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Novian group's results for 2023

Novian – IT services for business and public sector

Strategic areas

- Software development
- Digitization
- High Performance and Cloud Computing Platforms
- Recurrent IT services

IT services and solutions

Digital transformation
- Information systems services
- Solutions for data centers
- Solutions for workplaces
- Organization management
- IT consulting

Data Empowerment
- Digitization services
- High performance computing
- Data science and analytics

Process Automation
- Business process automation
- Business analytics
- Custom automation solutions

E-Governance solutions
- E-Governance solutions
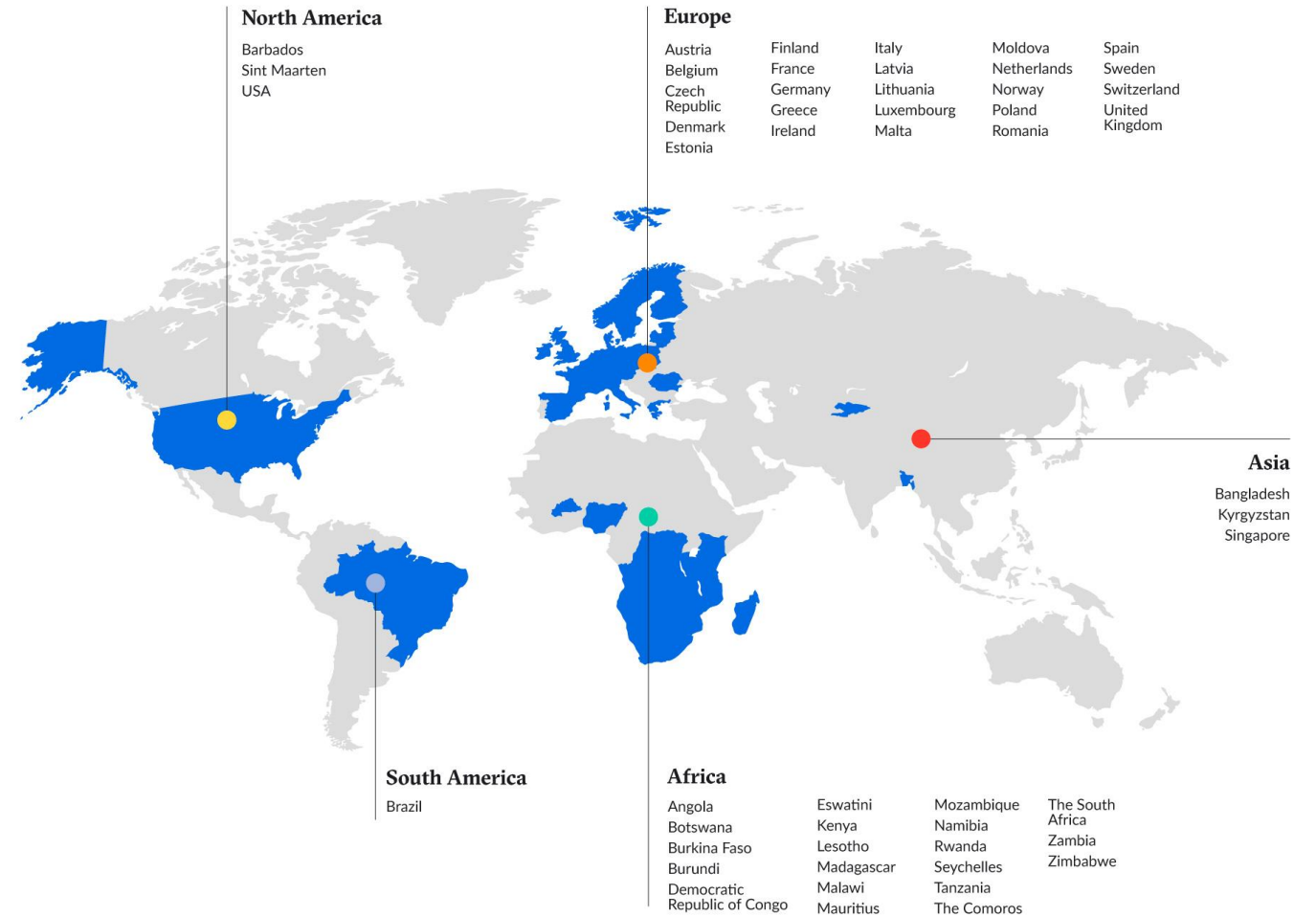- Smart City solutions
- Aviation and space

IT Supply and Maintenance
- Authorized warranty and post-warranty service
- Representation of technological partners
- IT maintenance

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Geography of Novian

Offices operate in 6 countries

Norway

Estonia
Latvia
Lithuania

Moldova

Rwanda

The companies' projects in 2018-2023 took place in more than 50 countries

North America

Barbados
Sint Maarten
USA

Europe

Austria	Finland	Italy	Moldova	Spain
Belgium	France	Latvia	Netherlands	Sweden
Czech Republic	Germany	Lithuania	Norway	Switzerland
Denmark	Greece	Luxembourg	Poland	United Kingdom
Estonia	Ireland	Malta	Romania	

Asia

Bangladesh
Kyrgyzstan
Singapore

South America

Brazil

Africa

Angola	Eswatini	Mozambique	The South Africa
Botswana	Kenya	Namibia	Zambia
Burkina Faso	Lesotho	Rwanda	Zimbabwe
Burundi	Madagascar	Seychelles	
Democratic Republic of Congo	Malawi	Tanzania	
	Mauritius	The Comoros	

Novian structure

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NOVIAN | Technologies
Vilnius, Lithuania

NOVIAN | Systems
Vilnius, Lithuania

NOVIAN | Pro
Vilnius, Lithuania

Novian Eesti
Tallinn, Estonia

Affiliate of Novian Technologies
Riga, Latvia

Norway Registers Development Rwanda
Kigali, Rwanda

Zissor
a Novian company
Drammen, Norway

Andmevara
Chisinau, Moldova

Main group events

- On 18 April 2023, a share purchase and sale agreement was signed according to which **Novian Technologies acquired Rwanda-based Norway Registers Development Rwanda Ltd** (NRD Rwanda) from the NRD Companies group.

- In May 2023, Novian Technologies held its annual conference, **Technology and Resilience 2023**, which focused on the topic of automation.

- In mid-2023, **Artūras Milašauskas became the CEO of Zissor, and Asta Urmanavičienė took on the role of CEO at Andmevara SRL**.

- In July 2023, **the Novian group changed the ownership structure of its companies**. Through transactions within the group, Novian Technologies acquired the shares of Zissor and consolidated Novian's digitization services businesses. Additionally, to optimize the capital structure and management of the software development companies, the company Novian acquired the shares of Elsis PRO (now Novian Pro). These transactions were carried out at the companies' value on 31 March 2023.

- As of 10 October 2023, **Tomas Vitkus became the CEO of Novian and Novian Systems**. He replaced Evaldas Rėkus in the positions.

- On 22 November 2023, **the Lithuanian Quantum Technology Association was established**. It unites scientific and business organizations that aim to develop the field of quantum technologies in Lithuania and increase international competitiveness. The association was founded by Vilnius University (the Faculty of Mathematics and Informatics together with the Faculty of Physics), Lithuania's Center for Physical Sciences and Technology, and the information technology company **Novian Technologies**.

- On 18 December 2023, the software development company **Elsis PRO changed its name to Novian Pro**. The company's new name reflects its activities – the provision of software development services – and the fact that it is part of the Novian information technology group. The company joined the Novian group in 2021.

- In the first quarter of 2024 **Novian has joined the Lithuanian Business Confederation.**

- In May 2024, the 10th Novian Technologies conference **Technology and Resilience 2024 was held**, which covered various topics, including the impact of artificial intelligence on IT operations, quantum technologies and their security aspects, the importance of innovation and partnerships for the success and development of organizations.

- In May 2024, **a new board of association Infobalt** was elected for a two-year term. **Tomas Vitkus, head of Novian, became its member**.

Financial results

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

	NOVIAN*		Novian Technologies		Novian Eesti		Andmevara SRL		Zissor		Novian Systems**		Novian Pro	
	2022	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Revenue	33,035	40,268	22,222	28,303	1,083	882	749	1,009	783	594	4,592	4,984	3,393	4,283
Gross profit	7,990	8,306	3,539	4,010	734	582	663	831	675	553	1,057	838	1,205	1,293
EBITDA	1,522	1,240	1,468	1,483	33	(116)	115	204	(80)	(129)	65	(295)	318	394
EBIT	489	136	934	900	(17)	(195)	111	192	(85)	(133)	(82)	(451)	28	125
Net profit (loss)	**44**	**(665)**	**573**	**447**	**(29)**	**(207)**	**55**	**90**	**(66)**	**(102)**	**(102)**	**(591)**	**77**	**61**
Normalized EBITDA***	1,522	1,897	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	65	362	n/a	n/a

*Unaudited aggregated operating results of the Novian group are presented, which include the results of the presented companies and the results of Novian UAB, Andmevara AS and NRD Rwanda. The aggregation of profit (loss) statement data eliminates dividend income and the results of intercompany shares transactions in 2023. The standalone financial statements of Novian Technologies, Novian Systems, Novian Pro and Zissor AS are audited.

** Adjusted net profit is represented after eliminating one-off and atypical losses recognized in the separate reports of Novian Systems UAB arising from the impairment of loans granted to a subsidiary. In 2023, the impairment of the loan to Andmevara AS is eliminated in the amount of EUR 40 thousand, in 2022 the impairment of the loan is eliminated in the amount of EUR 92 thousand (additional deferred income tax income of EUR 14 thousand). The Novian group's aggregate net profit has been adjusted accordingly.

*** Normalized EBITDA for the year 2023 is presented after eliminating a one-off and atypical loss of EUR 657 thousand incurred by Novian Systems UAB implementing the Lithuanian central public procurement information system modernization project. After the parties have terminated the contract, the company seeks to resolve the situation in court or by negotiation.

Novian group key balance sheet items, thousands of EUR

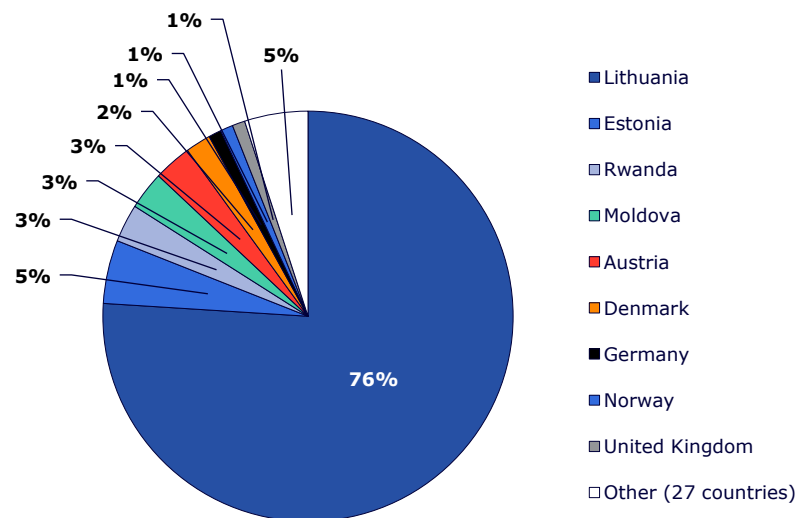|	NOVIAN *		Novian Technologies		Novian Eesti		Andmevara SRL		Zissor		Novian Systems		Novian Pro	
	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023
Tangible assets	2,538	2,242	1,563	1,388	173	125	12	42	7	2	471	398	310	287
Intangible assets	2,229	2,027	59	33	3	24	-	-	-	-	1,905	1,883	262	87
Other non-current assets	3,806	2,328	702	1,605	60	60	-	-	100	64	2,123	339	165	157
Current assets	11,591	16,372	6,749	9,221	145	179	366	611	213	138	1,495	3,250	1,754	2,153
Of which cash	2,051	3,428	695	1,746	51	9	32	251	102	21	86	798	254	533
Total assets	**20,164**	**22,969**	**9,073**	**12,247**	**381**	**388**	**378**	**653**	**320**	**204**	**5,994**	**5,870**	**2,491**	**2,684**
Equity	4,398	3,780	2,531	2,978	1	(204)	184	281	209	33	2,163	1,572	330	391
Non-current liabilities	5,367	3,228	786	739	115	1	-	-	-	-	2,350	416	221	177
Of which financial debt	5,181	3,007	766	688	115	1	-	-	-	-	2,184	246	221	177
Current liabilities	10,399	15,961	5,756	8,530	265	591	194	372	111	171	1,481	3,882	1,940	2,116
Of which financial debt	1,321	3,045	384	528	20	78	-	-	-	-	89	2,261	281	92
Total liabilities and equity	**20,164**	**22,969**	**9,073**	**12,247**	**381**	**388**	**378**	**653**	**320**	**204**	**5,994**	**5,870**	**2,491**	**2,684**

*Unaudited aggregated operating results of the Novian group are presented, which include the results of the presented companies and the results of Novian UAB, Andmevara AS and NRD Rwanda. The aggregation of balance sheet items eliminates the value of investments in subsidiaries. The standalone financial statements of Novian Technologies, Novian Systems, Novian Pro and Zissor AS are audited.

Novian group main financial figures

Aggregated revenue (thousands of EUR)
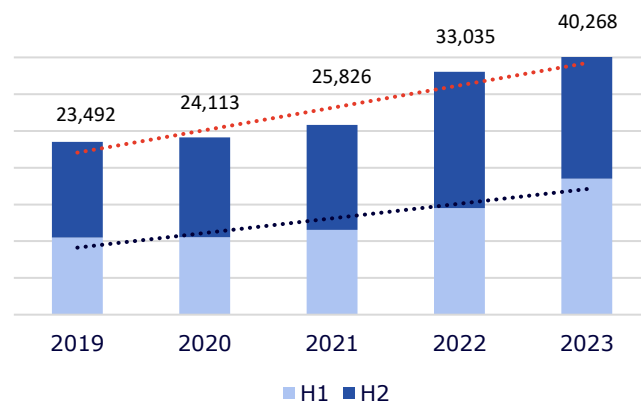
Aggregated EBITDA*** (thousands of EUR)
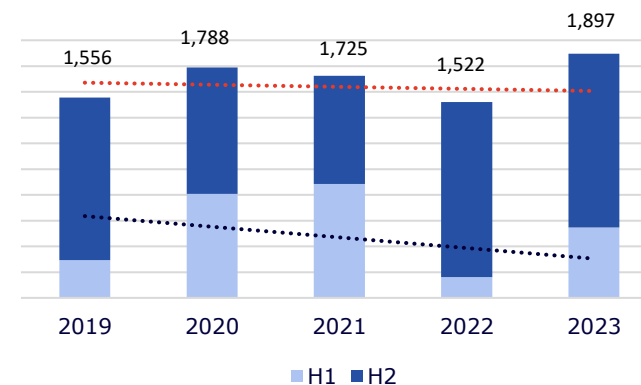
Thousands of EUR*	2019	2020	2021	2022	2023	CAGR 2019-2023	CAGR 2023-2028**
Revenue	23,492	24,113	25,826	33,035	40,268	14%	12%
EBITDA***	1,556	1,788	1,725	1,522	1,897	5%	34%

*Results of newly acquired companies are included from the year of acquisition, i. e. the figures present both organic and acquisition-based growth. Negative impact derived from group structuring process is not eliminated.
** Growth estimates.
*** Normalized EBITDA for the year 2023 is presented after eliminating a one-off and atypical loss of EUR 657 thousand incurred by Novian Systems UAB implementing the Lithuanian central public procurement information system modernization project. After the parties have terminated the contract, the company seeks to resolve the situation in court or by negotiation. Normalized EBITDA is used to calculate both CAGR for 2019-2023 and estimated CAGR for 2023-2028.
CAGR – compound annual growth rate.
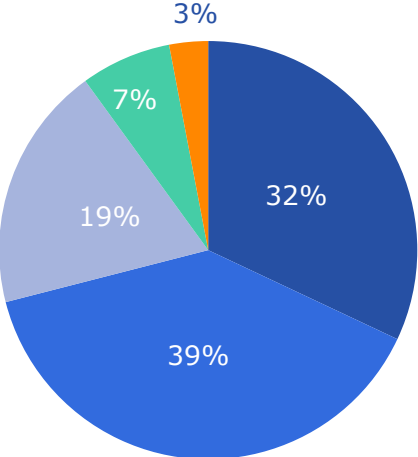
Novian group revenue by country

2022

- Lithuania
- Estonia
- Rwanda
- Moldova
- Austria
- Denmark
- Germany
- Norway
- United Kingdom
- Other (27 countries)

76%, 5%, 5%, 3%, 3%, 3%, 2%, 1%, 1%, 1%

2023

- Lithuania
- Estonia
- Rwanda
- Moldova
- Norway
- Botswana
- Germany
- Austria
- Brazil
- Other (28 countries)

72%, 6%, 4%, 3%, 3%, 3%, 2%, 2%, 2%
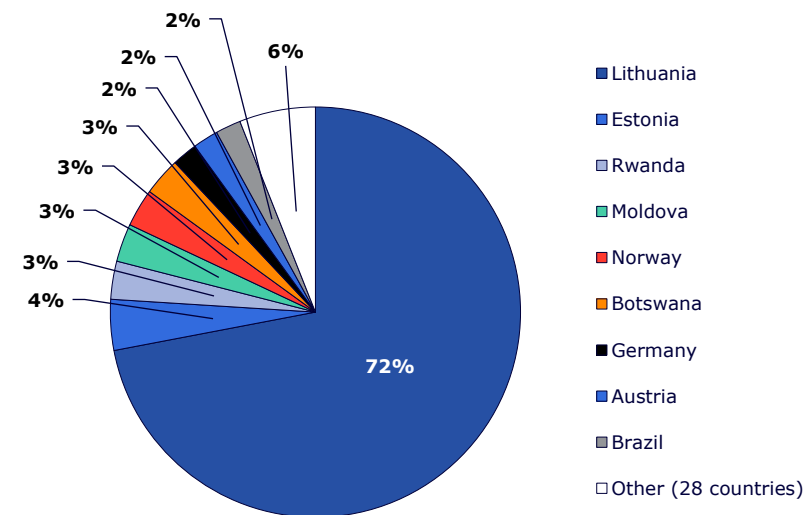
Thousands of EUR	2022	2023	Change
Lithuania	25,134 (76%)	28,975 (72%)	**3,841**
Other countries	7,901 (24%)	11,293 (28%)	**3,392**
Total	**33,035**	**40,268**	**7,233**

Number of countries

2019	2020	2021	2022	2023
34	31	34	36	37
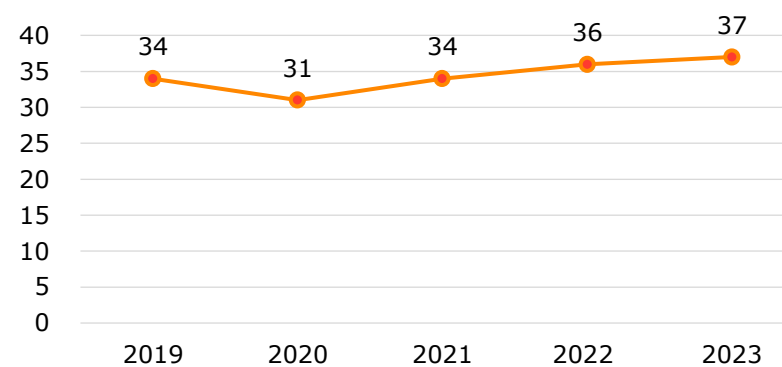
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Novian group revenue by sectors

2021

32%
39%
19%
7%
3%

2022
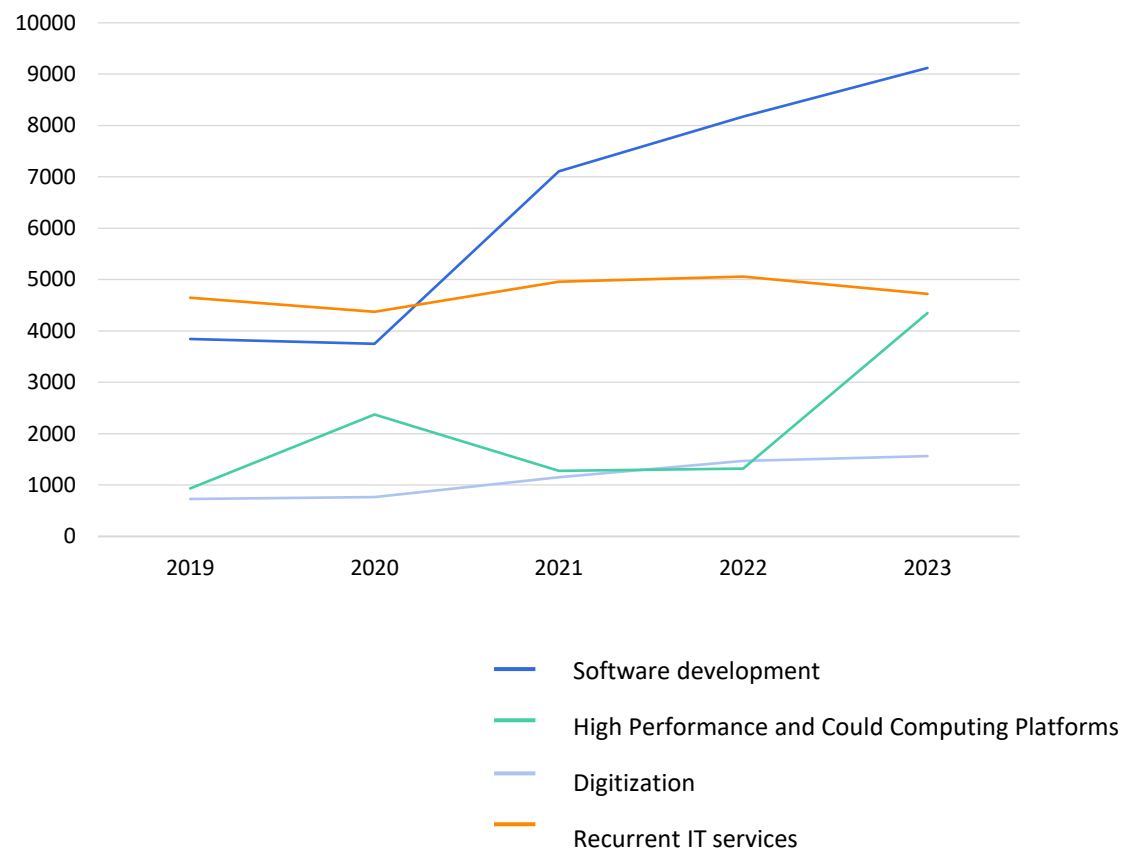

39%
39%
14%
4%
4%

2023

40%
39%
11%
4%
6%
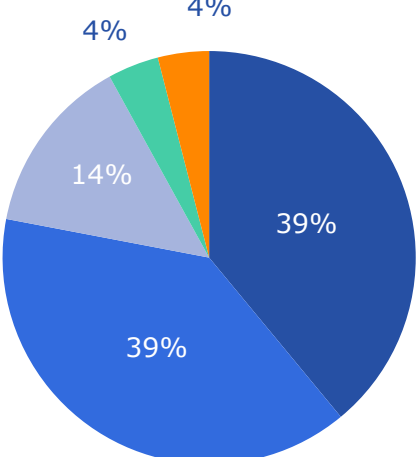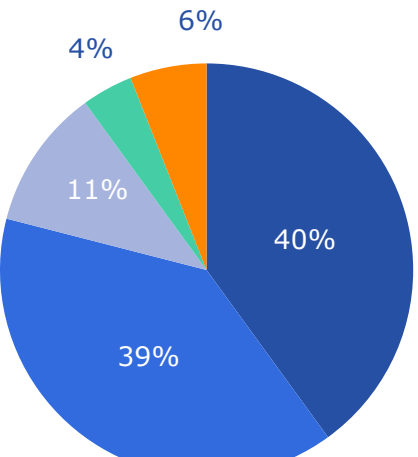
■ Public* ■ Business* ■ Finance ■ Aviation, aeronautics ■ Other

* Excluding revenue from the finance and aviation, aeronautics sectors.

Novian group strategic areas

Revenue, thousands of EUR

Legend:
- Software development
- High Performance and Could Computing Platforms
- Digitization
- Recurrent IT services

Revenue*	CAGR 2019-2023	CAGR 2023-2028**
Recurrent IT services	0%	16%
Software Development	24%	17%
Digitization	21%	15%
High Performance and Cloud Computing Platforms	47%	20%

* Results of newly acquired companies are included from the year of acquisition, i. e. the figures present both organic and acquisition-based growth. Negative impact derived from group structuring process is not eliminated.

** Growth estimates.

CAGR – compound annual growth rate.

Novian group strategic areas

Gross profit, thousands of EUR

Legend:
- **Software development**
- **High Performance and Could Computing Platforms**
- **Digitization**
- **Recurrent IT services**
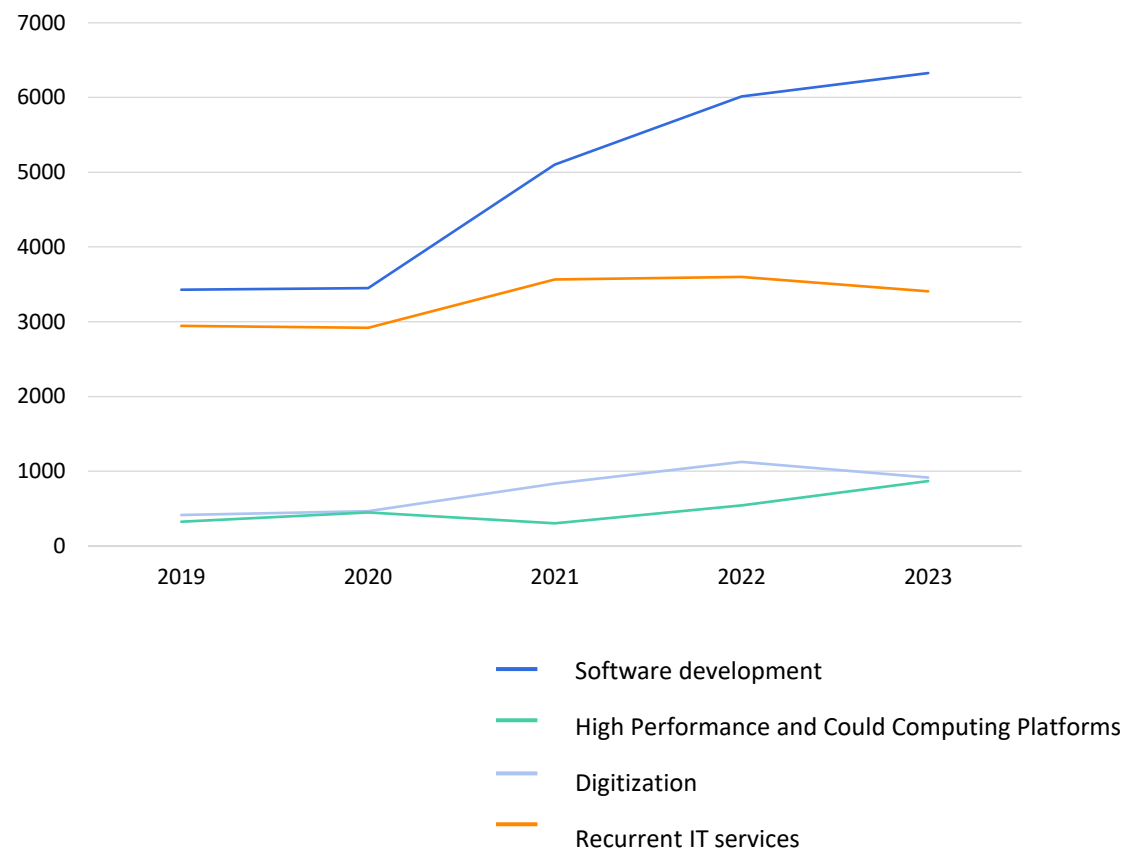
Gross Profit*	CAGR 2019-2023	CAGR 2023-2028**
Recurrent IT services	4%	17%
Software Development	17%	15%
Digitization	22%	17%
High Performance and Cloud Computing Platforms	28%	24%

* Results of newly acquired companies are included from the year of acquisition, i. e. the figures present both organic and acquisition-based growth. Negative impact derived from group structuring process is not eliminated. In calculating the gross profit figure, direct wage costs were not included in the cost of sales.

** Growth estimates.

CAGR – compound annual growth rate.

Key events and projects

Software development services

Companies: Novian Systems (Lithuania): ISO 9001, ISO 27001, ISO 14001, ISO 20000-1
                  Novian Pro (Lithuania): ISO 9001, ISO 27001, ISO 14001, ISO 20000-1

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 city
- Defence
- Aviation and space, air navigation
- Regulatory institutions
- Corporations
- Scientific institutions

Technologies:

- Intellectual property:
  - Novian Systems:
    - Masis municipal tax management
    - Atris waste charges management
  - Novian Pro:
    - PRO.Risks risk management
    - SHIFT air traffic controller scheduling software
    - Galaxy nano-satellite communication software
- Programming in Oracle/Java, C++, Angular, TypeScript and Microsoft.NET
- Low-code solutions
- Process robotization
- Big data and performance analytics, artificial intelligence

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Main projects

Project	Development of a rostering system for Brazilian air traffic controllers	Exchange of patient information between Lithuania and EU countries	AI-based X-ray image analysis system (DIRVA) for Lithuanian customs	Defence projects under a European Defence Fund programme	Smooth implementation of a business analytics tool for Mantinga
Scope	Novian Pro is developing an information system for scheduling the work of Brazilian air traffic controllers. The new system will be built for Brazil's main airspace control system organization, the Department of Airspace Control (DECEA) of the Brazilian Air Force (FAB) under the Ministry of Defence. It will permit the assessment of scheduling needs for air traffic controllers at two of Brazil's four air traffic control centres – in Curitiba and Recife – based on expected flights and availability.	To enable the exchange of summary patient data with national contact centres of other European Union (EU) countries, Novian Systems is expanding the information system of the Lithuanian National eHealth Contact Centre at the Centre of Registers and is also developing the necessary integrations.	Novian software development companies and Rubedo Systems are creating a system that can analyse X-ray images of all types of rail freight wagons, containers and trucks from customs inspection systems, detect suspicious objects, and provide the results of the analysis. The aim is to analyse an X-ray image within 10 seconds and provide an overall assessment within 20 seconds. The system is being developed within the framework of the "Modernization of Customs Risk Management" project funded under the "Next Generation Lithuania" Economic Recovery and Resilience Facility.	Novian Pro as a consortium member carries out the ODIN'S EYE II project to develop an early warning system for ballistic missile threats and has launched the SESIOP project which aims to help improve interoperability between civil and military air traffic management. The projects are funded under a European Defence Fund programme.	As part of a move to a new enterprise resource planning (ERP) system by the Mantinga group, a producer of bread, snacks and frozen goods, Novian Systems upgraded its business analytics tool. After analysis, Microsoft Power BI was chosen, and a model for that business intelligence tool was developed based on the needs of the company's business management systems, data for analysis and reports.
Benefits	It will also enable the assignment of personnel to shifts in keeping with their competencies and the planning of their work and rest times during shifts as well as of their long-term needs. The new system will be developed on the basis of a prototype that Novian Pro developed for DECEA in 2020.	Following the upgrades, Lithuanian healthcare institutions will be able to see the information of visiting patients from other EU countries and Lithuanian citizens travelling to other EU countries will be able to get better quality medical care based on the summary data of their health history.	The new system aims to speed up analysis of X-ray images and improve detection of infringements through more accurate and objective analysis, thus making the surveillance of international trade at the country's customs posts more effective.	The selected projects will help to further develop first-class EU defence capabilities in critical areas.	A lot of attention was also given to a smooth transition from one ERP system to the other. The project ensured a smooth changeover, so the business felt any possible changes as little as possible and retained the data it needed.

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Main events

- In May 2023, Novian Pro presented the possibilities for **data exchange and management between nanosatellite constellations** at the conference New Capacities and Countries in European Space 2023 held in the Netherlands. The conference was organized by the European Space Agency (ESA).

- In June 2023, **Novian Systems and Novian Pro renewed their ISO 20000-1, ISO 9001 and ISO 14001 certifications**, which are now valid until the end of June 2026, as well as their ISO 27001 certification, which will be valid until the end of October 2025.

- In July 2023, **a transaction within the group was completed to optimize the capital structure and management of the software development companies**. The company Novian acquired the shares of Elsis PRO (now Novian Pro). The transaction was carried out at the company's value on 31 March 2023.

- As **Novian's software development activities have been concentrated in Lithuania** and the scope of activities of the Estonian company Andmevara AS has decreased substantially over the past few years, in the middle of 2023 procedures to liquidate the company were started.

- As of 10 October 2023**, Tomas Vitkus became the CEO of Novian Systems**. He replaced Evaldas Rėkus.

- On 18 December 2023, the software development company **Elsis PRO has changed its name to Novian Pro**. The company's new name reflects its activities – the provision of software development services – and the fact that it is part of the Novian information technology group. The company joined the Novian group in 2021.

- In mid-2023, a legal dispute began over the scope and timing of Novian Systems' work under a contract to provide modernization services for the SAULĖ IS Central Public Procurement Information System. On 10 January 2024, the Public Procurement Office announced that it had also terminated the contract with the company and placed it on its List of Unreliable Suppliers. **The company is attempting to resolve the situation in court or by negotiation.** Despite its inclusion on the mentioned list, the company can participate in public procurement tenders so long as it provides the contracting entities with evidence that it has taken sufficient measures to demonstrate its reliability.

- In 2023, **Novian Pro actively participated in international events**.

- In March 2024, representatives of Novian companies participated in the international defence event **"The Paris Defence and Strategy Forum"** in France.

Technologies

Companies:
Novian Technologies (Lithuania): ISO 9001, ISO 14001, ISO 20000-1, ISO 27001
Novian Eesti (Estonia): ISO 9001, ISO 27001
Andmevara (Moldova)
Zissor (Norway)
NRD Rwanda (Rwanda)

Solutions and services:

- Critical IT infrastructure design, deployment and 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 archives, digitization software (scanning of paper documents, hosting and storage of digital material in document systems, document processing (text recognition, metadata, segmentation, etc.))
- Media monitoring software

Industries where active:

- Finance and insurance
- Wholesale and retail trade
- Logistics and warehousing
- ITT
- Energy
- Manufacturing
- Public sector
- Scientific institutions
- Providers of media monitoring services
- Magazine and newspaper publishers
- National archives, libraries
- Companies with archives

Technologies and methodologies:

- Methodologies: CIMF v.3, Migritis, CopyPrint
- Technology partners:
    - Dell EMC, NVIDIA, Lenovo, IBM, Cisco, Zabbix, Prometheus, Oracle, Microsoft Azure, Google Cloud, Red Hat, Commvault, Veritas, Quantum, Dynatrace, Ivanti, N-Able, Kyocera, Microsoft, GitLab, Postgre SQL

- Equipment: Novian digitization centre in Estonia

- Intellectual property:
    - Novian Eesti x-Scan document digitization software
    - Zissor Media Monitoring software
    - Zissor Archive Digitization software
    - Zissor PDF-to-Article Conversion software

Main projects

	Project	Scope	Benefits
Vilnius University – NVIDIA GPU-accelerated infrastructure for human genome research		This project developed GPU-accelerated infrastructure for research on the human genome. This advanced technology enables researchers to perform complex genetic computations faster and more efficiently, thus accelerating access to new knowledge in the field of biomedicine. The infrastructure uses NVIDIA GPU technologies known for their ability to process large amounts of data, thus enabling thorough genetic analysis and testing of new methods of analysis by exploiting the capabilities of machine learning neural networks.	In addition to helping scientists gain a deeper understanding of the human genome, the project opens up new opportunities for the diagnosis and treatment of diseases, using existing and developing new bioinformatics analysis algorithms and techniques, including artificial intelligence.
Modernization of computer workstations at Lithuanian courts		883 laptops and accessories were upgraded at Lithuanian courts. These computers were acquired with an extended warranty and additional maintenance services in order to extend their life and minimize electronic equipment waste. This approach of renewing computer workstations with an extended warranty and additional maintenance services encourages long-term product use, thus creating value for the organization and the environment and promoting sustainable consumption.	The solution was adopted on the basis of environmental and sustainability principles, with the aim of reducing the negative environmental impact and promoting a responsible product lifecycle.
Digitization services for the National Archives of Sweden		The Digitization Unit at the National Archives of Sweden has selected Zissor as its provider of digitization services for the coming six years. The archive will be provided with Zissor Content System software, which automates the conversion of imaged document information, mainly publications that are being digitized, into digital content. Maintenance services are also being provided and new needs may be integrated.	This contract is an extension of Zissor's work with the National Archives of Sweden since 2011. During this time, Zissor technology is estimated to have helped to digitize some 37 million pages of publications.
Creation of Sint Maarten Digitalization Centre and digitization of documents		As part of the country's Digital Government Transformation Project, Novian Technologies signed a contract with Sint Maarten's National Recovery Programme Bureau, acting on behalf of the Government of Sint Maarten, and, together with Novian Eesti, started a project to establish the Sint Maarten Digitalization Centre within the Department of Informatie Voorzieningen of the Government of Sint Maarten. The project is carried out together with Digital Leadership Team of Sint Maarten Government and will involve putting in place all infrastructure needed for this purpose, from critical IT infrastructure and software to scanners. The project also includes the recruitment and training of the necessary staff on the Island of Sint Maarten and the implementation and integration of the digitization process.	The project aims to improve the delivery of public e-services and resilience to disasters. 432,000 documents (about 4.15 million pages) will be digitized: the information will be scanned and indexed using metadata, and the digitized documents will be uploaded into a document management system.
Deployment of cybersecurity solutions at the National Bank of Rwanda		A new firewall solution was implemented, creating two-tier security architecture. This multi-zone security architecture was chosen to ensure the protection of sensitive information. For this solution we drew on two of the world's leading vendors in the area of security and introduced two-factor authentication for users to connect to the bank's internal systems.	The project provided the National Bank of Rwanda with cyber security solutions that are in line with best practices. The solution ensures secure domestic and international banking operations.

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Main events

- In March 2023, Novian Technologies together with software partner Zabbix **organized the Zabbix Meeting Lithuania**.

- In April 2023, a share purchase and sale agreement was signed according to which the company **Novian Technologies acquired Rwanda-based Norway Registers Development Rwanda Ltd.** from NRD Companies.

- During 2023, Zissor **presented major upgrades to the Zissor Media System** with new features including extraction of text from PDFs and automatic categorization of articles using artificial intelligence. Zissor's archive digitization software was enhanced with the ability to digitize books. A service for "extraction" and classification of digitized content was also launched.

- In April 2023, Novian Technologies participated in the **Asia Climate Forum 2023**, which was held in Singapore. The company presented HPC solutions for weather forecasting, climate change modelling and early warning systems.

- In May 2023 Novian Technologies held its annual conference, **Technology and Resilience 2023**, which focused on the topic of automation.

- In 2023, **digitization services were supplemented with the possibility to operatively monitor this process**. Novian Technologies provides the customer with a selected level of maintenance services.

- In 2023, the Novian Technologies team participated in 9 events organized by **Red Hat in Scandinavia and the Baltic countries**.

- In the first half of 2023, **Novian Technologies implemented and certified an information security management system** that meets the requirements of the ISO 27001 standard.

- In July 2023, **Novian Technologies acquired the shares of the Norwegian company Zissor**. This acquisition served to concentrate Novian's digitization companies and will enable more efficient development of data empowerment and digitization services.

- In mid-2023, **Artūras Milašauskas became the CEO of Zissor and Asta Urmanavičienė became the head of Andmevara SRL**.

- In September 2023, Novian Technologies and partner Dynatrace **hosted a business breakfast to present a Dynatrace solution** which helps more rapidly identify the causes of problems during application development and resolve problematic aspects of an application and improve internal communication between an organization's IT department teams.

- On 22 November 2023**, the Lithuanian Quantum Technology Association was established**. Novian Technologies was one of its founders. The association unites scientific and business organizations that aim to develop the field of quantum technologies in Lithuania and increase international competitiveness.

- In May 2024, the 10th Novian Technologies conference **Technology and Resilience 2024 was held**, which covered various topics, including the impact of artificial intelligence on IT operations, quantum technologies and their security aspects, the importance of innovation and partnerships for the success and development of organizations.

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Thank you

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