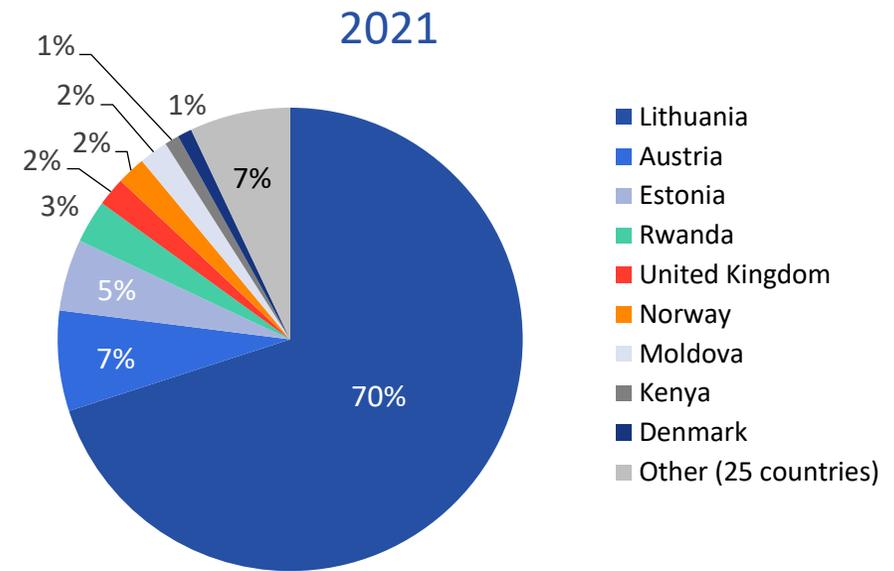
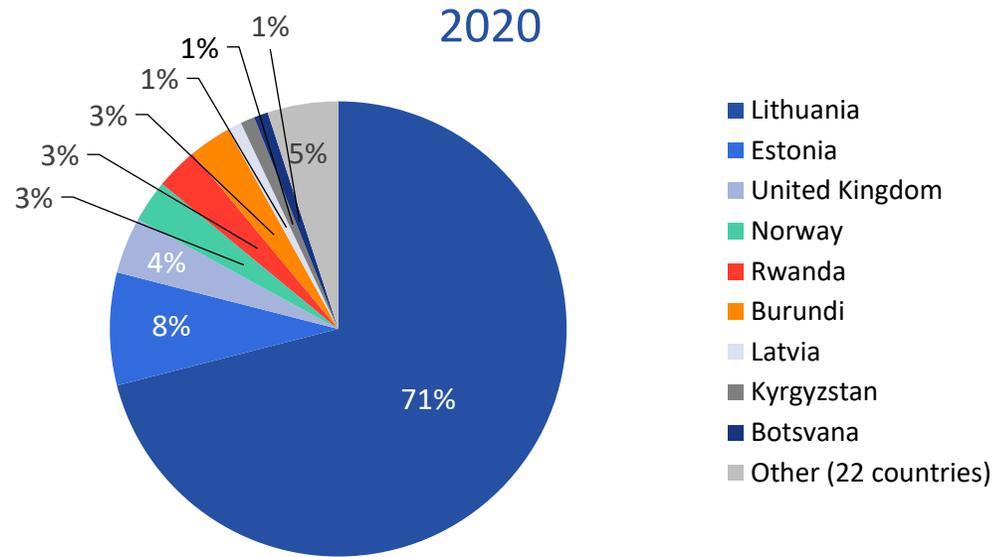
Novian group main financial figures, thousands of EUR



Thousands of EUR	2017	2018	2019	2020	2021
Revenue	15,776	20,317	23,492	24,113	25,826
EBITDA	791	1,138	1,556	1,788	1,725

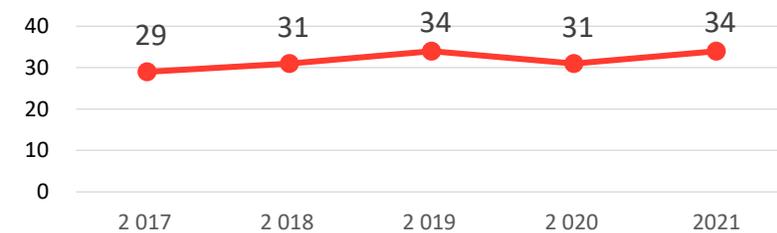
*IFRS 16 was adopted from 2019, which affected the amount of EBITDA, therefore the EBITDA for the periods 2017-2018 and 2019-2021 is not directly comparable. Additionally, the results of the newly acquired company Elsis PRO UAB are included in the results of 2021 (revenue - EUR 2,956 thousand, EBITDA - EUR 382 thousand).

Novian group revenue by country, thousands of EUR

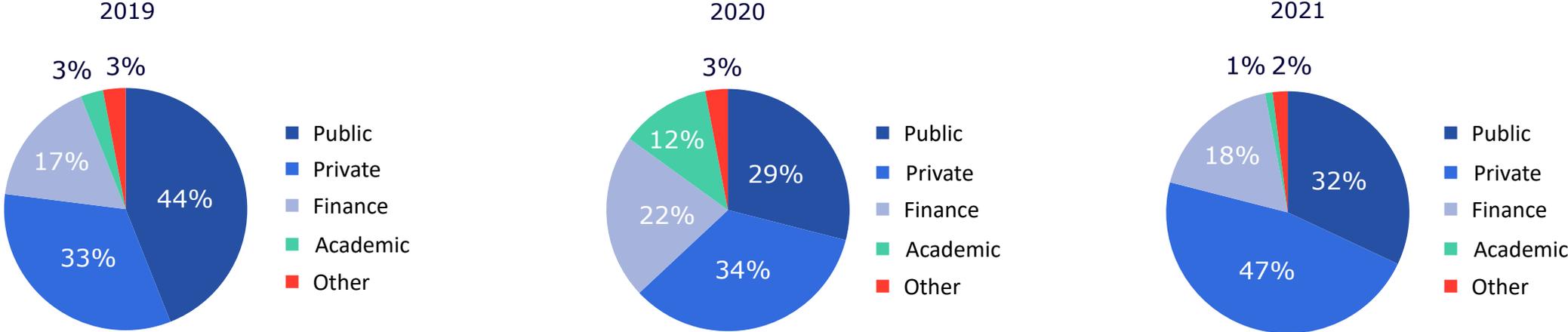


Thousands of EUR	2020	2021	Change
Lithuania	17,186 (71%)	18,035 (70%)	849
Other countries	6,927 (29%)	7,791 (30%)	864
Total	24,113	25,826	1,713

Number of countries



Novian group revenue by sectors. Number of countries



- Revenue from the corporate sector accounted for nearly half of the Novian group’s revenue in 2021, with another one-third earned in the public sector. A significant portion of revenue continues to come from clients in the financial industry.
- Changes in the revenue structure of the group and the software services business area were mostly due to the acquisition of Elsis PRO.
- A broad geography of operations has been maintained, also thanks to Elsis PRO’s income from clients in European Union countries.

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Technologies business area

Novian Technologies (Lithuania), Andmevara
Services 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:

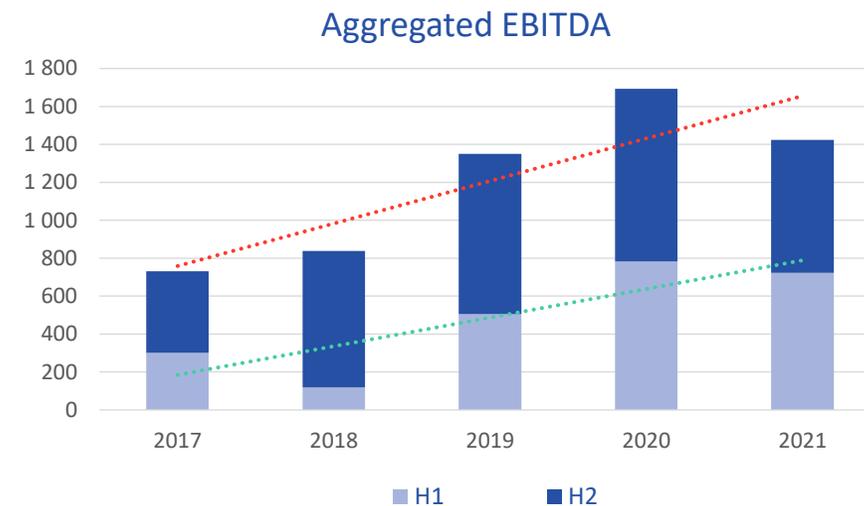
- Finance and insurance
- Wholesale and retail trade
- Logistics and warehousing
- ITT
- Energy
- Manufacturing
- Public sector
- Scientific institutions



Technologies and methodologies:

- Methodologies: CIMF v.3, Migritis, CopyPrint
- Intellectual property: Andmevara Services 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

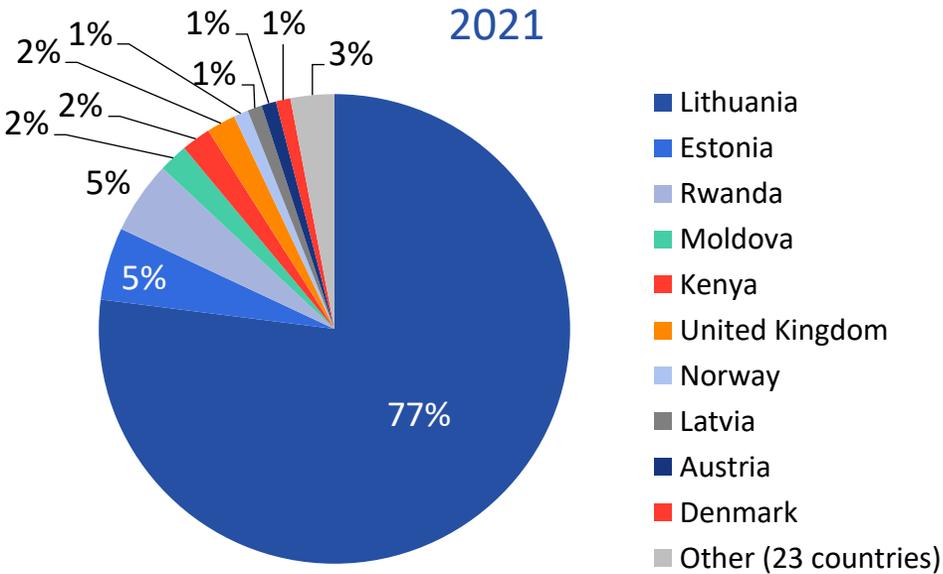
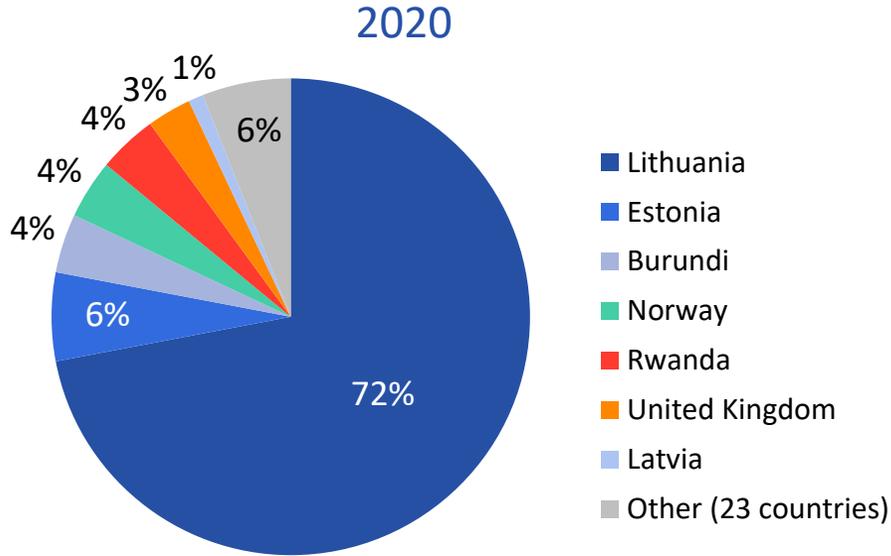
Technologies business area: main financial indicators, thousands of EUR



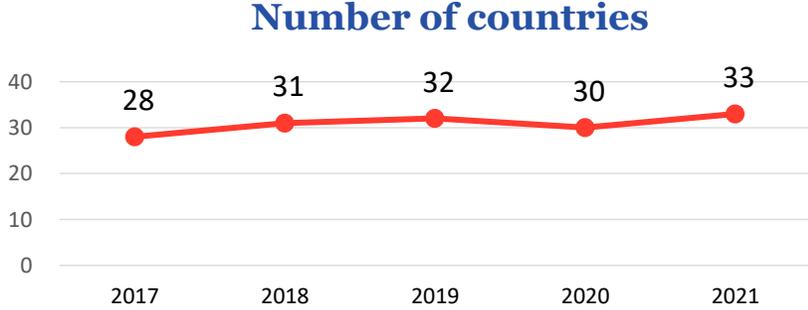
Thousands of EUR	2017	2018	2019	2020	2021
Revenue	10,065	14,111	17,745	18,874	17,502
EBITDA	730	839	1,351	1,693	1,424

*IFRS 16 was adopted from 2019, which affected the amount of EBITDA, therefore the EBITDA for the periods 2017-2018 and 2019-2021 are not directly comparable.

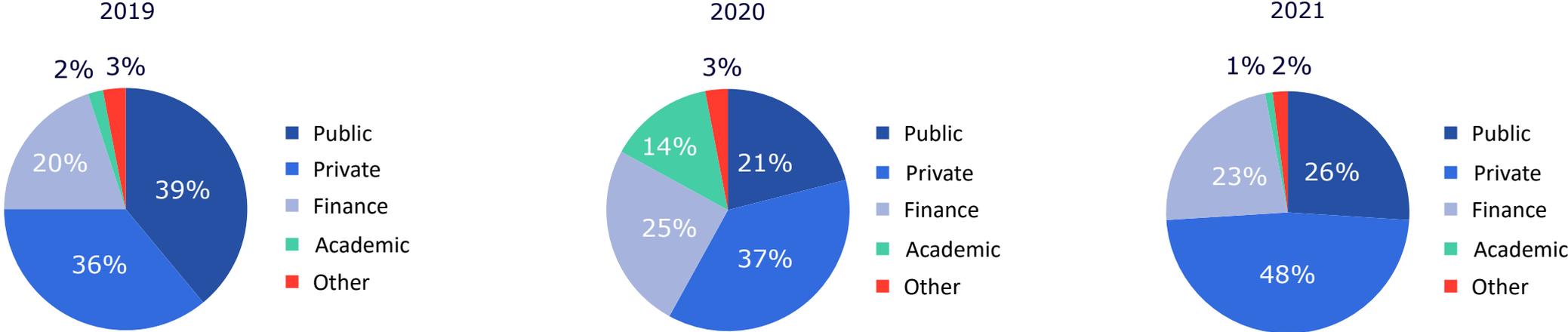
Technologies business area: revenue by country



Thousands of EUR	2020	2021	Change
Lithuania	13,561 (72%)	13,490 (77%)	-71
Other countries	5,313 (28%)	4,012 (23%)	-1,301
Total	18,874	17,502	-1,372



Technologies business area: revenue by sectors. Number of countries



- Share of revenue of the Novian group technologies companies in Lithuania in 2021 increased to 77 percent (this share of revenue was 72% in 2020).
- In terms of revenue by sector, the share of revenues from the corporate sector reached 48% in 2021 and in 2020 it was 37 percent.

Main projects



Projects

Lithuanian Railways – critical IT infrastructure architecture design, equipment supply, installation, integration and maintenance

Ignitis Group Service Centre – installation of computer workstations

Estonian National Archive – document digitization

Bank of Lithuania – Procurement of Openshift platform deployment, maintenance and development

IT infrastructure maintenance services for the PET packaging manufacturer Retal

Work performed

Hyperconverged infrastructure architecture was designed, a plan for infrastructure modernization was prepared, equipment supply, installation and systems integration was organized, migrations were carried out, and a maintenance plan for the upgraded infrastructure was prepared. In 2022, a backup and backup solution deployment agreement was signed.

Workstation equipment was selected to meet the specific needs of ESO AB divisions: Getac rugged laptops and accessories. The equipment was ordered and delivered to the client.

Digitization of documents and creation of metadata. The project involves 4.2 million documents, with a length of 2 years. The digitized documents are hosted on a public website.

Consulting on the deployment, maintenance and development of the Red Hat OpenShift 4 (open source) platform.

Maintenance services for data centres in Lithuania and the UK, monitoring of IT systems performance. SOC services foreseen: when a problem is identified, it is escalated and measures are taken to address the vulnerabilities. Computer workstation maintenance services also provided.

Benefits

The upgraded critical infrastructure ensures business continuity, performance and security.

This resulted in increased mobility, innovation, and improved working conditions for employees.

The national archive's holdings can be easily and quickly accessed by all interested parties.

Guidance by international experts enabled rapid and efficient deployment of modern technologies for the development of new applications.

Novian Technologies assumed full responsibility for the safe and uninterrupted operation of the client's IT infrastructure. The client can focus on developing its core business.

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:

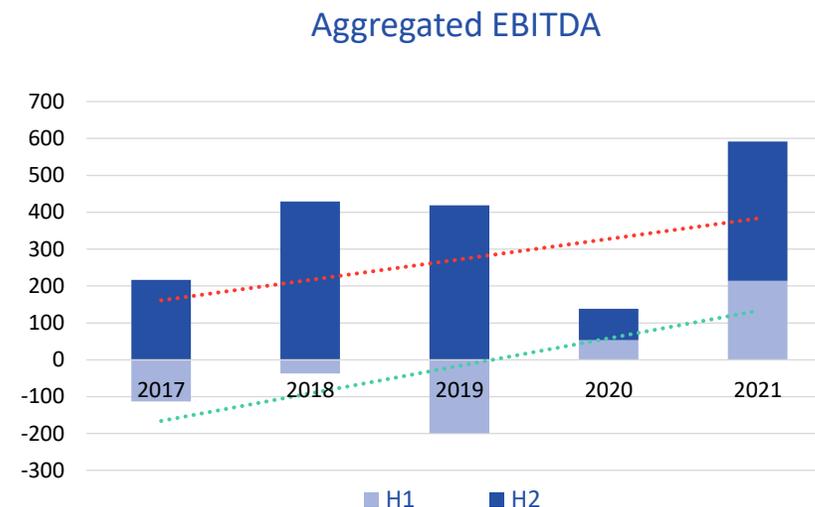
- E-governance
- E-tax
- Regulatory institutions
- E-health
- Environmental protection
- Smart cities
- Corporations
- Scientific institutions



Technologies:

- Intellectual property:
 - Novian Systems:
 - Masis municipal tax management
 - Atris waste management
 - Elsis PRO:
 - PRO.Risks risk management
 - SHIFT air traffic controller scheduling software
 - Galaxy nano-satellite communication software (in development)
- Programming in Oracle/Java and Microsoft.NET
- Low-code solutions with Microsoft Power Platform
- 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.

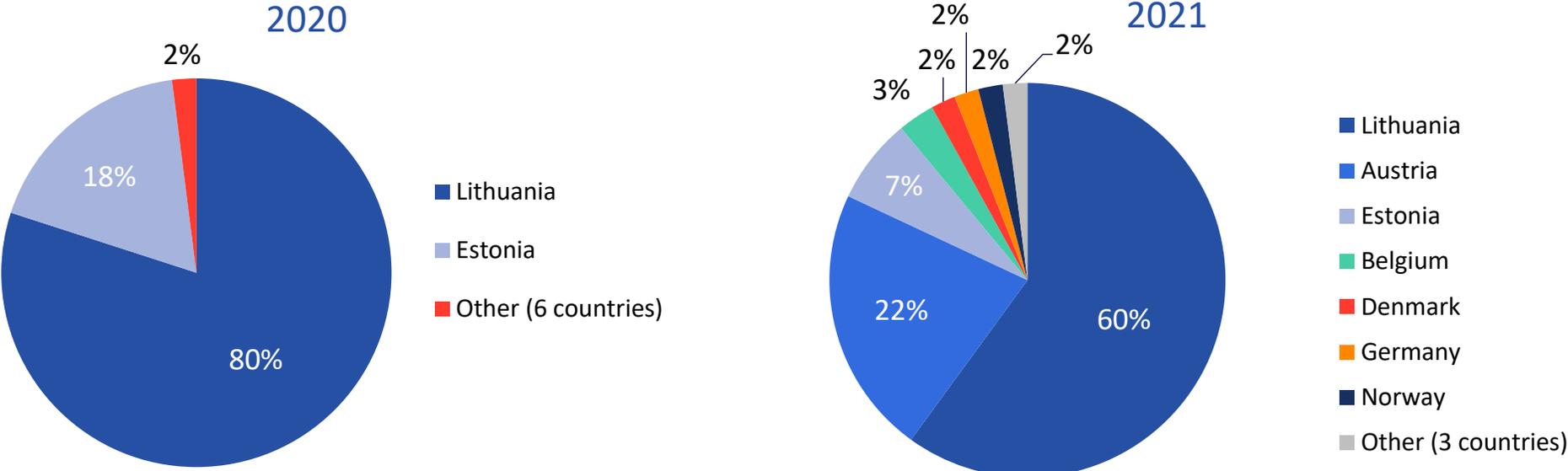
Software services business area main financial figures, thousands of EUR



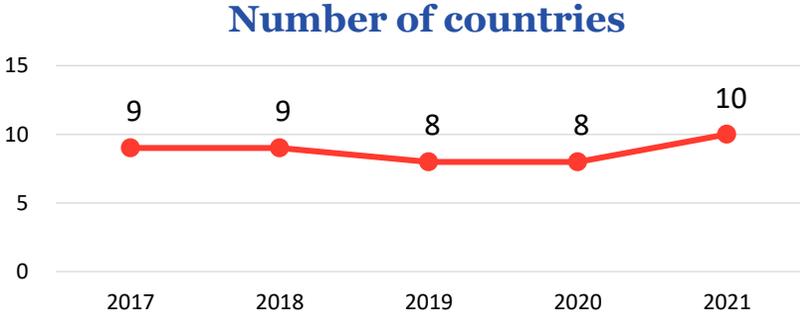
Thousands of EUR	2017	2018	2019	2020	2021
Revenue	5,711	6,206	5,039	4,528	7,438
EBITDA	103	392	219	138	592

*IFRS 16 was adopted from 2019, which affected the amount of EBITDA, therefore the EBITDA for the periods 2017-2018 and 2019-2021 is not directly comparable. Additionally, the results of the newly acquired company Elsis PRO UAB are included in the results of 2021 (revenue - EUR 2,956 thousand, EBITDA - EUR 382 thousand).

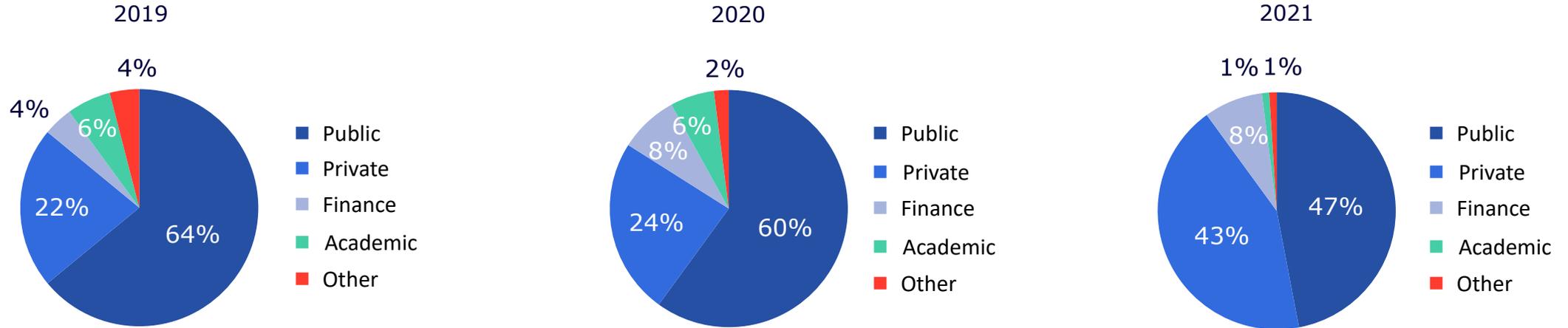
Software services business area by country



Thousands of EUR	2020	2021	Change
Lithuania	3,606 (80%)	4,474 (60%)	868
Other countries	922 (20%)	2,964 (40%)	2,042
Total	4,528	7,438	2,910



Software services business area by sectors. Number of countries



- In 2021 the Novian group's software services companies generated a majority of their revenue (60%) from operations in Lithuania. In 2020 this part of the revenue was 80%.
- The revenue structure of the software services companies also changed in terms of client segment: the revenue share from the public sector contracted from 60% in 2020 to 47% in 2021, while the portion of revenue from the corporate sector correspondingly increased from 24% to 43%.
- The changes were mainly due to the acquisition of Elsis PRO, whose operations are included in the financial statements as of 2021.

Main projects



Lietuvos Respublikos
finansų ministerija



Project	Upgrade of the ITIS_EU information system for exchange of VAT information among EU countries	Stansefabrikken quality control system	Microsoft Power BI reports for the Baltic brand development company Vilandra	Modernization of the EU Structural Funds Management and Monitoring Information System (SFMIS)	Development of the Integrated Airspace Transport (Flight) Analysis and Management System (IOETAVS)
Work performed	<p>Oracle technologies are used to upgrade the ITIS_EU. This will allow the implementation of provisions of legislation taking effect on 1 July 2022 according to which persons whose permanently reside outside the territory of the EU will be reimbursed VAT on goods purchased in the Republic of Lithuania and exported from EU territory. The e-services will allow smoother refunds of VAT on goods purchased in Lithuania and exported from the EU.</p>	<p>Novian Systems implemented Microsoft Power Apps and Microsoft Power BI technologies for quality control monitoring on a painting line.</p>	<p>During the project, Novian Systems replaced the client's SQL databases with reports based on Microsoft Power BI technologies, and installed sales, debts, and inventory modules.</p>	<p>The data exchange platform which Elsis PRO substantially upgraded allows users to submit data electronically and receive feedback promptly. The work was carried out with the existing system in operation.</p>	<p>Elsis PRO is developing advanced software for automatic scheduling of air traffic controllers based on artificial intelligence and big data analytics solutions. The system includes airspace planning and optimisation, which will allow more air traffic to be served with the same resources, reducing aircraft delays and ensuring safe air navigation.</p>
Benefits	<p>The data collected and analysed will allow the State Tax Inspectorate to control VAT refunds more effectively.</p>	<p>This will enable quality measurements, get product information and automatic data reading from industrial measuring tools. The measurement data will be processed and stored.</p>	<p>The new reports make it possible to see and analyse all operational data in one place and from various angles.</p>	<p>Lithuanian institutions administering EU Structural Funds investments and the beneficiaries of those funds will be able to carry out even more processes, from application to completion reports, entirely digitally.</p>	<p>Functionalities cover the planning and operational management cycle, ranging from forward long-term planning to tactical planning on the day of operations.</p>

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

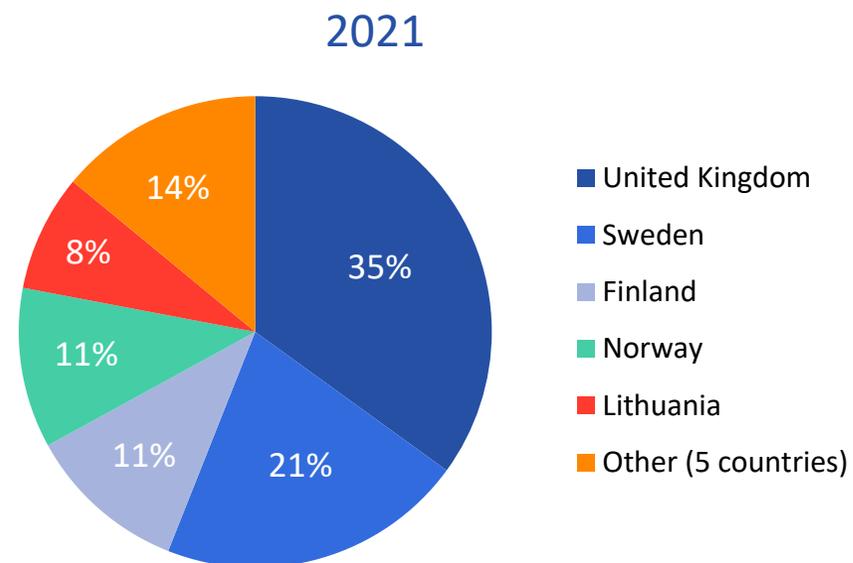
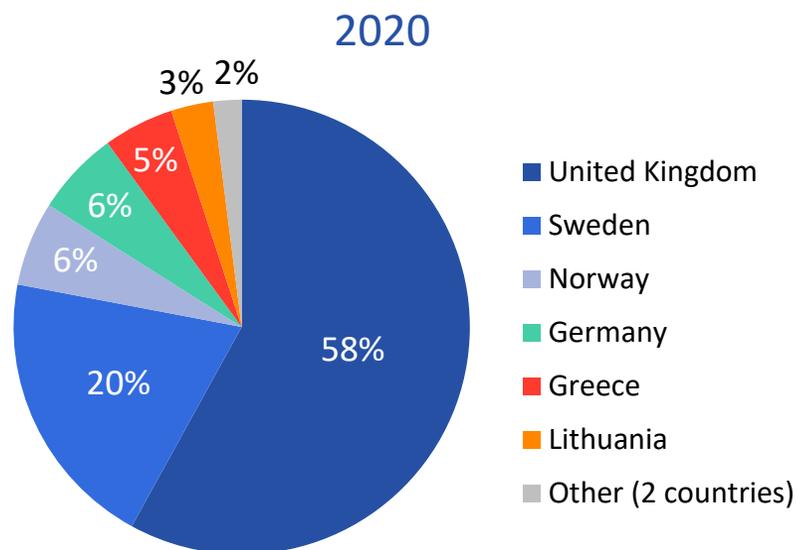
Industries where active:

- 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	2020	2021	Change
Lithuania	19 (3%)	70 (8%)	51
Other countries	692 (97%)	816 (92%)	124
Total	711	886	175

Main projects



Hordaland Folkeblad



Lister 24



Bladet Vesterålen



INGENIØREN



AGENDA 3:16

Projects	Digitization of the Hordaland Folkeblad newspaper	Digitization of the Norwegian newspaper Lister	Digitization of the archive of the Norwegian newspaper Bladet Vesterålen	Digitization of the Danish newspaper Ingeniøren	PDF-to-XML conversion of the Norwegian magazine Agenda 3:16
Work performed	<p>The digitization services which have begun also include scanning, optical character recognition (OCR), article segmentation and meta-data extraction. A total of 75 000 pages of the newspaper will be digitized. Zissor will digitize the newspaper's entire archive from 1873 to 2005.</p>	<p>Digitization as well as scanning, optical character recognition (OCR), and meta-data extraction services.</p>	<p>Zissor digitized the newspaper's entire archive of 200 000 pages covering the years 1921-2009. A total of 200 000 pages with more than 2 million articles were digitized.</p>	<p>Ongoing service is being provided with the conversion of PDF pages into articles and meta-data. Zissor's services also enable the generation of XML files and images that can be used for an e-solution.</p>	<p>Continuing conversion service. PDF pages are converted into articles and meta-data, XML files and images are generated for electronic use.</p>
Benefits	<p>The digitized material will be made available for text search and made available in electronic form to the newspaper's subscribers and journalists.</p>	<p>200 000 pages of the newspaper will be digitized, including the issues published from 1901 to 2011.</p>	<p>All published issues of the newspaper are available for text search and can be delivered electronically.</p>	<p>This makes it possible to use e-solutions and present articles more conveniently also on tablets and mobile phones.</p>	<p>This facilitates the presentation of articles for reading on tables and mobile phones.</p>

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Thank you