

8.7% Net dividend yield

Q3/23 Sales was slightly below our estimate while earnings were higher leading to a pre-pandemic level EBITDA. The profit guidance was reiterated which implies an attractive yield given the dividend policy.

Profits are back

While Q3/23 Sales was 4% below forecast, the Q3/23 EBITDA of EUR 2.3m was 8% or above estimate. This means the 9M/23 EBITDA reached EUR 7.9m, surpassing the full-year pre-pandemic 2019 EBITDA of EUR 4.3m, which reveals that the company is stronger now than the year before the pandemic.

Profit guidance reiterated

Although the 2023 revenue guidance was lowered by ~4.5%, the net profit guidance of EUR 4-6m was kept (supported by the 12% net profit beat in Q3/23). Given that we have only one month left of 2023 and around 80% of the remaining 2023 fuel consumption is hedged, we believe the guidance is very realistic. We forecast a 2023 Net profit of EUR 5.4m (slightly higher than the guided mid-value)

Attractive yield

The dividend policy is to payout 70-80% of net profit. We are conservative and assume 47% payout ratio this year, which implies a dividend of EUR 0.33/shr, indicating a yield of 10.2% (net yield 8.7%). In 2024 and 2025, we expect the yield to increase to 12.4% (net 10.5%), and 13.9% (net 11.8%), respectively. Our Base case FV is EUR 4.26 (prev. 4.27), implying an ~30% upside.

Key figures (MEUR)

	2021	2022	2023E	2024E	2025E
Net sales	109.0	197.0	209.8	214.0	218.2
Net sales growth	231.4%	80.7%	6.5%	2.0%	2.0%
EBITDA	2.6	1.0	7.5	7.6	7.8
EBITDA margin	2.3%	0.5%	3.6%	3.6%	3.6%
EBIT	2.4	0.8	6.7	7.3	7.6
EBIT margin	2.2%	0.4%	3.2%	3.4%	3.5%
EV/Sales	0.3	0.1	0.1	0.1	0.1
EV/EBITDA	12.4	26.4	2.9	2.9	3.1
EV/EBIT	13.2	35.3	3.2	3.0	3.2
P/E adj.	32.8	-102.4	4.6	4.6	4.4
P/BV	2.0	1.5	1.3	1.1	1.0
EPS adj.	0.12	-0.03	0.70	0.70	0.73
EPS growth adj.	nm	nm	nm	0.05%	4.55%
Div. per share	0.00	0.00	0.33	0.40	0.45
Dividend yield	0.00%	0.00%	10.22%	12.38%	13.93%

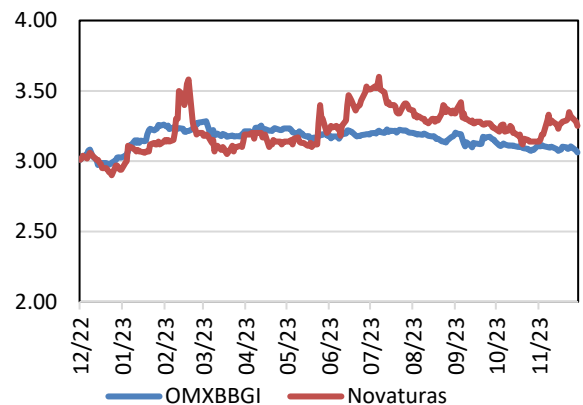
Source: Company data, Enlight Research estimates

Fair value range (EUR)

Bull (term. EBIT marg. 5%)	5.18
Base (term. EBIT marg. 3%)	4.26
Bear (term. EBIT marg. 1%)	3.33

Key Data

Price (EUR)	3.23
Ticker	NTU1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	25
Net debt (EURm)	-4
Shares (m)	7.8
Free float	53%



Price range

52-week high	3.60
52-week low	2.90

Analyst

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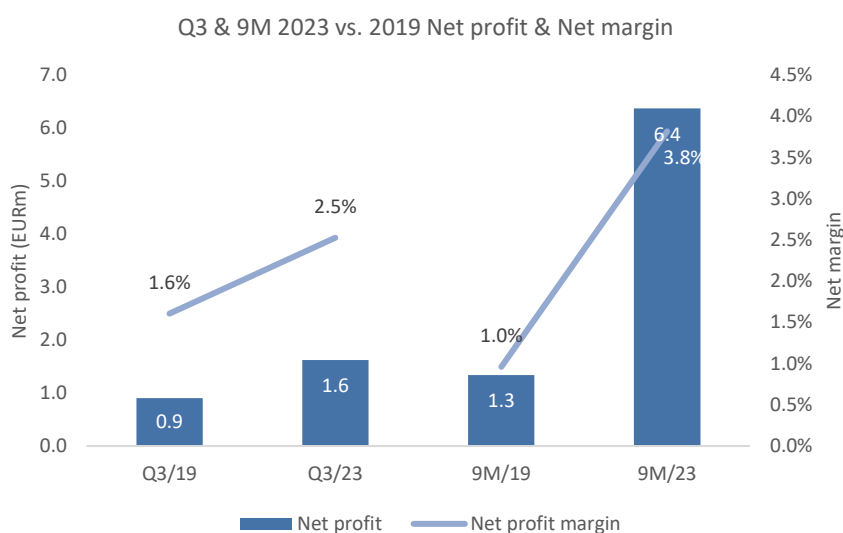
Coverage frequency

4x per year

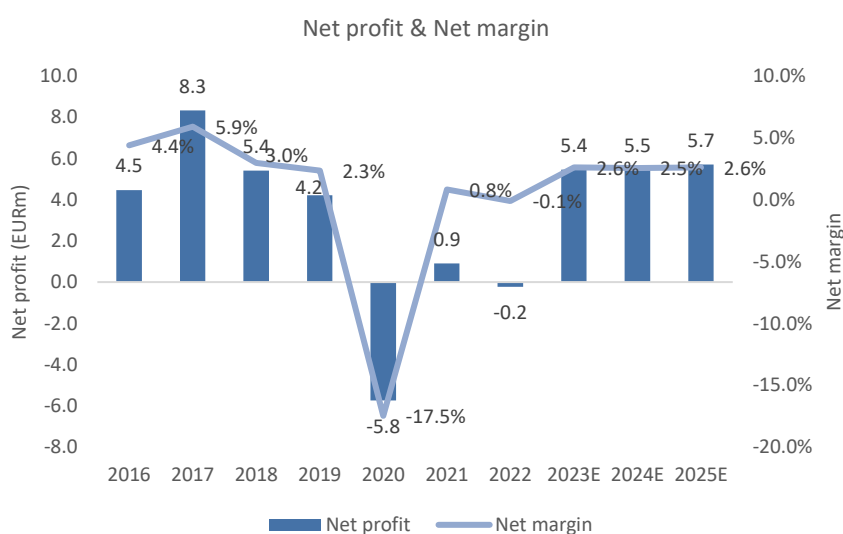
Key takeaways

Profits are back to pre-pandemic levels

The Q3/23 and 9M/23 Net profit of EUR 1.6m and EUR 6.4m, respectively, signal that profits are back to pre-pandemic levels. Both the Q3/23 and the 9M/23 Net profit and Net margin were significantly better compared to the same periods in 2019 (Q3/23 Net profit was 80% higher than in Q3/19 and 9M/23 Net profit was 375% higher than in 9M/19). We estimate a Net loss of EUR 0.9m in Q4/23 due to seasonal factors. Our full-year 2023 estimated Net profit of EUR 5.4m, is better than 2019 (EUR 4.2m) and on par with 2018 (EUR 5.4m). We are conservative and forecast only a slight increase in Net profits in 2024 (EUR 5.5m), and 2025 (EUR 5.7m), which is consistent with our 2% annual revenue growth forecast. We believe Novaturas could be an attractive dividend case rather than a growth case.



Source: Company reports (historic)



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

Reiterated 2023 profit guidance realistic

Management reiterated the full-year 2023 net profit guidance of EUR 4-6m (we estimate EUR 5.4m) at the webinar on 28 November 2023. With roughly one month left of the year, we have a high confidence level in the reiterated guidance, especially given the solid Q3 and 9M result as well as the fact that 80% of the jet fuel and currency exposure for the remaining 2023 sales volume is hedged. The reported 9M/23 Net profit of EUR 6.4m implies a Q4/23 Net loss of EUR 2.4m to reach the lower end of the guidance (EUR 4m) and a Net loss of EUR 0.4m to reach the higher end of the guidance (EUR 6m). To reach our 2023 Net profit forecast of EUR 5.4m, the implied Q4/23 Net profit is negative EUR 0.9m (Q4 is loss making due to seasonal factors).

Guidance implications on Q4/23	9M/23	2023 Guid. Low	Implied Q4	2023 Guid. High	Implied Q4	2023E	Implied Q4
Group Sales	166.8	205.0	38.2	210.0	43.2	209.8	43.0
EBITDA	7.9	6.0	-1.9	8.0	0.1	7.5	-0.4
Net profit	6.4	4.0	-2.4	6.0	-0.4	5.4	-0.9

Source: Company reports (9M/23 figures, guidance), Enlight Research (2023 estimates, Implied Q4)

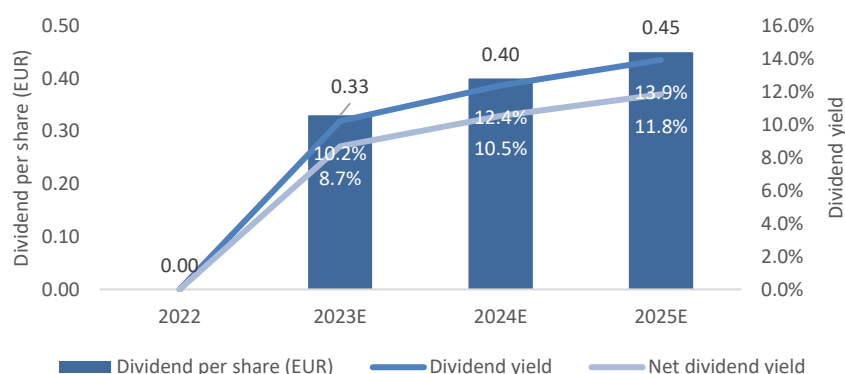
8.7% Net dividend yield

Novaturas's dividend policy state that 70-80% of net profits is to be paid out as dividends. At the mid-value of the net profit guidance of EUR 5.0m, a 70% payout ratio implies a dividend per share of EUR 0.45 equal to a yield of 13.9% (net 11.8%). We are more conservative and forecast a payout ratio of 47% which implies a dividend per share of EUR 0.33 equal to a yield of 10.2% (net 8.7%).

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	11.1%	13.9%	16.7%
Net dividend yield	9.4%	11.8%	14.2%
Share price (EUR)	3.23	3.23	3.23
Enlight Research Net profit estimate (EUR)		5.4	
Enlight Research EPS estimate (EUR)		0.70	
Enlight Research Dividend estimate (EUR)		0.33	
Enlight Research payout ratio		47%	
Enlight Research Dividend yield		10.2%	
Enlight Research Net dividend yield		8.7%	

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

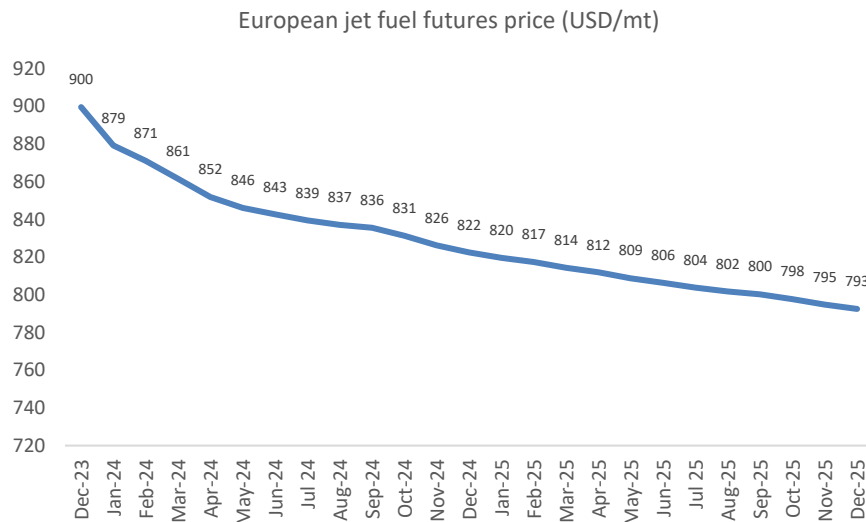
Dividend per share & Dividend yield



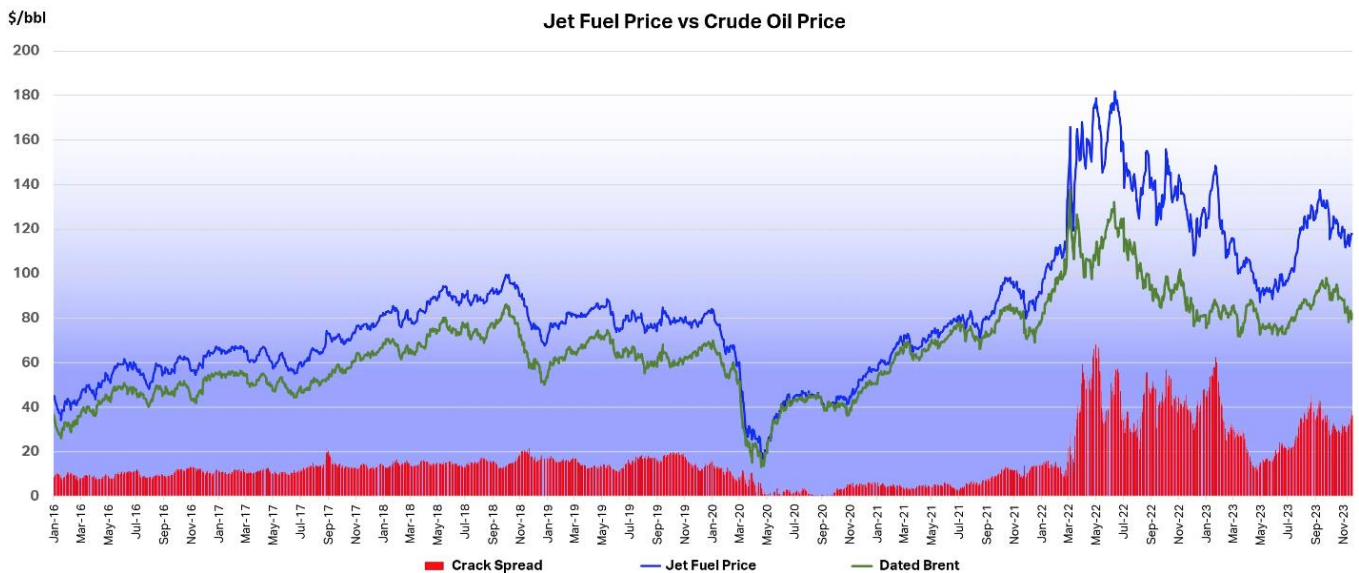
Source: Company reports (historic), Enlight Research (estimates), based on share price EUR 3.23

European jet fuel price outlook

Based on the European jet fuel futures market on the CME, the jet fuel price is expected to decline 9% between December this year to December 2024 from 900 USD/mt. to 822 USD/mt. A further decline of 4% to 793 USD/mt. is expected in 2025. One of the reasons for the 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). To summarize, the jet fuel price outlook is positive, and the exposure for the remainder of 2023 is limited due to hedging.



Source: CME Group



Source: S&P Global Commodity Insights

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 15.0x, and 10.2x (one company only), respectively, vs. 3.1x for Traditional tour operators. With a 2023E EV/EBITDA of 2.8x, Novaturas is trading at a 8% discount to “Traditional” tour operators and a 70-80% discount to “Online Travel Agencies” and “Digital Tour Operators”. Novaturas’ estimated dividend yield of 10-14% (net 9-12%) 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

Online Travel Agencies (OTAs)													
Company	Ticker	Ccy	Price (last)	Mcap (m) (last)	EV (m) (last)	EV/EBITDA 2022	EV/EBITDA 2023E	EV/EBITDA 2024E	EV/EBITDA 2025E	Div. yield 2022	Div. yield 2023E	Div. yield 2024E	Div. yield 2025E
Booking Holdings Inc	BKNG	USD	3159.56	122,557	122,008	23.0	17.4	15.2	13.5	0.0%	0.0%	0.0%	0.0%
Expedia Group Inc	EXPE	USD	139.31	20,975	21,304	9.1	8.0	7.0	6.4	0.0%	0.0%	0.3%	0.5%
Trivago	TRVG	EUR	2.16	739	545	5.0	7.7	6.6	6.0	0.0%	0.0%	0.0%	0.0%
eDreams Odigeo SA	EDR	EUR	6.63	846	1,198	399.3	36.3	14.8	8.3	0.0%	0.0%	0.0%	7.5%
Lastminute.com NV	LMN	EUR	25.01	276	236	5.7	5.5	4.4	3.7	0.0%	0.0%	0.0%	0.0%
Average						88.4	15.0	9.6	7.6	0.0%	0.0%	0.1%	1.6%
Median						9.1	8.0	7.0	6.4	0.0%	0.0%	0.0%	0.0%
Digital only tour operators													
Company	Ticker	Ccy	Price (last)	Mcap (m) (last)	EV (m) (last)	EV/EBITDA 2022	EV/EBITDA 2023E	EV/EBITDA 2024E	EV/EBITDA 2025E	Div. yield 2022	Div. yield 2023E	Div. yield 2024E	Div. yield 2025E
OnTheBeach Group	OTB	GBP	1.19	197	323	14.7	10.2	8.3	7.2	0.0%	0.8%	1.7%	1.7%
Traditional tour operators													
Company	Ticker	Ccy	Price (last)	Mcap (m) (last)	EV (m) (last)	EV/EBITDA 2022	EV/EBITDA 2023E	EV/EBITDA 2024E	EV/EBITDA 2025E	Div. yield 2022	Div. yield 2023E	Div. yield 2024E	Div. yield 2025E
TUI Group (TUI AG)	TUI1	EUR	5.88	1,049	3,382	2.8	1.8	1.7	1.6	0.0%	0.0%	0.0%	1.0%
Jet2 Group (Jet2 PLC)	JET2	GBP	12.13	2,604	2,489	neg	4.3	3.8	3.5	0.0%	0.9%	1.1%	1.2%
Average						2.8	3.1	2.7	2.6	0.0%	0.5%	0.5%	1.1%
Median						2.8	3.1	2.7	2.6	0.0%	0.5%	0.5%	1.1%
Novaturas	NTU	EUR	3.23	25	21	20.1	2.8	2.8	2.7	0.0%	10.2%	12.4%	13.9%

Source: Company reports, MarketScreener (consensus estimates), Enlight Research (Novaturas estimates), Prices on 4 December 2023

DCF valuation

Our Base case DCF Fair value per share is lowered a bit to EUR 4.26 (prev. 4.27), indicating an upside of around 30%. Lower estimates (see Estimate changes) are the main reason for the downward adjustment in the Fair value. Our Bear case Fair value per share is EUR 3.33 (prev. 3.81), while our Bull case Fair value per share is EUR 5.18 (prev. 4.74). The only difference in our Bear and Bull case vs. the Base case is two percentage points higher/lower assumed terminal EBIT margin vs. the Base case EBIT margin of 3.0%. The big change in our Bear and Bull case Fair values is that we widen the difference to the base case to two percentage points from one percentage point. See next page for our DCF value sensitivity to different parameters.

DCF Valuation Scenarios	Bear	Base	Bull
WACC	19.0%	19.0%	19.0%
Terminal sales growth	2.0%	2.0%	2.0%
Terminal EBIT margin	1.0%	3.0%	5.0%
Fair Value per share	3.33	4.26	5.18
Upside/Downside (last price)	3%	32%	60%

Source: Enlight Research, Based on share price of EUR 3.23

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>	4.26		5.89	5.47	5.10	4.79	4.51	4.26	4.04	3.84	3.66	3.49	3.35
Target debt ratio*	0.0 %	5.0 %	-25%	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%	25%
<i>Fair value (DCF)</i>	4.26		3.74	3.83	3.93	4.03	4.14	4.26	4.38	4.51	4.65	4.79	4.95
Risk free interest rate	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>	4.26		4.98	4.82	4.66	4.52	4.38	4.26	4.14	4.03	3.92	3.82	3.72

*debt/(debt + equity)

Source: Enlight Research

Estimate deviations

Q3/23 Commission-based sales (Travel agencies, GDS) came in 2.3% or EUR 1.1m below forecast. Q3/23 Commission-free sales (Own retail, Web sales) was 7.4% or EUR 1.5m lower than estimated. The main reason for the lower sales was tough competition in Egypt which is a major destination. The Q3/23 Group sales of EUR 64.3m was 3.8% or EUR 2.6m below forecast, and the Gross profit was 2.5% or EUR 0.2m lower than estimated (EUR 7.6m vs. est. 7.8m). The Q3/23 Pre-tax profit of EUR 1.9m was 18% or EUR 0.3m higher than forecast, and the Net profit of EUR 1.6m was 12.1% or EUR 0.2m higher than forecast.

Deviation table by Segment

Group Sales	Estimate	Outcome	Diff	Diff
	Q3/23	Q3/23	EURm	%
Total Sales	66.8	64.3	-2.6	-3.8%
Whereof commission based	46.8	45.7	-1.1	-2.3%
Travel agencies	45.6	44.2	-1.4	-3.1%
GDS	1.2	1.5	0.3	28.2%
Whereof commission-free	20.1	18.6	-1.5	-7.4%
Own retail	10.0	9.6	-0.4	-4.5%
Web sales	10.0	9.0	-1.0	-10.2%

Deviation table Group

P&L (EURm)	Estimate	Outcome	Diff	Diff
	Q3/23	Q3/23	EURm	%
Sales	66.8	64.3	-2.6	-3.8%
Costs of sales	-59.0	-56.7	2.4	-4.0%
Gross profit (loss)	7.8	7.6	-0.2	-2.5%
Sales commission expenses	-3.7	-3.7	0.1	-1.8%
Sales after commissions	4.1	4.0	-0.1	-3.1%
Other oper. Inc/exp.	-2.0	-2.6	-0.6	30.5%
Operating profit	2.1	1.4	-0.7	-34.6%
<i>Financial net</i>	-0.5	0.5	1.0	-213.2%
Pre-tax profit	1.6	1.9	0.3	18.0%
Income tax	-0.2	-0.3	-0.1	66.0%
Net profit	1.4	1.6	0.2	12.1%
EBITDA	2.2	2.3	0.2	7.7%
Sales growth	Estimate	Outcome	Diff	
	Q3/23	Q3/23	%-pts	
Group Sales	5.0%	1.0%	-4.0	
Margins	Estimate	Outcome	Diff	
	Q3/23	Q3/23	%-pts	
Gross margin	11.7%	11.9%	0.2	
EBITDA margin	3.2%	3.6%	0.4	
EBIT margin	3.2%	2.1%	-1.0	
PTP margin	2.4%	3.0%	0.6	
Net profit margin	2.2%	2.5%	0.4	

Source: Enlight Research

Estimate changes

Our 2023-25 sales estimates are lowered by 1-3%, while the EBITDA for the same period is lowered by 2-3%. Our 2023 Net profit is raised by 4.2% to EUR 5.4m which is a bit above the middle of the guided range of EUR 4-6m. Our 2023 Dividend per share is left unchanged at EUR 0.33, equal to a pay-out ratio of 47% (vs. dividend policy payout ratio of 70-80%). 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	213	219	226
New estimate	210	214	218
Change	-3	-5	-7
Change (pct)	-1.4%	-2.3%	-3.3%
Guidance - high	210		
Guidance - mid	208		
Guidance - low	205		
EBITDA (EURm)	2023E	2024E	2025E
Old estimate	7.6	7.8	8.0
New estimate	7.5	7.6	7.8
Change	-0.1	-0.2	-0.2
Change (pct)	-1.5%	-2.9%	-2.7%
Net profit (EURm)	2023E	2024E	2025E
Old estimate	5.2	5.7	5.9
New estimate	5.4	5.5	5.7
Change	0.2	-0.2	-0.2
Change (pct)	4.2%	-4.3%	-2.8%
Guidance - high	6.0		
Guidance - mid	5.0		
Guidance - low	4.0		
EPS (EUR)	2023E	2024E	2025E
Old estimate	0.67	0.73	0.75
New estimate	0.70	0.70	0.73
Change	0.03	-0.03	-0.02
Change (pct)	4.2%	-4.3%	-2.8%
Dividend (EUR)	2023E	2024E	2025E
Old estimate	0.33	0.40	0.45
New estimate	0.33	0.40	0.45
Change	0.00	0.00	0.00
Change (pct)	0.0%	0.0%	0.0%

Source: Enlight Research

Detailed Forecast

Income Statement	Q1/23	Q2/23	Q3/23	Q4/23E	2022	2023E	2024E	2025E
Group sales	39.6	62.9	64.3	42.9	197.0	209.8	214.0	218.2
<i>Whereof commission based</i>	26.8	45.0	45.7	30.3	138.3	147.8	147.6	146.2
<i>Travel agencies</i>	26.1	44.2	44.2	29.5	136.1	144.0	144.4	142.9
<i>GDS</i>	0.7	0.8	1.5	0.8	2.2	3.8	3.2	3.3
<i>Whereof commission-free</i>	12.8	17.9	18.6	12.7	58.7	62.0	66.3	72.0
<i>Own retail</i>	7.0	9.0	9.6	6.4	27.0	32.0	34.2	37.1
<i>Web sales</i>	5.8	8.9	9.0	6.2	31.7	30.0	32.1	34.9
Cost of Sales	-33.4	-53.5	-56.7	-38.5	-177.6	-182.1	-185.3	-189.0
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	7.6	4.4	19.3	27.7	28.7	29.2
Sales commission expenses	-1.6	-3.7	-3.7	-3.0	-11.4	-12.0	-11.7	-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	4.0	1.4	7.9	15.7	17.0	18.0
Other Oper. Inc./exp.	-2.0	-2.6	-2.6	-1.8	0.5	-9.0	-9.7	-10.3
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	1.4	-0.4	0.8	6.7	7.3	7.6
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	-0.7	-1.1	-1.1
Pre-tax Profit	2.3	2.7	1.9	-0.9	-0.2	6.0	6.2	6.6
Tax	-0.1	-0.2	-0.3	0.0	0.0	-0.6	-0.7	-0.9
Net profit	2.3	2.5	1.6	-0.9	-0.2	5.4	5.5	5.7
Depreciation	0.0	-0.1	-0.9	0.3	-0.3	-0.8	-0.3	-0.2
EBITDA	2.6	2.9	2.3	-0.4	1.0	7.5	7.6	7.8

Sales growth y-on-y	Q1/23	Q2/23	Q3/23	Q4/23E	2022.0	2023E	2024E	2025E
Group sales growth	35.4%	0.9%	1.0%	3.1%	80.7%	6.5%	2.0%	2.0%
Commission based sales growth	26.1%	0.4%	2.7%	9.4%	77.4%	6.9%	-0.1%	-1.0%
Travel agencies sales growth	27.1%	-0.1%	1.7%	5.8%	80.7%	5.8%	0.3%	-1.0%
GDS sales growth	-2.5%	34.2%	42.6%	-465.3%	-17.2%	74.3%	-15.0%	2.0%
Commission-free sales growth	60.2%	1.4%	-3.0%	-8.4%	89.0%	5.6%	7.0%	8.6%
Own retail sales growth	114.6%	25.1%	8.3%	-16.3%	123.0%	18.5%	7.0%	8.4%
Web sales growth	22.8%	-14.9%	-12.7%	1.4%	67.2%	-5.4%	7.0%	8.8%

Margins	Q1/23	Q2/23	Q3/23	Q4/23E	2022	2023E	2024E	2025E
Gross profit margin	15.8%	15.0%	11.9%	10.2%	9.8%	13.2%	13.4%	13.4%
EBITDA margin	6.7%	4.7%	3.6%	-1.0%	0.5%	3.6%	3.5%	3.6%
EBIT margin	6.6%	5.0%	2.1%	-1.0%	0.4%	3.2%	3.4%	3.5%
Pre-tax Profit margin	5.9%	4.3%	3.0%	-2.2%	-0.1%	2.9%	2.9%	3.0%
Net profit margin	5.7%	3.9%	2.5%	-2.1%	-0.1%	2.6%	2.5%	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.

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	209.8	214.0	218.2
Total operating costs	-106.4	-195.9	-202.3	-206.4	-210.4
EBITDA	2.6	1.0	7.5	7.6	7.8
Depreciation & Amort.	-0.2	-0.3	-0.8	-0.3	-0.2
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	2.4	0.8	6.7	7.3	7.6
Financial net	-1.5	-1.0	-0.7	-1.1	-1.1
Pre-tax profit	0.9	-0.2	6.0	6.2	6.6
Taxes	0.0	0.0	-0.6	-0.7	-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	5.5	5.5	5.7

Balance Sheet	2021	2022	2023E	2024E	2025E
Cash and cash equivalent	6	3	13	13	13
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	27
Tangible assets	0	0	0	0	0
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	32	32	33
Total Assets	45	55	58	58	60
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	21
Long-term debt	5	8	5	5	8
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	10	10	13
Total Liabilities	30	41	38	35	34
Minority interest (BS)	0	0	0	0	0
Shareholders' equity	15	15	20	23	26
Total liabilities and equity	45	55	58	58	60

DCF valuation	Cash flow, mEUR		
WACC (%)	18.96 %	NPV FCF (2023-2025)	13
Assumptions 2023-2029 (%)		NPV FCF (2026-2032)	17
Sales CAGR	2.00 %	NPV FCF (2033-)	8
Avg. EBIT margin	3.36 %	Non-operating assets	3
Fair value per share (EUR)	4.26	Interest-bearing debt	-8
Share price (EUR)	3.23	Fair value estimate	33

Free Cash Flow	2021	2022	2023E	2024E	2025E
Operating profit	2.4	0.8	6.7	7.3	7.6
Depreciation & Amort.	0.2	0.3	0.8	0.3	0.2
Working capital chg.	4.2	4.0	2.9	-2.9	-4.9
Other Operating CF items	0.0	0.0	-0.6	-0.9	-1.0
Operating Cash Flow	6.8	5.1	9.8	3.8	1.9
Net investments	-0.1	-0.9	-0.7	-0.3	-0.2
Other items	5.2	-6.1	0.0	0.0	0.0
Free Cash Flow	11.9	-1.9	9.1	3.5	1.7

Capital structure	2021	2022	2023E	2024E	2025E
Equity ratio	33.8%	26.6%	34.8%	39.5%	42.9%
Debt / Equity ratio	50.3%	56.4%	45.5%	41.3%	47.6%
Gearing %	12.4%	34.0%	-16.9%	-14.4%	-3.5%
Net debt/EBITDA	0.7	4.8	-0.5	-0.4	-0.1

Profitability	2021	2022	2023E	2024E	2025E
ROE	6.3%	-1.5%	31.2%	25.2%	23.4%
FCF yield	39.7%	-8.2%	36.1%	14.0%	6.7%
EBITDA margin	2.3%	0.5%	3.6%	3.6%	3.6%
EBIT margin	2.2%	0.4%	3.2%	3.4%	3.5%
PTP margin	0.9%	-0.1%	2.9%	2.9%	3.0%
Net margin	0.8%	-0.1%	2.6%	2.6%	2.6%

Valuation	2021	2022	2023E	2024E	2025E
P/E	32.8	-102.4	4.6	4.6	4.4
P/E, adjusted	32.8	-102.4	4.6	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	2.9	2.9	3.1
EV/EBIT	13.2	35.3	3.2	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	-2.9	-4.1

Per share ratios	2021	2022	2023E	2024E	2025E
EPS	0.12	-0.03	0.70	0.70	0.73
EPS, adjusted	0.12	-0.03	0.70	0.70	0.73
Operating CF/share	0.87	0.66	1.25	0.49	0.24
Free Cash Flow/share	1.52	-0.24	1.17	0.45	0.22
BV/share	1.93	1.89	2.58	2.95	3.28
Tangible BV/share	-1.95	-2.00	-1.30	-0.93	-0.60
Div. per share	0.00	0.00	0.33	0.40	0.45
Div. payout ratio	0.0%	0.0%	47.3%	57.3%	61.6%
Dividend yield	0.0%	0.0%	10.2%	12.4%	13.9%

Shareholders	Capital	Votes
Willgrow	2.519	9.99 %
Ugnius Radvila	2.393	9.49 %
Moonrider OU	1.755	6.96 %
Rytis Sumakaris	1.730	6.86 %
Vidas Paliunas	1.730	6.86 %
Rendes Vous OU	1.687	6.69 %
AS Rondam	1.152	4.57 %
LHV pensionfond	0.845	3.35 %

Key people	
CEO	Vitalij Rakovski
CFO	Vygantas Reifonas
IR	Vygantas Reifonas
Chairman	Ugnius Radvila

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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