

Dividend policy imply high yield

Q2/23 Sales was below estimate while earnings were significantly above as costs were contained. Guidance was raised which implies attractive yield given the dividend policy. We raise our earnings estimates and Fair value.

Earnings beat

Q2/23 Net profit of EUR 2.5m was more than double our estimated EUR 0.9m, despite the Sales coming in 10% below forecast. A higher share of commission free sales (own retail and web sales) resulted in Sales commission expenses being EUR 0.5m lower in Q2 compared to last year, which boosted the EBIT margin to 5.0% vs. 2.0% last year.

Guidance raised

The 2023 Net profit guidance was raised to EUR 4-6m from EUR 2-4m equal to an increase of 67% at the mid-point. Hence, we raise our 2023 Net profit estimate by 74% to EUR 5m to be in-line with the mid-point guidance. As 80% of this year's volume has been hedged in terms of fuel and currency exposure, we believe the probability of meeting the guidance is high.

Dividend policy imply high yield

The 70% div. policy payout ratio implies a 2023E yield of 13.5% at the guided mid-point Net profit. We are more conservative and forecast a 2023 yield of 9.9% (payout 49%) as we would like to see the sustainability of the current earnings level before assuming div. policy payout. We raise our Base case DCF Fair value to EUR 4.27/shr. (prev. 4.10).

Key figures (MEUR)

	2021	2022	2023E	2024E	2025E
Net sales	109.0	197.0	212.7	219.1	225.7
Net sales growth	231.4%	80.7%	8.0%	3.0%	3.0%
EBITDA	2.6	1.0	7.6	7.8	8.1
EBITDA margin	2.3%	0.5%	3.6%	3.6%	3.6%
EBIT	2.4	0.8	7.4	7.7	7.9
EBIT margin	2.2%	0.4%	3.5%	3.5%	3.5%
EV/Sales	0.3	0.1	0.1	0.1	0.1
EV/EBITDA	12.4	26.4	3.0	2.9	3.2
EV/EBIT	13.2	35.3	3.1	3.0	3.2
P/E adj.	32.8	-102.4	5.0	4.6	4.4
P/BV	2.0	1.5	1.3	1.1	1.0
EPS adj.	0.12	-0.03	0.67	0.73	0.75
EPS growth adj.	-115.81%	-124.31%	-2467.10%	8.94%	2.91%
Div. per share	0.00	0.00	0.33	0.40	0.45
Dividend yield	0.00%	0.00%	9.88%	11.98%	13.47%

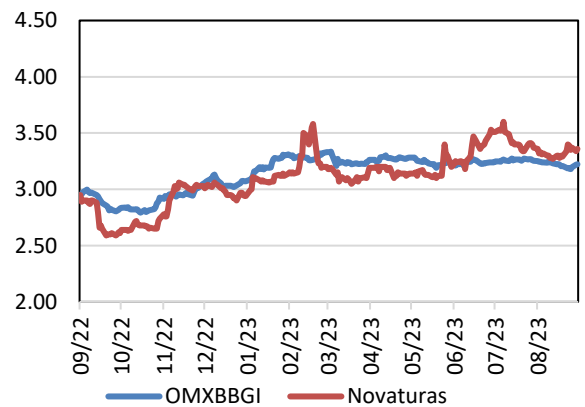
Source: Company data, Enlight Research estimates

Fair value range (EUR)

Bull (term. EBIT marg. 4%)	4.74
Base (term. EBIT marg. 3%)	4.27
Bear (term. EBIT marg. 2%)	3.81

Key Data

Price (EUR)	3.34
Ticker	NTU1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	26
Net debt (EURm)	10
Shares (m)	7.8
Free float	53%



Price range

52-week high	3.60
52-week low	2.59

Analyst

ResearchTeam@enlightresearch.net

Coverage frequency

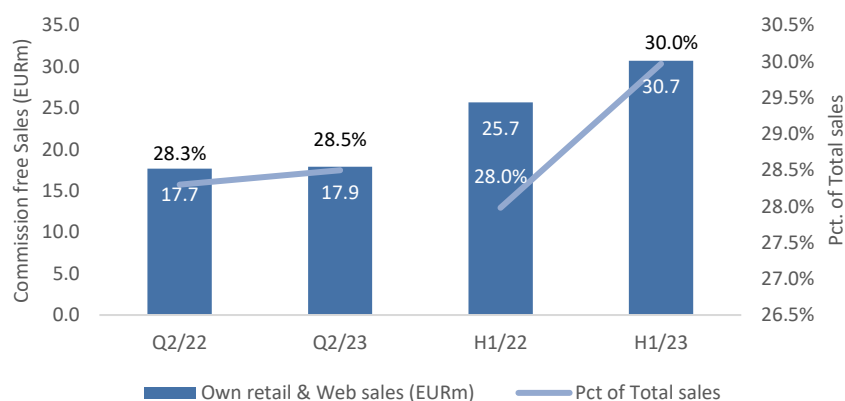
4x per year

Key takeaways

Commission free sales increase and boost margins

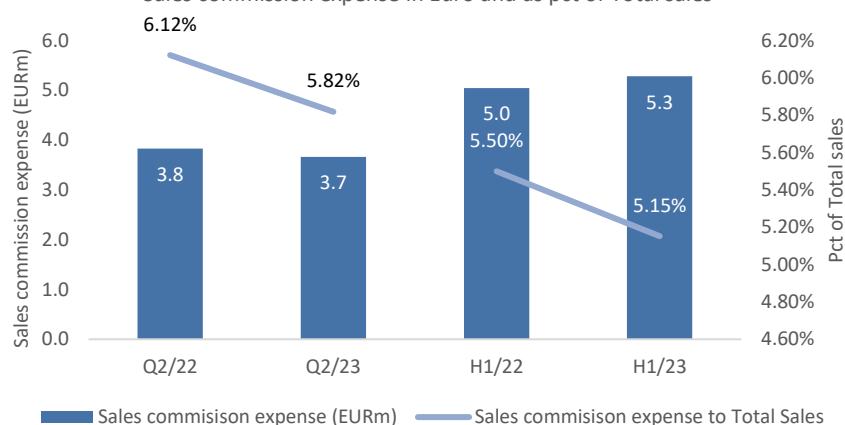
In our view, the key to improve profitability is to increase the share of Commission free sales (Own retail & Web sales) vs. Commission based sales (Travel agencies & GDS). In H2/23, the Commission free sales increased 20% y-on-y to EUR 30.7m, which means that the share of Commission free sales in relation to Total sales increased by 2 percentage points to 30.0% from 28.0% in H1/22 (the Q2/23 increase was minimal, but we believe the trend is intact). The increasing share of Commission free sales has a significant impact on the Sales commission expenses which declined to 5.15% of Total sales in H1/23 from 5.50% in H1/22. In Q2/23, the Sales commission expense in euro terms was even down compared to Q2/22 (EUR 3.7m vs. 3.8m last year), despite slightly higher sales (EUR 17.9m vs. 17.7m last year). On a full-year basis, we forecast the increasing share of Commission free sales to help boost the EBIT margin to 3.5% in 2023 from 0.4% in 2022. For 2024 and 2025, we forecast unchanged EBIT margin vs. 2023 at 3.5% which might be considered conservative as the share of Commission free sales is estimated to increase by 2 percentage points each year.

Commission free sales (Own retail & Web sales) and its share of Total sales



Source: Company

Sales commission expense in Euro and as pct of Total sales



Source: Company

Sales type & EBIT margin	2019	2020	2021	2022	2023E	2024E	2025E
Commission free sales/Total Sales	25.4%	26.3%	28.5%	29.8%	30.0%	32.0%	34.0%
EBIT margin	2.1%	-10.8%	2.2%	0.4%	3.5%	3.5%	3.5%

Source: Company (historic), Enlight Research (estimates)

Profit guidance raised

The 2023 Net profit guidance was raised from EUR 2-4m to EUR 4-6m i.e., the lower end of the guidance was doubled while the top end was raised by 50% (mid was raised by 67%). In absolute terms, the 2023 EBITDA guidance was raised by the same amount i.e., EUR 2.0m, while the Sales guidance was left unchanged. The fact that the profit guidance can be raised by 50-100% without the sales guidance changing shows that this is a margin game rather than a sales volume game. We raise our 2023 Net profit forecast by 74% or EUR 2.2m to EUR 5.2m which means we are in roughly the middle of the guided range (see Estimate changes section for other changes).

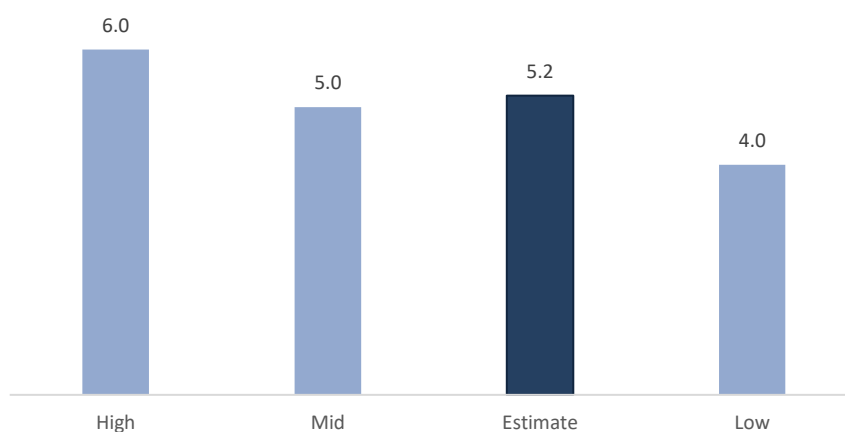
2023 Net profit guidance	Low	Mid	High
Old Net profit guidance (EURm)	2.0	3.0	4.0
New Net profit guidance (EURm)	4.0	5.0	6.0
Diff (EURm)	2.0	2.0	2.0
Diff (%)	100%	67%	50%

Source: Company

Net profit (EURm)	2023E	2024E	2025E
Old estimate	3.0	3.2	4.2
New estimate	5.2	5.2	5.7
Change	2.2	2.0	1.5
Change (pct)	74.4%	61.5%	35.9%

Source: Enlight Research

2023 Net profit Guidance vs Estimate

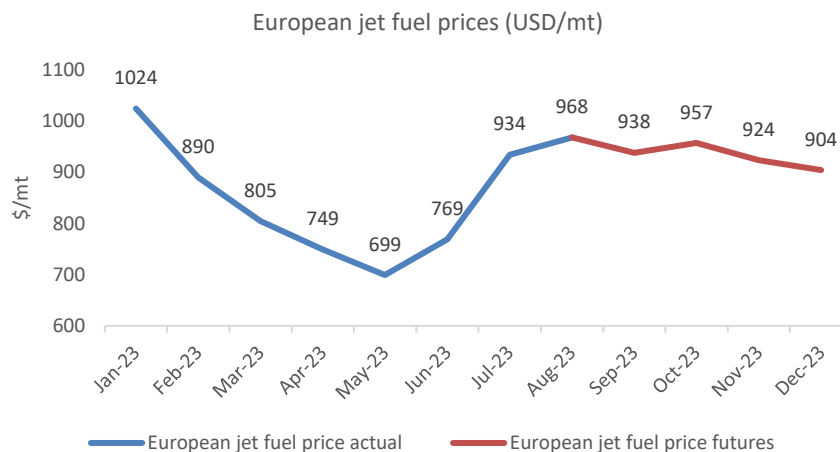


Source: Company, Enlight Research (Estimate)

European jet fuel price outlook

Based on the European jet fuel futures market, and the correlation between the Brent oil price and the jet fuel price (see below charts), the jet fuel prices is expected to stay around current levels for the remainder of 2023. The latest CME group's European jet fuel price futures indicate 938 \$/mt in September and 904 \$/mt in December equal to a 3-4% decline. One of the reasons for expected decline is a tightening of the jet fuel to crude oil spread (refineries usually produce more Jet fuel if the spread to the Crude oil price is large resulting in a lower spread i.e., lower jet fuel price, all else equal). In the Q2/23 report, Novaturas announced that more than 80% of the jet fuel and currency exposure for the remaining 2023 sales volume is hedged. This means Novaturas has locked in the profits on most of the sold travel packages this year (jet

fuel price and EUR/USD exchange rate are the main unknown factors when setting prices), which should lower the risk to the raised guidance. To summarize, the jet fuel price outlook is stable, and the exposure is limited due to hedging paving the way for good profitability this year.



Source: Bloomberg, CME Group



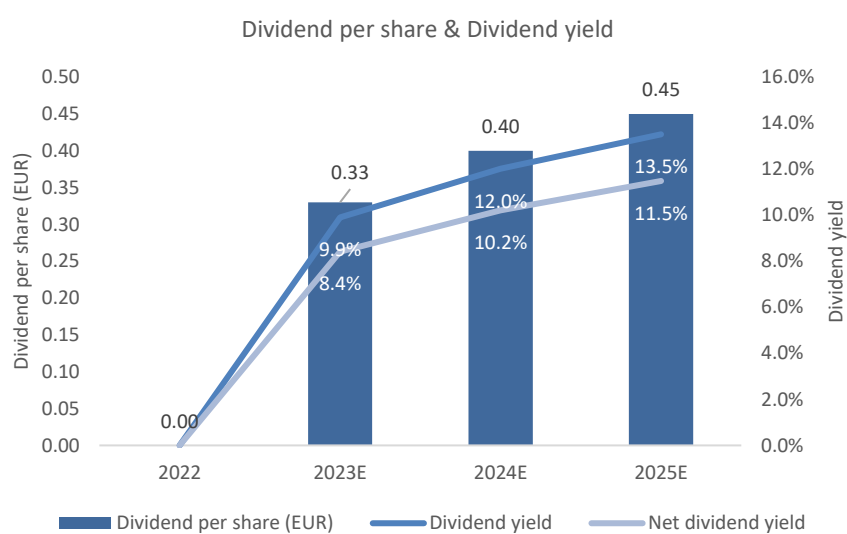
Source: S&P Global Commodity Insights

Dividend policy imply attractive yield

According to Novaturas dividend policy, 70-80% of Net profit is to be paid out as dividends. Given the 2023 mid-point Net profit guidance of EUR 5.0m, the implied dividend per share this year is EUR 0.45 equal to a yield of 13.5% (net yield 11.4%). We forecast a payout ratio 50-60% in the forecast period 2023-25, which is below the dividend policy minimum of 70%. We would like to see the sustainability of the earnings power before assuming a payout ratio of 70% or higher. We forecast EUR 0.33 in dividend per share this year vs. the EUR 0.45 implied by the dividend policy. Hence, our estimated dividend yield is 9.9% (net yield 8.4%), which is attractive in our view. Next year, we forecast a dividend per share of EUR 0.40 indicating a yield of 12.0% (net yield 10.2%) followed by a 2025E dividend per share of EUR 0.45 indicating a yield of 13.5% (net yield 11.5%).

Dividend policy yield & Enlight Research est. dividend yield	Guidance		
	Low	Mid	High
Net profit guidance (EURm)	4.0	5.0	6.0
EPS (EUR)	0.51	0.64	0.77
Dividend policy payout ratio	70%	70%	70%
Dividend according to policy	0.36	0.45	0.54
Dividend yield	10.8%	13.5%	16.2%
Net dividend yield	9.2%	11.4%	13.7%
Share price (EUR)	3.33	3.33	3.33
Enlight Research Dividend estimate (EUR)		0.33	
Enlight Research Dividend yield		9.9%	
Enlight Research Net dividend yield		8.4%	

Source: Company (guidance), Enlight Research (estimates)



Source: Company (historic), Enlight Research (estimates)

Dividend yield based on share price EUR 3.33

Valuation

Peer valuation

We divide our peer group into the following three subgroups: (1) Traditional tour operators, (2) Digital only tour operators, and (3) Online travel agencies (OTAs). We focus on the post-pandemic 2023 estimated multiples. As expected, the OTAs and the Digital only tour operators trade at higher multiples compared to Traditional tour operators with an average 2023E EV/EBITDA of 13.4x, and 9.1x (one company only), respectively, vs. 2.8x for Traditional tour operators. With a 2023E EV/EBITDA of 4.7x, Novaturas is trading at a premium to “Traditional” tour operators and a discount to “Online Travel Agencies” and “Digital Tour Operators”. Novaturas estimated dividend yield of 10-14% (net 8-12%) for 2023-25 is significantly better than all the peers (most of them do not pay any dividends), which could motivate a premium.

Travel & leisure peers

			Price	Mcap (m)	debt (m)	EV (m)	EV/EBITDA	EV/EBITDA	EV/EBITDA	EV/EBITDA	Div. yield	Div. yield	Div. yield	Div. yield
			(last)	(last)	(last)	(last)	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E
Online Travel Agencies (OTAs)														
Company	Ticker	Ccy												
Booking Holdings Inc	BKNG	USD	3141.21	121,846	-549	121,297	22.9	17.2	15.1	13.4	0.0%	0.0%	0.0%	0.0%
Expedia Group Inc	EXPE	USD	108.41	16,323	329	16,652	7.1	6.3	5.5	5.0	0.0%	0.0%	0.4%	0.6%
Trivago	TRVG	EUR	1.02	348	-194	154	1.4	2.2	1.9	1.7	0.0%	0.0%	0.0%	0.0%
eDreams Odigeo SA	EDR	EUR	6.49	828	352	1,180	393.2	35.7	14.6	8.2	0.0%	0.0%	0.0%	7.7%
Lastminute.com NV	LMN	EUR	25.16	277	-40	237	5.7	5.5	4.5	3.7	0.0%	0.0%	0.0%	0.0%
Average							86.1	13.4	8.3	6.4	0.0%	0.0%	0.1%	1.7%
Median							7.1	6.3	5.5	5.0	0.0%	0.0%	0.0%	0.0%
Digital only tour operators														
Company	Ticker	Ccy												
OnTheBeach Group	OTB	GBP	0.96	160	126	285	13.0	9.1	7.3	6.3	0.0%	1.0%	2.1%	2.1%
Traditional tour operator														
Company	Ticker	Ccy												
TUI Group (TUI AG)	TUI1	EUR	5.48	979	2,333	3,312	2.7	1.8	1.7	1.6	0.0%	0.0%	0.0%	1.1%
Jet2 Group (Jet2 PLC)	JET2	GBP	11.04	2,370	-115	2,255	neg	3.9	3.4	3.2	0.0%	1.0%	1.2%	1.3%
Average							2.7	2.8	2.5	2.4	0.0%	0.5%	0.6%	1.2%
Median							2.7	2.8	2.5	2.4	0.0%	0.5%	0.6%	1.2%
Novaturas	NTU	EUR	3.33	26	10	36	33.9	4.7	4.5	4.4	0.0%	9.9%	12.0%	13.5%

Source: Company reports, MarketScreener (consensus estimates), Enlight Research (Novaturas estimates), Prices on 10 September 2023

DCF valuation

Our Base case DCF Fair value per share is raised to EUR 4.27 (prev. 4.10), indicating an upside of around 28%. Higher estimates (see Estimate changes) are the main reason for the upward adjustment in the Fair value. Our Bear case Fair value per share is EUR 3.81 (prev. 3.48), while our Bull case Fair value per share is EUR 4.74 (prev. 4.72). The only difference in our Bear and Bull case vs. the Base is one percentage point higher/lower assumed terminal EBIT margin vs. the Base case EBIT margin of 3.0%. See next page for our DCF value sensitivity to different parameters.

DCF Valuation Scenarios	Bear	Base	Bull
WACC	18.9%	18.9%	18.9%
Terminal sales growth	2.0%	2.0%	2.0%
Terminal EBIT margin	2.0%	3.0%	4.0%
Fair Value per share	3.81	4.27	4.74
Upside/Downside (last price)	14%	28%	42%

Source: Enlight Research, Based on share price of EUR 3.33

DCF Sensitivity	Current	Step	Test values & Results										
Equity beta	1.15	0.20	0.15	0.35	0.55	0.75	0.95	1.15	1.35	1.55	1.75	1.95	2.15
<i>Fair value (DCF)</i>	4.27		5.96	5.53	5.15	4.82	4.53	4.27	4.04	3.84	3.65	3.48	3.33
Target debt ratio*	1.0 %	5.0 %	-24%	-19%	-14%	-9%	-4%	1%	6%	11%	16%	21%	26%
<i>Fair value (DCF)</i>	4.27		3.77	3.86	3.96	4.06	4.16	4.27	4.39	4.51	4.64	4.78	4.92
Risk free IR	3.5 %	0.5 %	1.0 %	1.5 %	2.0 %	2.5 %	3.0 %	3.5 %	4.0 %	4.5 %	5.0 %	5.5 %	6.0 %
<i>Fair value (DCF)</i>	4.27		5.02	4.85	4.69	4.54	4.40	4.27	4.15	4.03	3.92	3.82	3.72

*debt/(debt + equity)

Source: Enlight Research

Estimate deviations

Q2/23 Commission-based sales (Travel agencies, GDS) came in 7.3% or EUR 3.5m below forecast. Q2/23 Commission-free sales (Own retail, Web sales) was 16.6% or EUR 3.6m lower than estimated. The main reason for the lower sales was tough competition on Turkey which is a major destination. The Q2/23 Group sales of EUR 62.9m was 10.1% or EUR 7.1m below forecast, while the Gross profit was 68.2% or EUR 3.8m higher than estimated (EUR 9.4m vs. est. 5.6m). The Q2/23 Pre-tax and Net profit were both EUR around 1.6m higher than forecast.

Deviation table by Segment

Group Sales	Estimate Q2/23	Outcome Q2/23	Diff EURm	Diff %
Total Sales	70.0	62.9	-7.1	-10.1%
Whereof commission based	48.5	45.0	-3.5	-7.3%
Travel agencies	47.3	44.2	-3.0	-6.4%
GDS	1.3	0.8	-0.5	-40.1%
Whereof commission-free	21.5	17.9	-3.6	-16.6%
Own retail	11.2	9.0	-2.2	-19.7%
Web sales	10.3	8.9	-1.4	-13.2%

Deviation table Group

P&L (EURm)	Estimate Q2/23	Outcome Q2/23	Diff EURm	Diff %
Sales	70.0	62.9	-7.1	-10.1%
Costs of sales	-64.4	-53.5	10.9	-16.9%
Gross profit (loss)	5.6	9.4	3.8	68.2%
Sales commission expenses	-4.2	-3.7	0.5	-12.3%
Sales after commissions	1.4	5.8	4.3	303.3%
Other oper. Inc/exp.	0.0	-2.6	-2.6	9100.4%
Operating profit	1.4	3.2	1.8	126.4%
<i>Financial net</i>	-0.4	-0.5	-0.1	19.8%
Pre-tax profit	1.0	2.7	1.7	169.1%
Income tax	-0.2	-0.2	-0.1	38.0%
Net profit	0.9	2.5	1.6	192.2%
EBITDA	1.4	3.2	1.8	125.7%
Sales growth	Estimate Q2/23	Outcome Q2/23	Diff %-pts	
Group Sales	12.0%	0.9%	-11.4	
Margins	Estimate Q2/23	Outcome Q2/23	Diff %-pts	
Gross margin	8.0%	15.0%	7.0	
EBITDA margin	2.0%	5.1%	3.1	
EBIT margin	2.0%	5.0%	3.0	
PTP margin	1.4%	4.3%	2.8	
Net profit margin	1.2%	3.9%	2.7	

Source: Company (Outcome), Enlight Research (Estimate)

Estimate changes

Our 2023-25 sales estimates are lowered by 2.4% or EUR 5-6m, which means we are towards the lower end of the guided range. Our 2023 EBITDA estimate is raised significantly (+52%) to EUR 7.6m (roughly in the middle of the guided range). Our 2023 Net profit is raised by 74% or EUR 2.2m to EUR 5.2m (roughly mid-guidance). Our 2023 Dividend per share is raised to EUR 0.33 (prev. 0.27) equal to a pay-out ratio of 49% (vs. dividend policy payout ratio of 70%). For 2024, and 2025, our dividend per share is raised to EUR 0.40 (prev. 0.29), and EUR 0.45 (prev. 0.38), respectively. Our forecast does not include a potential fine related to the GetJet legal case (see risk section).

Estimate changes

Sales (EURm)	2023E	2024E	2025E
Old estimate	218	225	231
New estimate	213	219	226
Change	-5	-5	-6
Change (pct)	-2.4%	-2.4%	-2.4%
Guidance - high	225		
Guidance - mid	218		
Guidance - low	210		

EBITDA (EURm)	2023E	2024E	2025E
Old estimate	5.0	5.5	6.3
New estimate	7.6	7.8	8.0
Change	2.6	2.3	1.8
Change (pct)	51.7%	41.5%	28.6%
Guidance - high	8.0		
Guidance - mid	7.0		
Guidance - low	6.0		

Net profit (EURm)	2023E	2024E	2025E
Old estimate	3.0	3.2	4.2
New estimate	5.2	5.7	5.9
Change	2.2	2.5	1.7
Change (pct)	74.4%	75.4%	39.8%
Guidance - high	6.0		
Guidance - mid	5.0		
Guidance - low	4.0		

EPS (EUR)	2023E	2024E	2025E
Old estimate	0.38	0.42	0.54
New estimate	0.67	0.73	0.75
Change	0.29	0.31	0.21
Change (pct)	74.4%	75.4%	39.8%

Dividend (EUR)	2023E	2024E	2025E
Old estimate	0.27	0.29	0.38
New estimate	0.33	0.40	0.45
Change	0.06	0.11	0.07
Change (pct)	22.7%	37.3%	19.7%

Source: Enlight Research

Forecast

Income Statement	Q1/23	Q2/23	Q3/23E	Q4/23E	2022	2023E	2024E	2025E
Group sales	39.6	62.9	66.8	43.3	197.0	212.7	219.1	225.7
Whereof commission based	26.8	45.0	46.8	30.3	138.3	148.9	149.0	148.9
Travel agencies	26.1	44.2	45.6	29.8	136.1	145.7	145.7	145.6
GDS	0.7	0.8	1.2	0.5	2.2	3.2	3.3	3.4
Whereof commission-free	12.8	17.9	20.1	13.0	58.7	63.8	70.1	76.7
Own retail	7.0	9.0	10.0	5.9	27.0	31.9	35.1	38.4
Web sales	5.8	8.9	10.0	7.1	31.7	31.9	35.1	38.4
Cost of Sales	-33.4	-53.5	-59.0	-39.2	-177.6	-185.1	-190.2	-195.4
Cost of sales/Group sales	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Gross profit	6.2	9.4	7.8	4.2	19.3	27.7	28.9	30.2
Sales commission expenses	-1.6	-3.7	-3.7	-2.9	-11.4	-11.9	-11.6	-11.3
Sales commission rate	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Sales after commissions	4.6	5.8	4.1	1.3	7.9	15.7	17.3	18.9
Other Oper. Inc./exp.	-2.0	-2.6	-2.0	-1.7	0.5	-8.3	-9.6	-11.0
Other Oper. Inc./exp. of Sales	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.6	3.2	2.1	-0.4	0.8	7.4	7.7	7.9
EBIT margin	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Financial net	-0.3	-0.5	-0.5	-0.5	-1.0	-1.7	-1.2	-1.2
Pre-tax Profit	2.3	2.7	1.6	-0.9	-0.2	5.7	6.5	6.7
Tax	-0.1	-0.2	-0.2	0.0	0.0	-0.5	-0.8	-0.9
Net profit	2.3	2.5	1.4	-1.0	-0.2	5.2	5.7	5.9
Depreciation	0.0	-0.1	-0.1	0.0	-0.3	-0.1	-0.1	-0.2
EBITDA	2.6	3.2	2.2	-0.4	1.0	7.6	7.8	8.1

Sales growth y-on-y	Q1/23	Q2/23	Q3/23E	Q4/23E	2022.0	2023E	2024E	2025E
Group sales growth	35.4%	0.9%	5.0%	4.0%	80.7%	8.0%	3.0%	3.0%
Commission based sales growth	26.1%	0.4%	5.2%	9.5%	77.4%	7.7%	0.1%	0.0%
Travel agencies sales growth	27.1%	-0.1%	5.0%	6.8%	80.7%	7.1%	0.0%	-0.1%
GDS sales growth	-2.5%	34.2%	11.2%	-348.2%	-17.2%	47.3%	3.0%	3.0%
Commission-free sales growth	60.2%	1.4%	4.7%	-5.9%	89.0%	8.7%	9.9%	9.4%
Own retail sales growth	114.6%	25.1%	13.3%	-23.2%	123.0%	18.2%	9.9%	9.4%
Web sales growth	22.8%	-14.9%	-2.8%	15.7%	67.2%	0.6%	9.9%	9.4%

Margins	Q1/23	Q2/23	Q3/23E	Q4/23E	2022	2023E	2024E	2025E
Gross profit margin	15.8%	15.0%	11.7%	9.6%	9.8%	13.0%	13.2%	13.4%
EBITDA margin	6.7%	5.1%	3.2%	-1.0%	0.5%	3.6%	3.6%	3.6%
EBIT margin	6.6%	5.0%	3.2%	-1.0%	0.4%	3.5%	3.5%	3.5%
Pre-tax Profit margin	5.9%	4.3%	2.4%	-2.1%	-0.1%	2.7%	3.0%	3.0%
Net profit margin	5.7%	3.9%	2.2%	-2.2%	-0.1%	2.5%	2.6%	2.6%

Source: Company reports (historic), Enlight Research (estimates)

Risk factors

Below should not be regarded as a complete list of risk factors for Novaturas. It is a list of risk factors that we deem to be most relevant given the current environment. For more risk factors, we recommend reading the Company prospectus.

GetJet legal dispute

There is an ongoing legal proceeding between Novaturas and GetJet Airlines. The potential amount that Novaturas might have to pay is approximately EUR 1.5m. The case is in the first instance of the Lithuanian court and both sides can appeal. Our forecast does not include any GetJet fine. A EUR 1.5m fine could reduce our estimated 2023 EPS by 28% to EUR 0.48 from EUR 0.67, while our dividend payout ratio would increase to 68% from 49% (assuming our current dividend forecast)

Competition risk

There is a risk that new players enter Novaturas home market (Baltics), especially with regards to the largest destinations like Turkey and Egypt. This could lead to price pressure and/or lower sales.

Covid-19 development

Our base case assumption is that there will be no future lockdowns due to the pandemic. If a complete lock-down occurs, our forecast is most likely too optimistic under all scenarios.

Severe recession

Our forecast factors in a mild recession in 2023. If the recession turns out to be severe, our estimates are most likely too optimistic.

High inflation

Continued high inflation could affect people's ability to spend money on leisure such as travel.

Dividend forecast

The ability to pay dividends is dependent on that certain conditions from the lenders (banks) are met.

Digitalization

Digitalization is a key driver for our investment case. Failure to increase the online share of group sales will most likely mean that our EBIT margin is too optimistic, especially for our Base and Bull cases.

Changes in customer preferences

The package travel market is subject to changing customer trends, demands and preferences. Customer preferences may vary depending on economic, social, and technological factors. There can be no assurance that the company will be able to recognize such changes and adapt its existing services in a timely fashion to suit such changes in customer preferences.

Income Statement	2021	2022	2023E	2024E	2025E
Net sales	109.0	197.0	212.7	219.1	225.7
Total operating costs	-106.4	-195.9	-205.1	-211.3	-217.6
EBITDA	2.6	1.0	7.6	7.8	8.1
Depreciation & Amort.	-0.2	-0.3	-0.1	-0.1	-0.2
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	2.4	0.8	7.4	7.7	7.9
Financial net	-1.5	-1.0	-1.7	-1.2	-1.2
Pre-tax profit	0.9	-0.2	5.7	6.5	6.7
Taxes	0.0	0.0	-0.5	-0.8	-0.9
Minority interest	0.0	0.0	0.0	0.0	0.0
Other items	0.0	0.0	0.0	0.0	0.0
Net profit	0.9	-0.2	5.2	5.7	5.9
Balance Sheet	2021	2022	2023E	2024E	2025E
Cash and cash equivalent	6	3	13	13	14
Receivables	0	0	1	1	1
Inventories	0	0	0	0	0
Other current assets	7	19	12	12	13
Current assets	13	23	26	26	28
Tangible assets	0	0	0	1	1
Goodwill & intangible assets	31	32	32	32	32
Lease & Investment properties	0	0	1	1	1
Investments	0	0	0	0	0
Associated companies	0	0	0	0	0
Other non-current assets	0	0	0	0	0
Total fixed assets	32	32	33	33	33
Total Assets	45	55	59	59	61
Non-interest bearing current liabilities	5	14	15	13	11
Short-term debt	2	0	0	0	0
Other current liabilities	10	17	13	12	10
Total current liabilities	17	31	28	25	22
Long-term debt	5	8	6	6	9
Convertibles & Lease liab.	0	0	4	4	4
Deferred tax liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Other long-term liabilities	7	1	1	1	1
Total long-term liab.	13	9	11	11	14
Total Liabilities	30	41	39	36	35
Minority interest (BS)	0	0	0	0	0
Shareholders' equity	15	15	20	23	26
Total liabilities and equity	45	55	59	59	61
DCF valuation	Cash flow, mEUR				
WACC (%)	18.87 %	NPV FCF (2023-2025)		13	
Assumptions 2023-2029 (%)		NPV FCF (2026-2032)		17	
Sales CAGR	2.50 %	NPV FCF (2033-)		8	
Avg. EBIT margin	3.41 %	Non-operating assets		3	
Fair value per share (EUR)	4.27	Interest-bearing debt		-8	
Share price (EUR)	3.34	Fair value estimate		33	

Free Cash Flow	2021	2022	2023E	2024E	2025E
Operating profit	2.4	0.8	7.4	7.7	7.9
Depreciation & Amort.	0.2	0.3	0.1	0.1	0.2
Working capital chg.	4.2	4.0	3.1	-2.8	-4.9
Other Operating CF items	0.0	0.0	-0.6	-0.9	-1.0
Operating Cash Flow	6.8	5.1	10.1	4.1	2.1
Net investments	-0.1	-0.9	-0.4	-0.4	-0.5
Other items	5.2	-6.1	0.0	0.0	0.0
Free Cash Flow	11.9	-1.9	9.6	3.7	1.7
Capital structure	2021	2022	2023E	2024E	2025E
Equity ratio	33.8%	26.6%	34.1%	38.9%	42.2%
Debt / Equity ratio	50.3%	56.4%	48.9%	43.8%	50.5%
Gearing %	12.4%	34.0%	-15.1%	-13.1%	-2.0%
Net debt/EBITDA	0.7	4.8	-0.4	-0.4	-0.1
Profitability	2021	2022	2023E	2024E	2025E
ROE	6.3%	-1.5%	30.2%	26.5%	24.0%
FCF yield	39.7%	-8.2%	37.0%	14.2%	6.4%
EBITDA margin	2.3%	0.5%	3.6%	3.6%	3.6%
EBIT margin	2.2%	0.4%	3.5%	3.5%	3.5%
PTP margin	0.9%	-0.1%	2.7%	3.0%	3.0%
Net margin	0.8%	-0.1%	2.5%	2.6%	2.6%
Valuation	2021	2022	2023E	2024E	2025E
P/E	32.8	-102.4	5.0	4.6	4.4
P/E, adjusted	32.8	-102.4	5.0	4.6	4.4
P/Sales	0.3	0.1	0.1	0.1	0.1
EV/Sales	0.3	0.1	0.1	0.1	0.1
EV/EBITDA	12.4	26.4	3.0	2.9	3.2
EV/EBIT	13.2	35.3	3.1	3.0	3.2
P/BV	2.0	1.5	1.3	1.1	1.0
P/BV tangible	-1.8	-1.3	-2.2	-3.0	-4.3
Per share ratios	2021	2022	2023E	2024E	2025E
EPS	0.12	-0.03	0.67	0.73	0.75
EPS, adjusted	0.12	-0.03	0.67	0.73	0.75
Operating CF/share	0.87	0.66	1.29	0.53	0.27
Free Cash Flow/share	1.52	-0.24	1.24	0.47	0.21
BV/share	1.93	1.89	2.56	2.96	3.31
Tangible BV/share	-1.95	-2.00	-1.33	-0.93	-0.58
Div. per share	0.00	0.00	0.33	0.40	0.45
Div. payout ratio	0.0%	0.0%	49.3%	54.8%	59.9%
Dividend yield	0.0%	0.0%	9.9%	12.0%	13.5%
Shareholders	Capital		Votes		
Willgrow		2.605			9.99 %
Ugnius Radvila		2.475			9.49 %
Moonrider OU		1.815			6.96 %
Rytis Sumakaris		1.789			6.86 %
Vidas Paliunas		1.789			6.86 %
Rendes Vous OU		1.744			6.69 %
AS Rondam		1.192			4.57 %
LHV pensionfond		0.874			3.35 %
Key people					
CEO	Vitalij Rakovski				
CFO	Vyngantas Reifonas				
IR					
Chairman					

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraordinary items and taxes – income taxes + minority interest}}{\text{Number of shares}}$
P/Sales $\frac{\text{Market cap}}{\text{Sales}}$	DPS Dividend for financial period per share
P/BV $\frac{\text{Price per share}}{\text{Shareholders' equity + taxed provisions per share}}$	CEPS $\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$
P/CF $\frac{\text{Price per share}}{\text{Operating cash flow per share}}$	EV/Share $\frac{\text{Enterprise value}}{\text{Number of shares}}$
EV (Enterprise value) Market cap + Net debt + Minority interest at market value – share of associated companies at market value	Sales/Share $\frac{\text{Sales}}{\text{Number of shares}}$
Net debt Interest-bearing debt – financial assets	EBITDA/Share $\frac{\text{Earnings before interest, tax, depreciation and amortization}}{\text{Number of shares}}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	EBIT/Share $\frac{\text{Operating profit}}{\text{Number of shares}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	EAFI/Share $\frac{\text{Pre-tax profit}}{\text{Number of shares}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Capital employed/Share $\frac{\text{Total assets – non-interest-bearing debt}}{\text{Number of shares}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Total assets Balance sheet total
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes – income taxes + minority interest}}$	Interest coverage (x) $\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share $\frac{\text{Financial assets – interest-bearing debt}}{\text{Number of shares}}$	Asset turnover (x) $\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, % $\frac{\text{Operating profit + financial income + extraordinary items}}{\text{Balance sheet total – interest-free short-term debt – long-term advances received and accounts payable (average)}}$	Debt/Equity, % $\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity + minority interest + taxed provisions}}$
ROCE, % $\frac{\text{Profit before extraordinary items + interest expenses + other financial costs}}{\text{Balance sheet total – non-interest-bearing debt (average)}}$	Equity ratio, % $\frac{\text{Shareholders' equity + minority interest + taxed provisions}}{\text{Total assets – interest-free loans}}$
ROE, % $\frac{\text{Profit before extraordinary items – income taxes}}{\text{Shareholders' equity + minority interest + taxed provisions (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year

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