

NOVIAN

Novian group's results for the 1st half of 2024

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

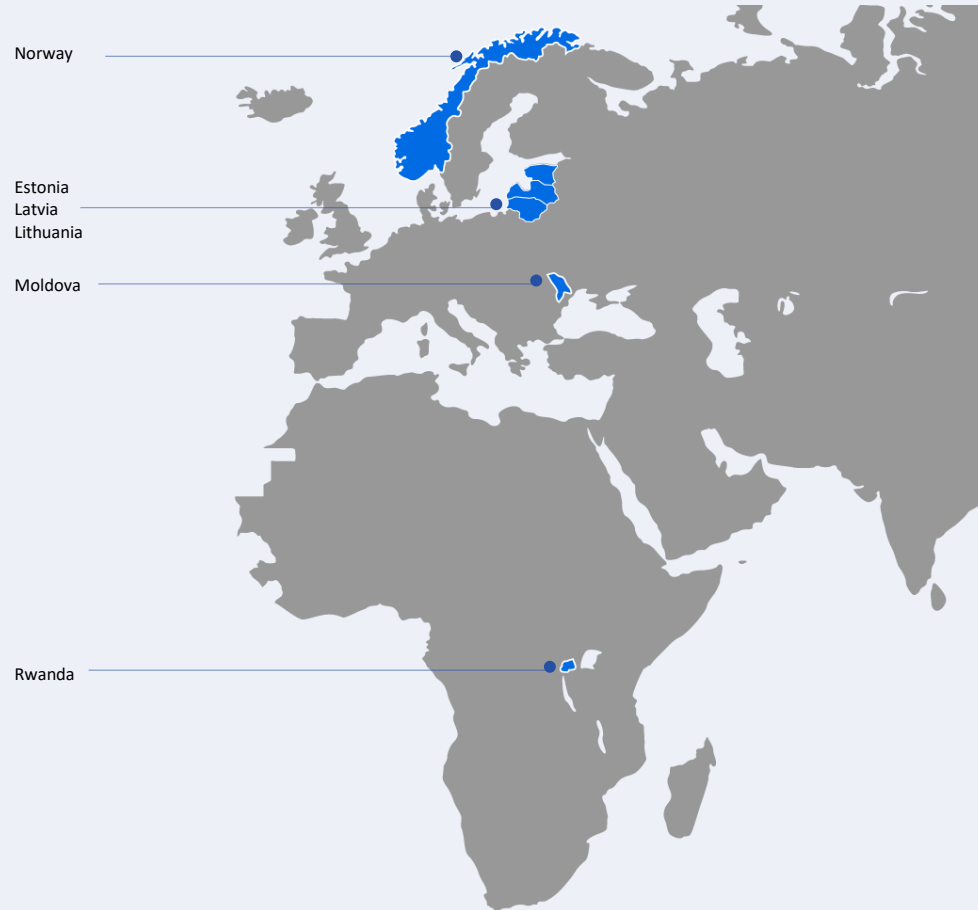
- E-Governance solutions
- Smart City solutions
- Aviation and space

IT Supply and Maintenance

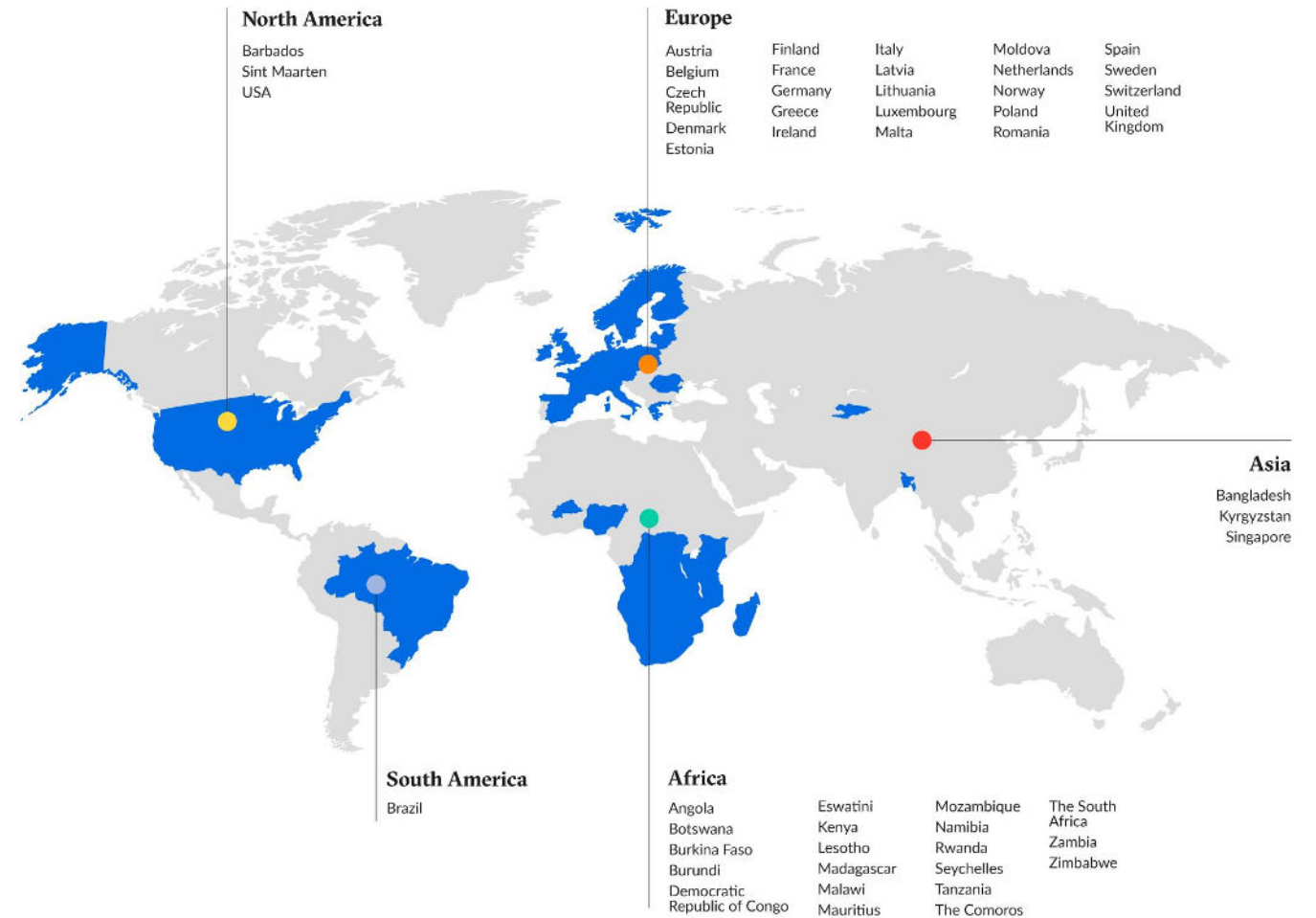
- Authorized warranty and post-warranty service
- Representation of technological partners
- IT maintenance

Geography of Novian

Offices operate in 6 countries



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



Novian structure

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Main group events

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- In the first quarter of 2024 **Novian has joined the Lithuanian Business Confederation.**
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- **In 2024 Novian became a sponsor of scholarships for top young scientists established by the digital technology sector association Infobalt.** The scholarships are awarded to persons whose work demonstrates high scientific standards and relates to digital technologies and their application in scientific research or other areas. Eight recipients of the scholarships were announced in May 2024.
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- In May 2024, Novian Technologies held its 10th annual **“Technologies and Resilience 2024” conference**, which addressed a range of topics including the impact of AI on IT operations, quantum technologies and their security aspects, and the importance of innovations and partnerships for the success and growth of organizations.
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- **In Infobalt’s election of a new president and board for a 2-year term, Tomas Vitkus,** the CEO of the Novian group, **became one of the association’s board members.** Infobalt aims to create optimal conditions for the technology application, market development and exports.
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- **Effective 2 July, Tadas Jonušas,** who has more than 20 years of management experience at a variety of Lithuanian and international ICT companies, **became the CEO of the software services company Novian Pro.** In the role of CEO he replaced Rimvydas Jančiauskas, who will pursue new professional challenges.

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Financial results

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

| | NOVIAN* | | Novian Technologies | | Novian Eesti | | Andmevara SRL | | Zissor | | Novian Systems | | Novian Pro | |
|--------------------------|--------------|------------|---------------------|-----------|--------------|-------------|---------------|-------------|-------------|-----------|----------------|--------------|------------|------------|
| | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 | 2023 H1 | 2024 H1 |
| Revenue | 18,494 | 16,434 | 12,975 | 9,910 | 409 | 545 | 378 | 293 | 337 | 348 | 2,379 | 2,420 | 1,898 | 2,803 |
| Gross profit | 3,368 | 3,749 | 1,824 | 1,543 | 266 | 394 | 320 | 246 | 316 | 300 | 122 | 717 | 416 | 434 |
| EBITDA | 204 | 1,121 | 686 | 517 | (85) | 15 | (12) | 6 | (24) | 67 | (413) | 100 | 171 | 447 |
| EBIT | (336) | 563 | 396 | 197 | (114) | (28) | (15) | (3) | (26) | 65 | (493) | 15 | 35 | 349 |
| Net profit (loss) | (782) | 136 | 156 | 61 | (121) | (33) | (64) | (54) | (24) | 65 | (632) | (112) | 17 | 339 |
| Normalized EBITDA** | 547 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | (70) | n/a | 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.

**Normalized EBITDA for the year 2023 is presented after eliminating a one-off and atypical loss of EUR 343 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.

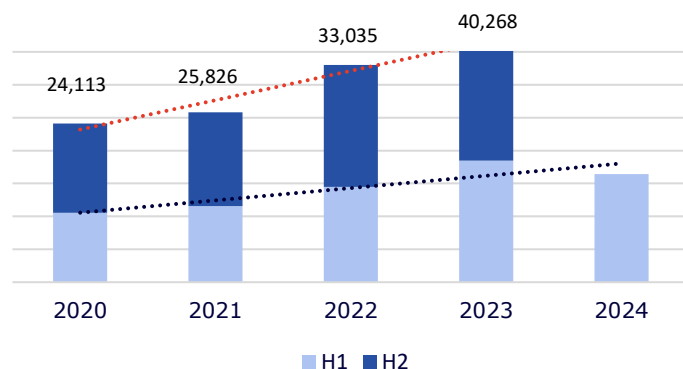
Novian group key balance sheet items, thousands of EUR

| | NOVIAN* | | Novian Technologies | | Novian Eesti | | Andmevara SRL | | Zissor | | Novian Systems | | Novian Pro | |
|-------------------------------------|---------------|---------------|---------------------|--------------|--------------|------------|---------------|------------|------------|------------|----------------|--------------|--------------|--------------|
| | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 | 31-12-2023 | 30-06-2024 |
| Tangible assets | 2,242 | 1,923 | 1,388 | 1,170 | 125 | 93 | 42 | 33 | 2 | - | 398 | 328 | 287 | 298 |
| Intangible assets | 2,027 | 2,020 | 33 | 20 | 24 | 21 | - | - | - | - | 1,883 | 1,935 | 87 | 44 |
| Other non-current assets | 2,328 | 1,744 | 1,605 | 739 | 60 | 60 | - | - | 64 | 121 | 339 | 625 | 157 | 157 |
| Current assets | 16,372 | 16,170 | 9,221 | 7,113 | 179 | 248 | 611 | 555 | 138 | 290 | 3,250 | 3,304 | 2,153 | 3,479 |
| Of which cash | 3,428 | 1,498 | 1,746 | 425 | 9 | 57 | 251 | 196 | 21 | 61 | 798 | 368 | 533 | 374 |
| Total assets | 22,969 | 21,857 | 12,247 | 9,042 | 388 | 422 | 653 | 588 | 204 | 411 | 5,870 | 6,192 | 2,684 | 3,978 |
| Equity | 3,780 | 3,933 | 2,978 | 2,537 | (204) | (237) | 281 | 230 | 33 | 156 | 1,572 | 1,452 | 391 | 730 |
| Non-current liabilities | 3,228 | 3,257 | 739 | 737 | 1 | 1 | - | - | - | 31 | 416 | 416 | 177 | 177 |
| Of which financial debt | 3,007 | 3,036 | 688 | 686 | 1 | 1 | - | - | - | 31 | 246 | 246 | 177 | 177 |
| Current liabilities | 15,961 | 14,667 | 8,530 | 5,768 | 591 | 658 | 372 | 358 | 171 | 224 | 3,882 | 4,324 | 2,116 | 3,071 |
| Of which financial debt | 3,045 | 3,660 | 528 | 537 | 78 | 78 | - | - | - | - | 2,261 | 2,671 | 92 | 330 |
| Total liabilities and equity | 22,969 | 21,857 | 12,247 | 9,042 | 388 | 422 | 653 | 588 | 204 | 411 | 5,870 | 6,192 | 2,684 | 3,978 |

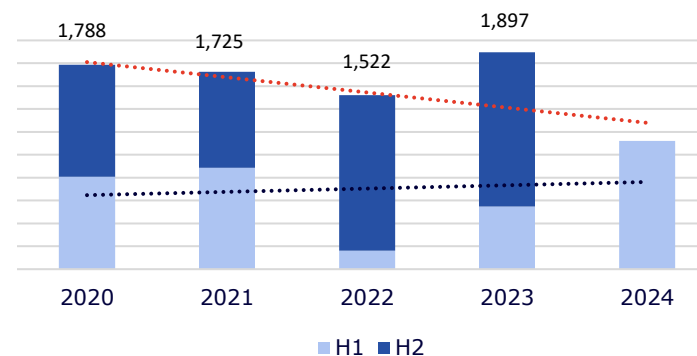
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Novian group main financial figures

Aggregated revenue (thousands of EUR)



Aggregated EBITDA** (thousands of EUR)



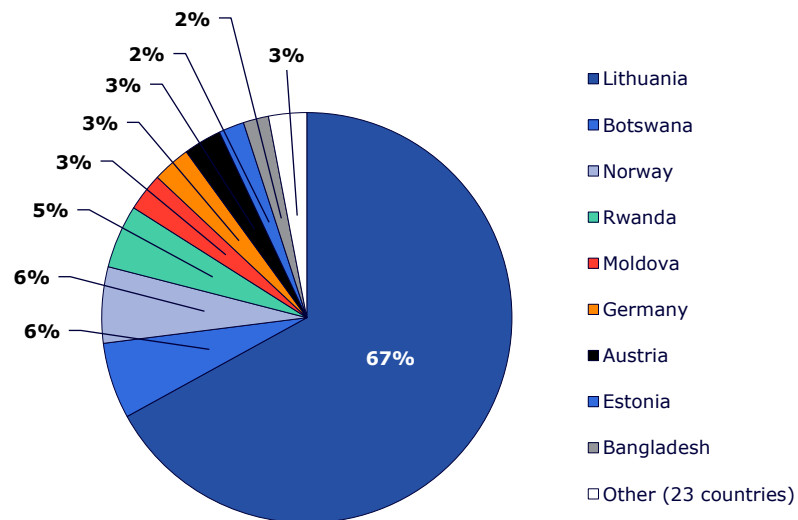
| Thousands of EUR* | 2020 H1 | 2021 H1 | 2022 H1 | 2023 H1 | 2024 H1 |
|-------------------|---------|---------|---------|---------|---------|
| Revenue | 10,547 | 11,553 | 14,497 | 18,494 | 16,434 |
| EBITDA** | 808 | 885 | 162 | 547 | 1,121 |

*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.

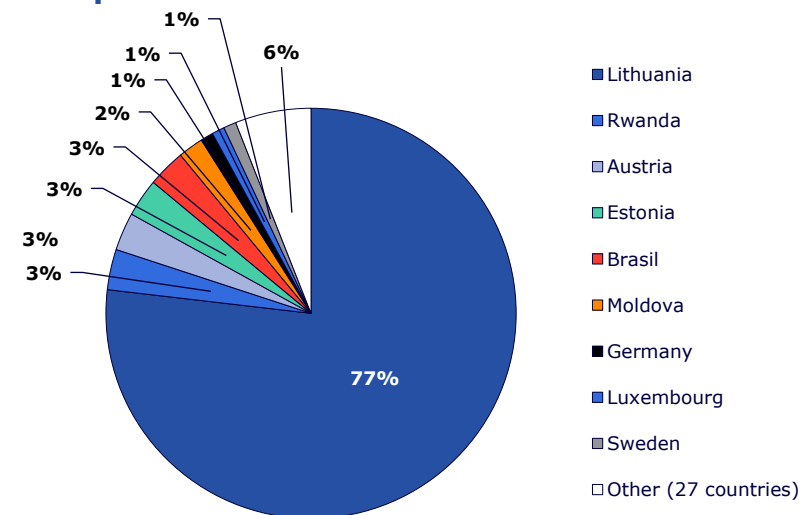
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Novian group revenue by country

2023 H1

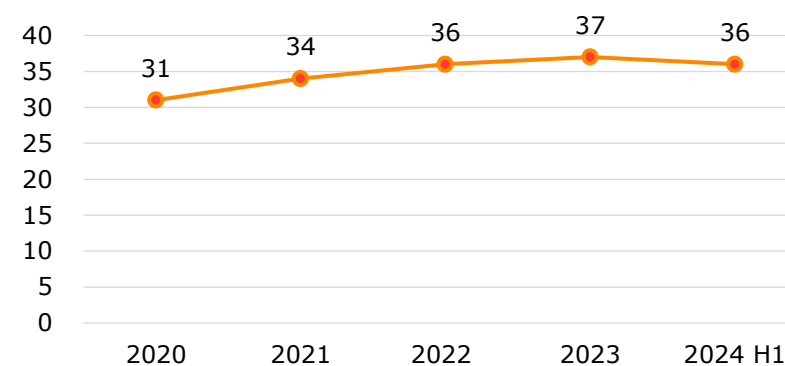


2024 H1



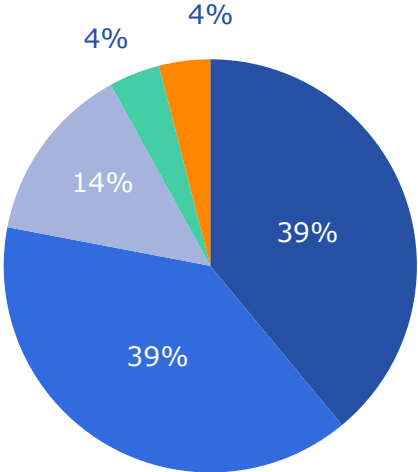
| Thousands of EUR | 2023 H1 | 2024 H1 | Change |
|------------------|---------------|---------------|----------------|
| Lithuania | 12,313 (67%) | 12,573 (77%) | 260 |
| Other countries | 6,181 (33%) | 3,861 (23%) | (2,320) |
| Total | 18 494 | 16,434 | (2,060) |

Number of countries

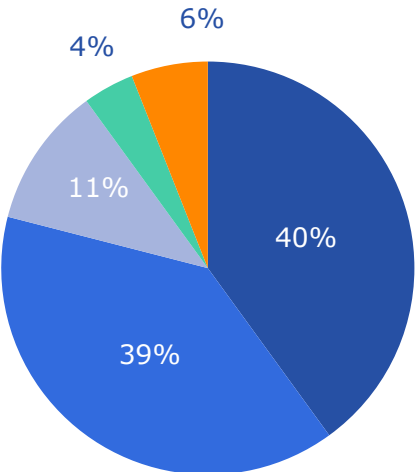


Novian group revenue by sectors

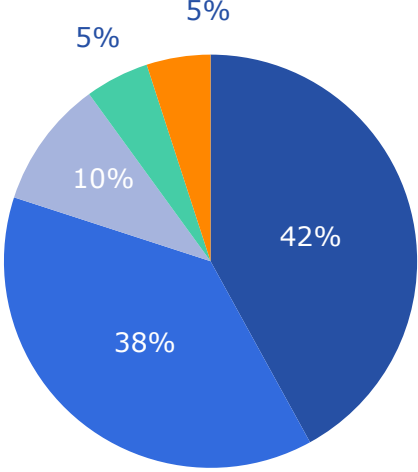
2022



2023



2024 H1

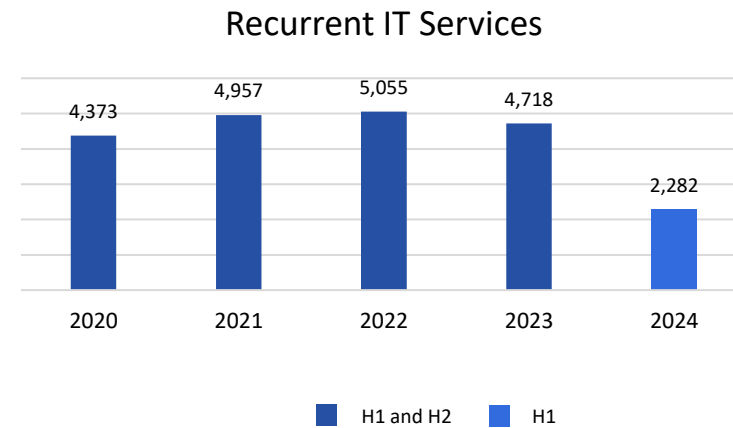
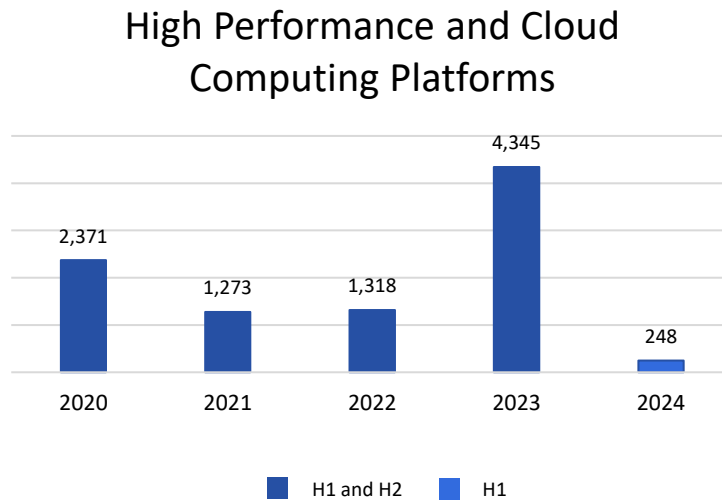
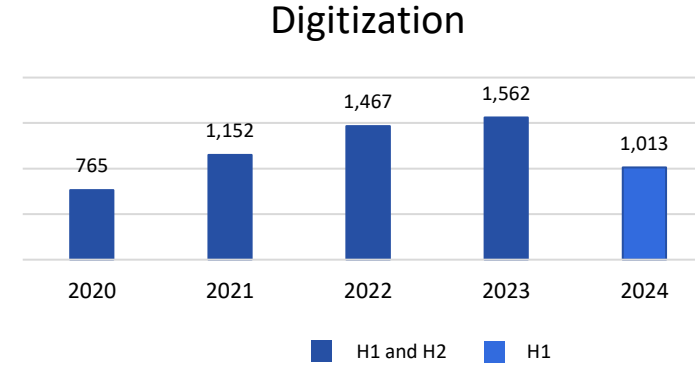
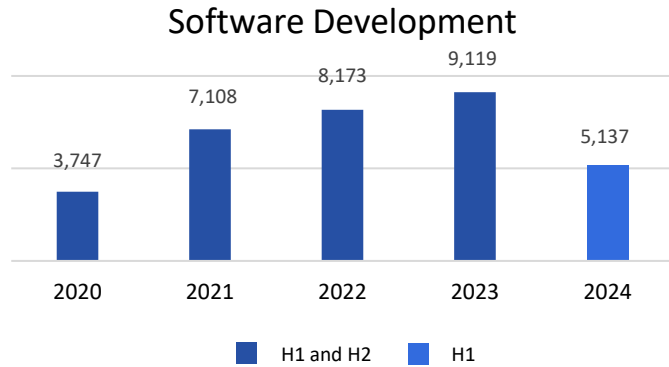


■ Public* ■ Business* ■ Finance ■ Aviation, aeronautics ■ Other

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

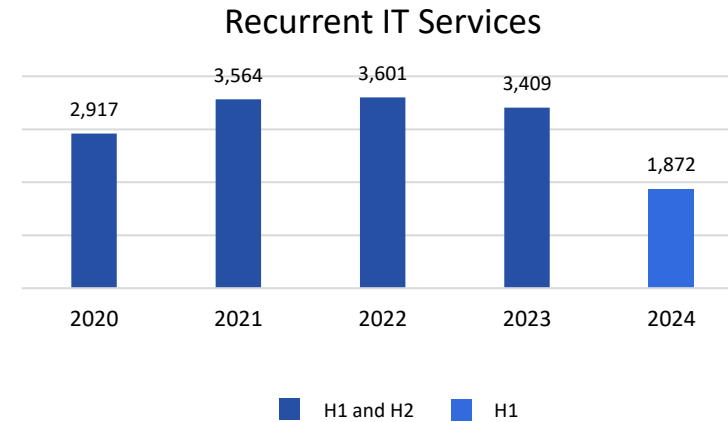
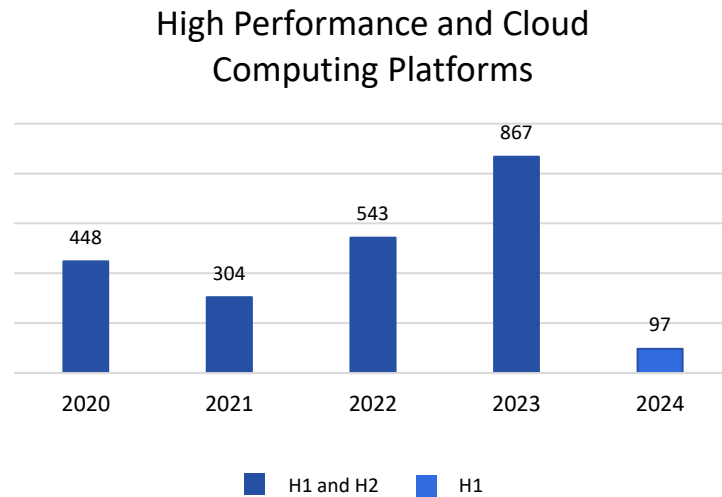
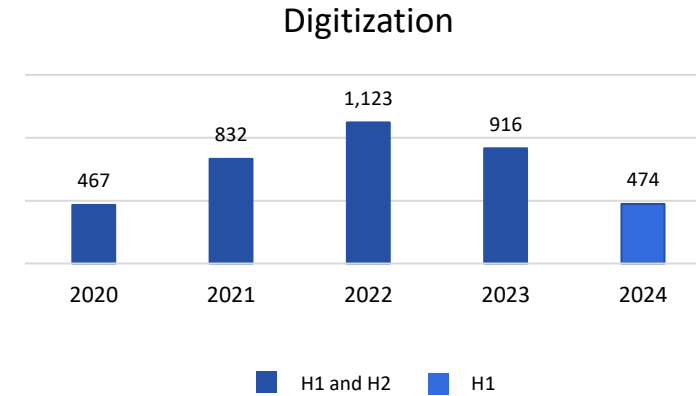
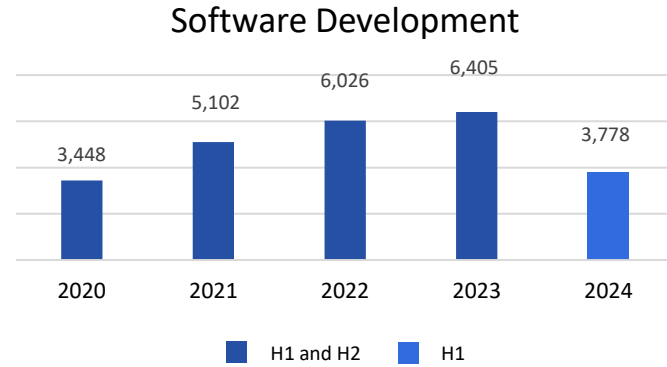
Novian group strategic areas

Revenue, thousands of EUR



Novian group strategic areas

Gross profit*, thousands of EUR



*Calculating the gross profit figure, direct wage costs were not included in the cost of sales.

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 software
 - Atris waste charges management software
 - 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

Main projects



RNDV



Lietuvos Respublikos sveikatos apsaugos ministerija

REGISTRŲ CENTRAS PAŽANGIOS VALSTYBES PARTNERIS



LIETUVOS RESPUBLIKOS SOCIALINĖS APSAUGOS IR DARBO MINISTERIJA

Project

Microsoft Power BI reports for the RNDV group of companies

SESIOP European defence project to improve airspace systems interoperability

Availability of prescription medicines in European Union (EU) countries

Opportunities for using AI for defence

Modernisation and functional enhancement of information system for the Fund for European Aid to the Most Deprived

Scope

Novian Systems developed budget and project management reports based on the Microsoft Power BI analytics tool for the RNDV group of companies in the construction sector. The group previously prepared its reports in Excel. The project also includes the configuration of a database based on the Microsoft Fabric LakeHouse platform. It will serve as an intermediate repository for the data that will later be used for analytics with Power BI.

Novian Pro and the members of a consortium are implementing the SESIOP (Single European Sky and InterOperability) project funded by the European Defence Fund. It involves studies with a value of EUR 19 million. The project aims to increase interoperability between military Air C2 systems and integrate Single European Sky (SES) rules, ensuring a smooth transition to efficient, safe and dependable operations in the planning, tasking and execution phases.

Novian Systems, on behalf of the Centre of Registers of Lithuania, is developing an information system to enable Lithuanian pharmacies to exchange e-prescriptions and dispensing documents with the national contact centres of other EU countries. This will allow residents of Lithuania to purchase prescription medications throughout the EU and will give residents of other EU countries similar possibilities in Lithuania. As of May 2024, Lithuanian citizens already have this ability in Latvia and Poland.

Novian Pro is participating as a consortium member in the AI4DEF (Artificial Intelligence for Defence) project, which aims to use artificial intelligence (AI) to develop European defence technologies. The project includes a study, research, and prototype development and testing. The total value of the EU-funded project is EUR 7 million. It aims to demonstrate the benefits of artificial intelligence in military functional areas such as situational awareness, decision-making and planning optimization.

On behalf of the Ministry of Social Security and Labour of Lithuania, Novian Systems modernized and enhanced the functionality of the information system for the activities of the Fund for European Aid to the Most Deprived in Lithuania. Modernization of the system included restructuring of data and functional modules as well as other upgrades. The system enables the digitalization and execution of data collection, analysis and administration, and the production of a variety of reports in pursuit of the defined targets for the programme's activities and financial and physical results.

Benefits

The new analytics tool allows both separate and consolidated monitoring of data for the four group companies, interactive reporting, and real-time visibility of changes in the data. Thus, more time can be spent on insights rather than preparing reports.

The definition of the architectural solution will ensure data exchange between civil-military and military-military control centres. The project's results will improve air traffic interoperability between the civil and defence sectors.

When the project is completed, Lithuanian residents will be able to buy prescription medicines in all EU countries.

To demonstrate the universality and accessibility of AI4DEF as a cloud services platform, it will be implemented in several areas such as unmanned aerial vehicle (UAV) missions with optimisation of effect mechanisms, improved joint intelligence, surveillance and reconnaissance analysis, tactical situational awareness and decision making.

The changes made will allow the information system to be redesigned and extended, thus improving its performance and relevance.

Main events

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- 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 SAULÉ IS Central Public Procurement Information System. On 10 January 2024, the Public Procurement Office of Lithuania 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 the first half of 2024, **representatives of Novian's software services companies took part in the conference "Lithuanian Davos: Alcebreakers: vision for Lithuania"** which was held in Lithuania, as well as in the **Lithuanian Academy of Science's Young Scientists' Conference "Interdisciplinary Research in Physical Sciences and Technology"**, the Novian Technologies conference **"Technologies and Resilience 2024"**, the Innovation Agency event **"Opportunities for business: Where to begin the path of internationalization?"**, and the event **"Will AI Regulation be the new GDPR?"**.
 - In the first half of 2024, **representatives of Novian's software services companies took part international events** including the **Paris Defence and Strategy Forum** held in France, the event **"Unlocking Potential: How AI and Innovation Can Supercharge Your Business"** in Germany, and the global defence and security event **Eurosatory**. They shared the group's experience in defence-related projects (with the European Defence Industrial Development Programme (EDIDP) and the European Defence Fund (EDF)) as well as in the application of AI and other innovations.
 - In June 2024, the **Agile Breakfast 2024** event in Lithuania featured a presentation on "How technology can help you see the outcome of a project from its early stages", which showcased a tool for programming using modern technology which Novian is developing and how it can help program according to the Agile methodology.
 - **Effective 2 July, Tadas Jonušas**, who has more than 20 years of management experience at a variety of Lithuanian and international ICT companies, **became the CEO of the software services company Novian Pro**. In the role of CEO he replaced Rimvydas Jančiauskas, who will pursue new professional challenges.

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

IT infrastructure maintenance for Ekskomisarų Biuras

Computerized workplace maintenance services for the Bank of Lithuania

Starlink satellite connection for Lithuanian Railways

14,500 computers for 600 Lithuanian schools

Digitization of Estonia's soviet-era cultural archive

Scope

Novian Technologies began to provide the security services firm Ekskomisarų Biuras with IT infrastructure maintenance, administration and consulting services, including the maintenance of computer workplaces and critical IT infrastructure.

Novian Technologies began to provide the Bank of Lithuania with IT competence services for the maintenance of computer workplaces. The package of services includes hardware checks, software updates and real-time problem solving, thus ensuring the proper and timely maintenance of computer workplaces.

Novian Technologies is providing receiver equipment and Starlink satellite connectivity to ensure a stable and fast internet connection on trains on the popular Vilnius-Riga and Vilnius-Klaipėda routes. The connection is currently installed on three trains.

Lithuania's National Agency for Education has launched the project "Learning Tools for Schools" (No 10-063-P-0001). One of the activities of the project financed by the European Regional Development Fund and national co-financing is the provision of computer equipment to general education schools. As part of the project, Novian Technologies will provide 14,562 laptops and 1,216 charging cabinets to more than 600 different schools in the country.

As part of the project "Archives of Soviet-era creative associations and cultural and scientific institutions", the Estonian National Archives has procured services for the digitization (scanning) of paper archive materials. During the project, 2 million files will be digitized and published on the website of the National Archives.

Benefits

These arrangements offer protection against possible disruptions of critical IT infrastructure and make it possible to quickly resolve any technical problems that arise. The services also ensure a high level of IT security and reduce IT costs, allowing the company to focus on its core activity of providing high-quality security services.

Effective maintenance helps to optimise costs, reduce the downtime of IT systems and ensure efficiency and security.

The ability to use Starlink satellite internet on the country's trains makes it possible to expand the use of modern technologies in the transport sector, thus improving travellers' experience and extending innovative solutions across the region.

The project aims to improve the quality of education services by providing general education schools that operate effectively with computer equipment.

This will give the public access to a wide range of archival material from Soviet-era creative unions and cultural and scientific institutions from 1940-1991.

Main events

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- In early 2024, to improve service quality, **Novian Technologies reorganised its structure and created an IT Services Department, whose work includes the provision of managed services to ensure the smooth functioning of an organisation's IT operations, as well as the implementation of separate projects in the areas of IT infrastructure, high-performance computing, digitization and others.** The changes made it possible to combine the expertise that is relevant to clients, thus ensuring more effective internal process coordination and service delivery, and, in the longer term perspective, to focus on the development of consulting services.
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- In May 2024, Novian Technologies held its 10th annual **“Technologies and Resilience 2024” conference**, which addressed a range of topics including the impact of AI on IT operations, quantum technologies and their security aspects, and the importance of innovations and partnerships for the success and growth of organizations.
 - In June 2024, **Novian Technologies took part in the Asia Climate Forum 2024** in Singapore, where it presented high-performance computing (HPC) solutions for weather forecasting, climate change modelling and early warning systems.
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- In March 2024, Novian Technologies together and partner Red Hat organized the event **“Novian Technologies in Focus: Migration to Red Hat Enterprise Linux and Updates”**. It presented the benefits of choosing Red Hat Enterprise Linux (RHEL), perspectives on migration and the importance of the update process.

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Thank you

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