

# Presentation of **Q1 2024**

22 May 2024

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# Forward looking statement

## disclaimer



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# Executive summary



Income less by 10% compared to Q1 2023



EBITDA at 317 kEUR – less by 83.3% compared to Q1 2023



Number of flights delayed over 3 hours down by 4 times compared to the same period last year  
– below 1 % from total flights



Steady growth of customer NPS at 53% compared to 37% Q1 2023 and 51% last quarter



Deimantė Blagnienė joined the role of CHRO

# Key financials



	Q1 2022	Q1 2023	Q1 2024
Sales, k Eur	28,287	38,172	34,518
Gross profit, kEur	2,524	5,958	4,453
EBITDA *, kEUR	- 522	1,896	317
Net profit, kEUR	- 931	1,576	8
Gross profit margin (%)	8.9	15.6	12.9
EBITDA margin (%)	- 1.8	5.0	0.9
Net profit margin (%)	- 3.3	4.1	0.0
Pax (k)	36	38	36
Load factor (%)	96	96	97
Sales profit**/Pax, (Eur)	30	103	66

\* EBITDA = profit before tax + amortisation / depreciation  
+ interest expenses - interest income  
\*\*Sales profit = gross profit - commission expenses

## Quarterly Sales

- 10% decrease in revenue compared to the first quarter last year
- Slight decrease in passenger numbers (2k less) compared to Q1 2023

## Quarterly EBITDA performance

- EBITDA 317 kEUR - 83.3% less compared to 1.9 mEUR first quarter of the last year.

## Gross Profit and Margins

- Gross profit decreased to 4,453 kEUR (Q1 2023 - 5,958 Keur)
- Gross profit margin at 12.9% (Q1 2023 - 15.6%)

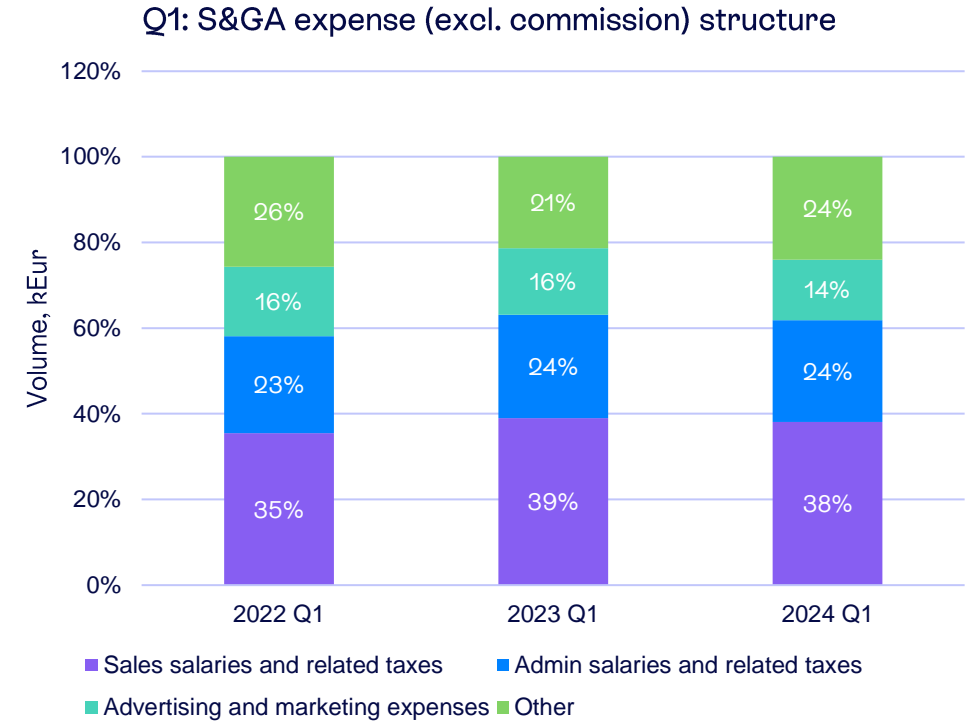
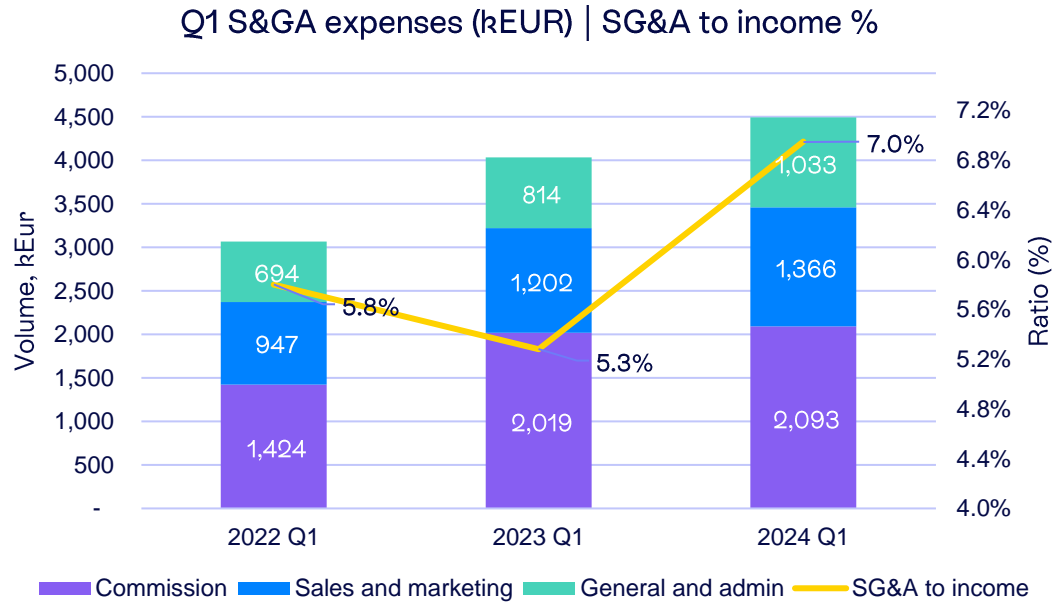
## Load Factors

- Steady high level load factor of 97%
- High load factor due to flight optimization

## Sales Profit Per Passenger

- Maintained profitability per customer despite Q1 challenges

# Expenses



## Q1 Expense Overview

- S&GA to income % increased to lower sales compared to last year, however SG&A structure remains similar

## Marketing Dynamics

- General and admin increase by 27% YOY mainly caused by salary increase

## Marketing Dynamics

- Enhanced focus on own channels and market diversity ups advertising and marketing expenses

# Markets

Eur'000	Q1 2024					
	Consolidated	Intra elim.	AIP	LT	LV	EE
Sales	34,518	(1,629)	8	15,722	10,333	10,084
Cost of sales	(30,065)	1,630	(2)	(13,834)	(9,104)	(8,755)
<b>Gross profit</b>	<b>4,453</b>	<b>1</b>	<b>6</b>	<b>1,888</b>	<b>1,229</b>	<b>1,329</b>
Sales and marketing expenses	(3,459)	(1)	(1)	(1,622)	(910)	(925)
General and admin expenses	(1,032)	-	(3)	(854)	(69)	(106)
Other operating income	(18)	-	-	(81)	13	50
Other operating expenses	102	-	-	102	-	-
<b>Profit from operations</b>	<b>46</b>	<b>-</b>	<b>2</b>	<b>(567)</b>	<b>263</b>	<b>348</b>
Finance income	86	(0)	-	61	11	14
Finance (expenses)	(123)	0	-	(86)	(19)	(18)
<b>Profit before tax</b>	<b>9</b>	<b>(0)</b>	<b>2</b>	<b>(592)</b>	<b>255</b>	<b>344</b>
Income tax	(1)	0	-	-	(1)	-
<b>Net profit</b>	<b>8</b>	<b>0</b>	<b>2</b>	<b>(592)</b>	<b>254</b>	<b>344</b>

## Income distribution

- 44% LT, 28% EE and 28 % LV

## Gross profits

- LT - 12 %, LV close to 12%, EE - 13.2%

## Expenses

- Before supporting functions relocation, LT at 16%, and LV at 9%, EE - at 10%.

## Results before branding charge

- Operating profit rate resulted as negative in LT (-3.7%) while positive in LV and EE markets (2.4% and 3.0%)



# Pax served

## Q1 Passenger Trends

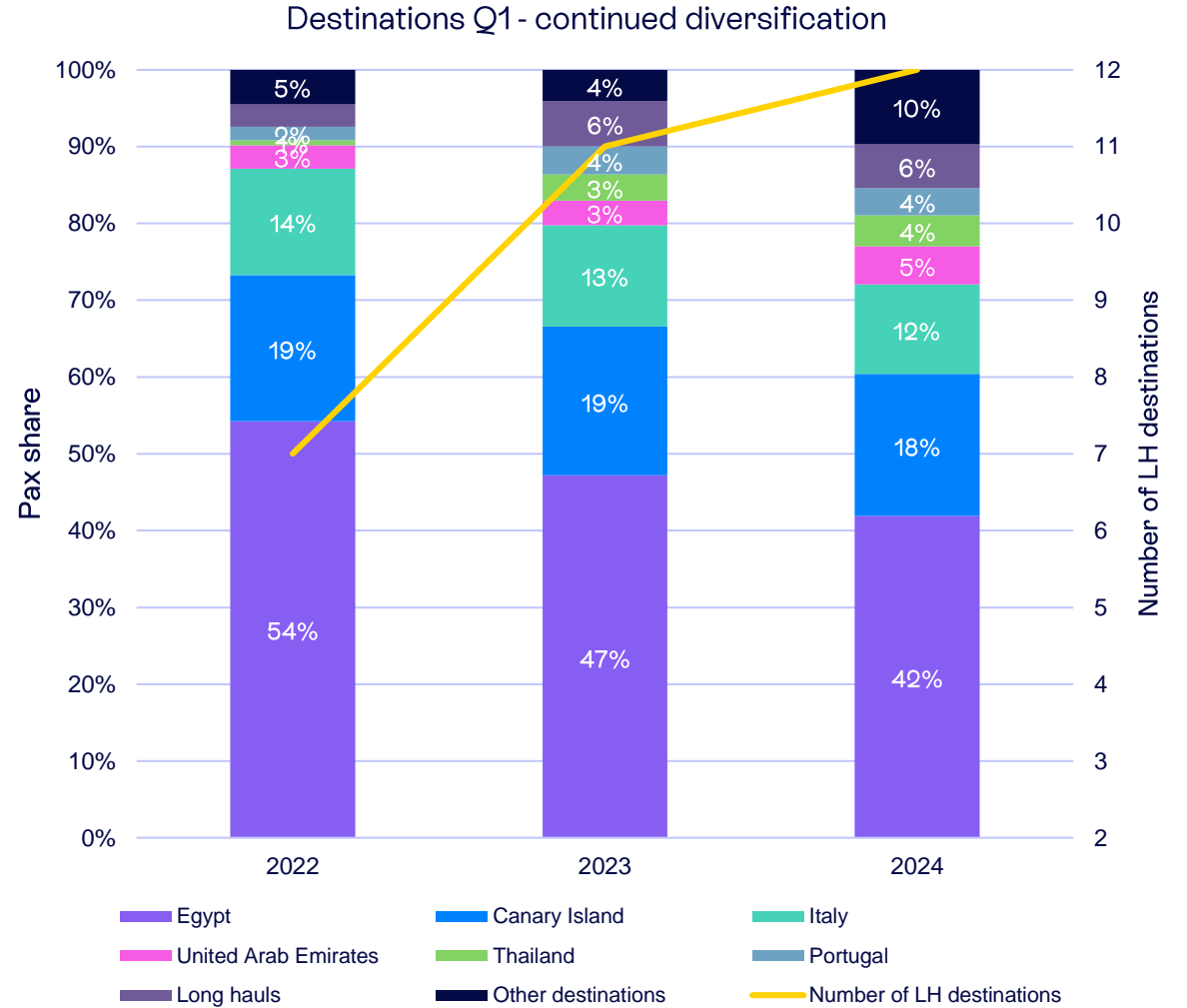
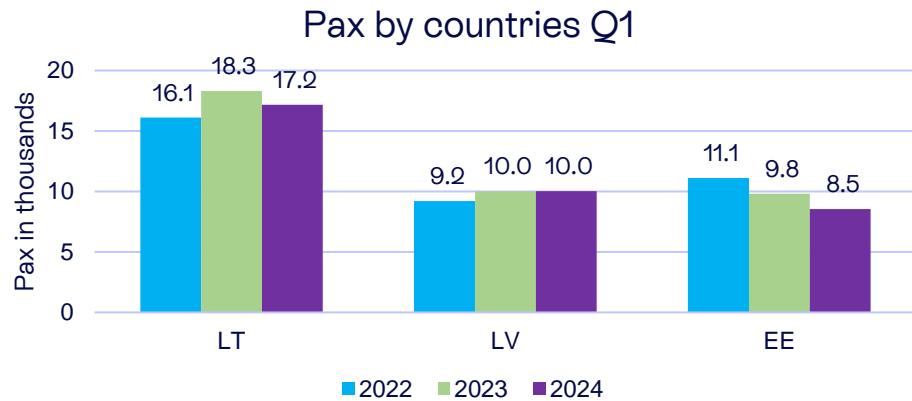
- Stable trend in Latvia (10.0k) , slight decline in Lithuania (10.8k) and Estonia (8.5k)

## Market Dynamics

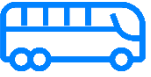
- Reduced dependency on Egypt from 47% to 42%, expanding into new destinations

## Growth in Emerging Markets

- Passenger share for UAE grew from 3% in 2023 to 5% in 2024 and we are expecting significant potential for next winter season in this destination.







# Customer perspective

## Sales Timing

- Average 2024 Q1 booking window increased to 55 days, compared to 46 days last year. This was driven by proactive sales actions and campaigns

## NPS Growth

- Increase from 37% in 2023 Q1 to 54% in 2024

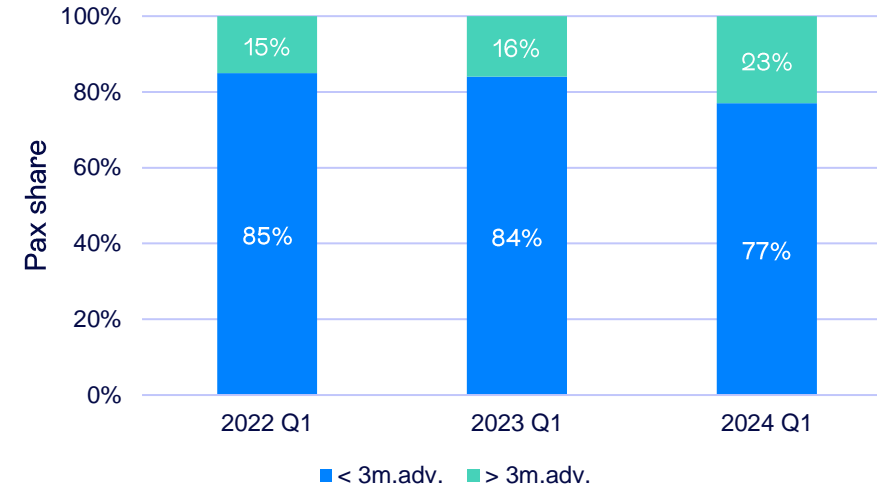
## Market NPS

- Q1 2024: Lithuania - 57%, Latvia - 65%, Estonia - 44%
- Estonia's Q1 2023 to Q1 2024 growth: 11% to 44%

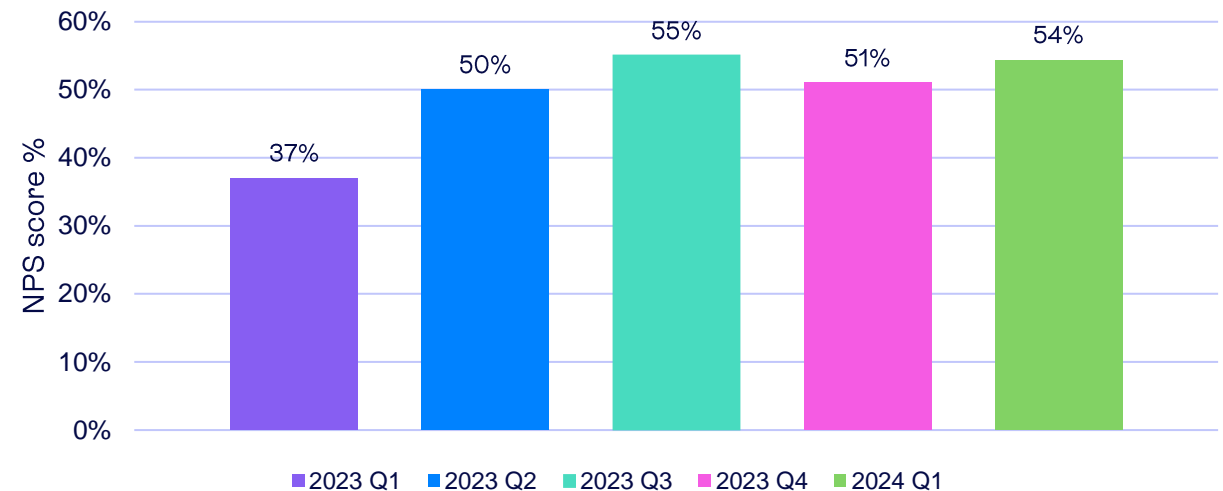
## Top Rated Destinations

- Sharm el-Sheikh, Hurgada, Tenerife, United Arab Emirates
- Egypt slightly above average

Q1: travel purchase habits



Novaturas net promoter score 3M 2024



# Customer perspective

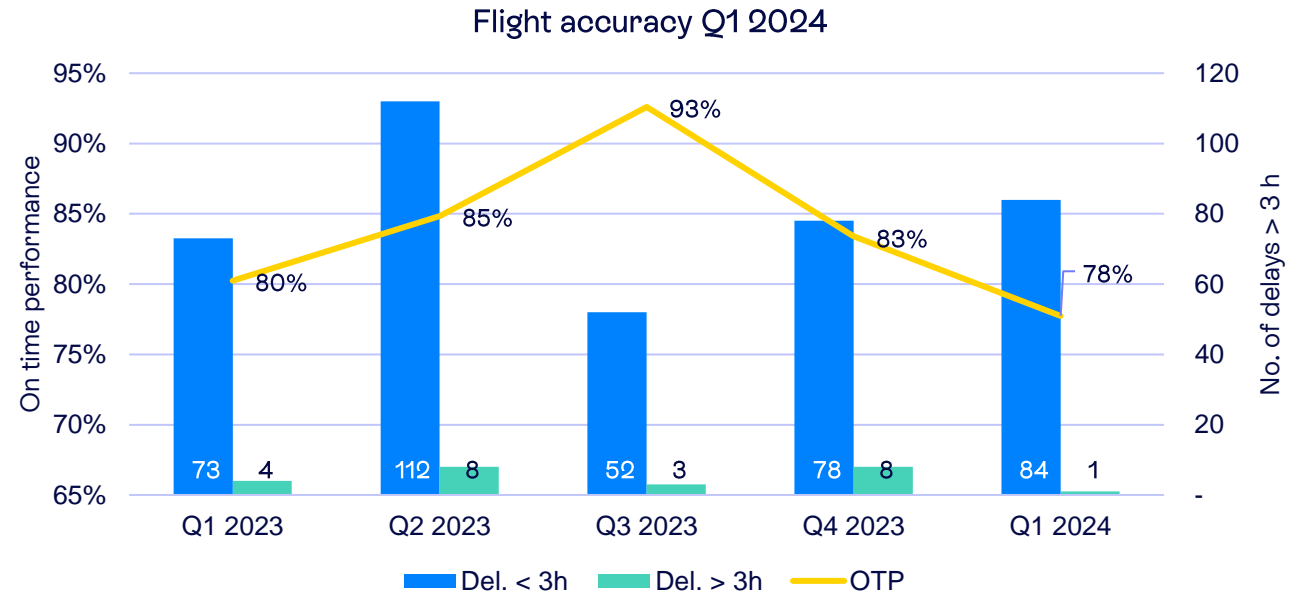


## On-Time Flight Performance

- Q1 2024 OTP 78% similar compared to last year Q1

## Flight Delays Reduction

- Delays over 3 hours reduced from 4 to 1 during first quarter of the year



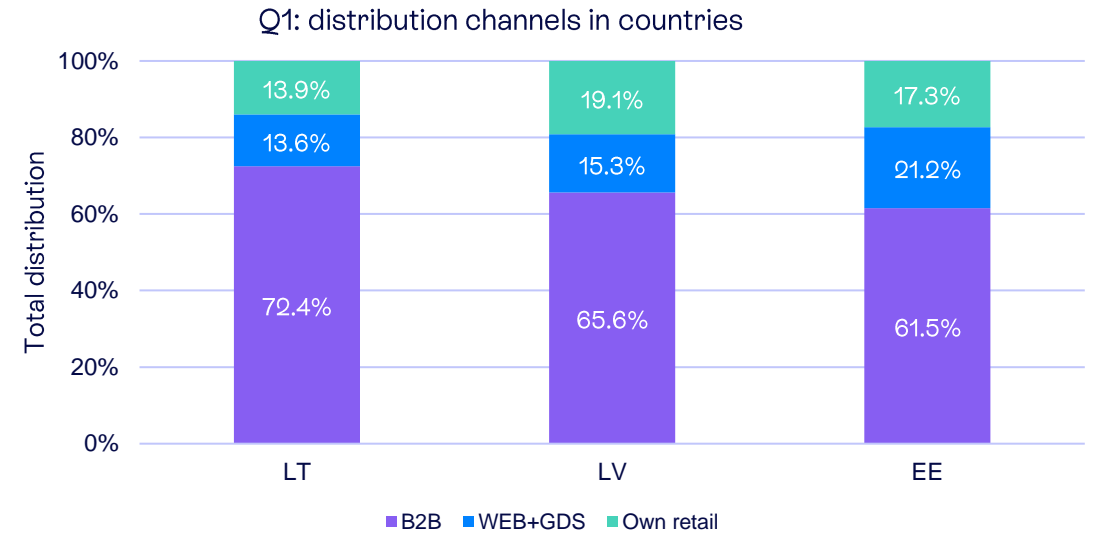
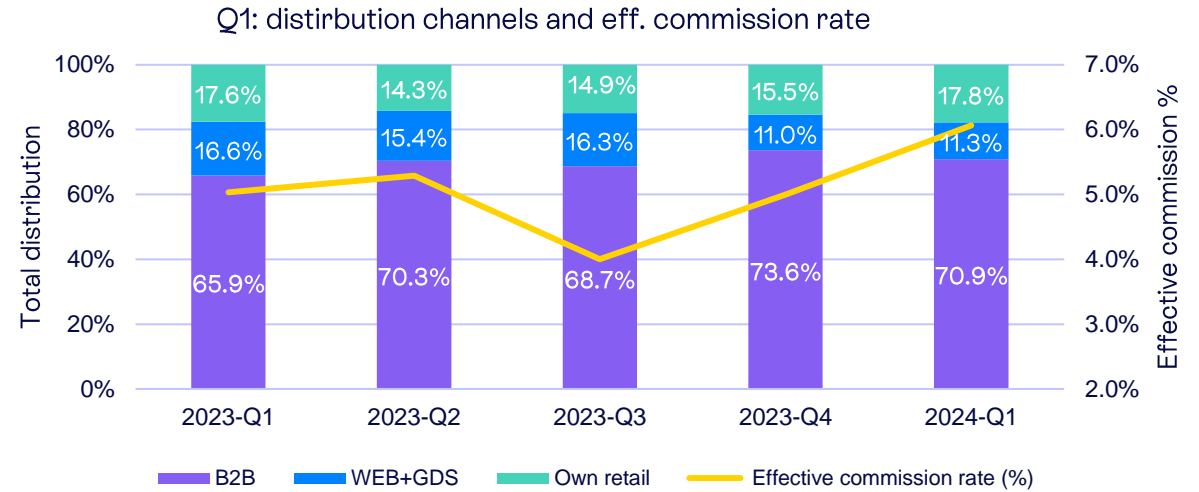
# Distribution

## Sales Recovery Challenges

- Web sales drop stabilized in Q1 – up by 0,3% from Q4 2023.

## Channel Performance

- Own **retail** revenue share up to 17,8%
- Partner (Travel Agencies) share down to 70,9%



# Distribution

## Retail Channel Growth

- Retail share has grown by approximately 2 percentage points annually

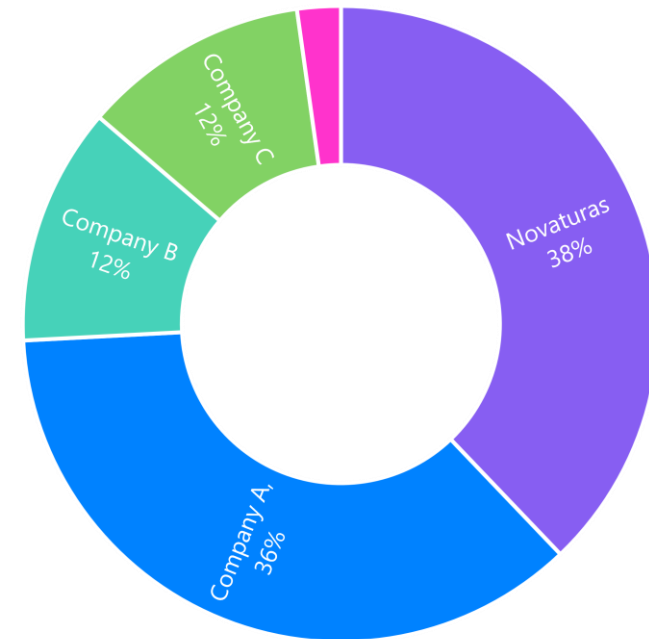
## Web Traffic Leadership

- Novaturas maintains a strong position in web traffic with a 38% share of total traffic

## Q1 Developments

- Website stabilization
- Search function upgrade
- Labelling of hotel sustainability and exclusivity
- Checkout optimization
- Improvement of the payment system

Q1: Web traffic data (similarweb)



# Forward looking statement



220 – 240 k passengers in 2024



180 – 200 mEUR revenue



Expected EBITDA 2–3 mEUR

Net Profit 0.5–1.5 mEUR

## Tactical objectives

1. Enhance sales channels
2. Upgrade website
3. Broad destination choices
4. Streamline operations
5. Value-added services
6. Digital enhancements





Q&A





# Appendices



# Quarterly effects of IFRS 15 accounting (I)

Since introduction of IFRS 15 ( recognition of travel income and costs based on actual travel days) Novaturas accounted for annual corrective entry in respect of IFRS15. Note below summarizes and reconciles quarterly results of IFRS 15 accounting.

Year	Quarter	Income				Cost of sales			
		Reported numbers	Annual record, incl. in reported numbers	Results of quarterly IFRS 15 application	Adjusted numbers	Reported numbers	Annual record, incl. in reported numbers	Results of quarterly IFRS 15 application	Adjusted numbers
2021Q1		5,571	-	601	4,970	- 3,954		481	- 3,473
2021Q2		23,543	-	1,037	22,506	- 19,996		830	- 19,166
2021Q3		46,300	-	481	45,819	- 42,274		385	- 41,889
2021Q4		33,581	- 1,217	902	35,700	- 29,282	972	- 723	- 30,977
<b>2021Q1- Q4</b>		<b>108,995</b>	- <b>1,217</b>	- <b>1,217</b>	<b>108,995</b>	- <b>95,506</b>	<b>972</b>	<b>972</b>	- <b>95,506</b>
2022Q1		29,254	-	967	28,287	- 26,508		745	- 25,763
2022Q2		62,393	-	1,872	60,521	- 57,285		1,441	- 55,844
2022Q3		63,660	-	700	62,960	- 56,239		539	- 55,700
2022Q4		41,369	- 1,673	1,866	44,908	- 37,556	1,294	- 1,431	- 40,281
<b>2022Q1- Q4</b>		<b>196,676</b>	- <b>1,673</b>	- <b>1,673</b>	<b>196,676</b>	- <b>177,588</b>	<b>1,294</b>	<b>1,294</b>	- <b>177,588</b>
2023Q1		39,602	-	1,430	38,172	- 33,358		1,144	- 32,214
2023Q2		62,934	-	1,185	61,749	- 53,515		948	- 52,567
2023Q3		64,287	-	901	63,386	- 56,660		721	- 55,939
2023Q4		- 132,305	- 1,658	1,858	-128,789	113,468	1,320	- 1,493	110,655
<b>2023Q1- Q4</b>		<b>34,518</b>	- <b>1,658</b>	- <b>1,658</b>	<b>34,518</b>	- <b>30,065</b>	<b>1,320</b>	<b>1,320</b>	- <b>30,065</b>



# Impact of change in accounting policies (II)

During 2023 Novaturas changed accounting policy in respect of IFRS 15 applicable for commission expenses. Before accounting policy change all commission liability in respect of commission payable were expensed (practical expedient treatment) while since 2023 expensed only that commission part which relates to revenue earned. Change in accounting policy has been applied retrospectively therefore prior year profit increased with 480 kEur (267 kEur'21 and 213 kEur'22) on the cost of current year result reduction (371 kEur) difference being accounted as deferred cost as at December 31'23.

EBITDA section summarizes both effects of quarterly IFRS 15 application (instead of annual) and impact of changes in accounting policy.

Year	Quarter	Commission				Impact on EBITDA			
		Reported numbers	Deferral of commission liability	IFRS 15 q-ly impacts	Adjusted numbers	Reported	Gross profit component	Commission component	Adjusted numbers
2021Q1	-	279		33	246	615	120	33	528
2021Q2	-	1 338		76	1 262	1 175	207	76	1 044
2021Q3	-	2 520		25	2 495	447	96	25	376
2021Q4	-	2 091	195	62	1 958	316	424	133	873
<b>2021Q1 - Q4</b>	-	<b>6 228</b>	<b>195</b>	<b>72</b>	<b>5 961</b>	<b>2 553</b>	<b>0</b>	<b>267</b>	<b>2 820</b>
2022Q1	-	1 220	195	9	1 424	96	222	204	522
2022Q2	-	3 826		107	3 719	654	431	107	978
2022Q3	-	3 545		44	3 501	2 092	161	44	1 975
2022Q4	-	2 848	377	111	2 582	861	814	266	219
<b>2022Q1 - Q4</b>	-	<b>11 439</b>	<b>182</b>	<b>31</b>	<b>11 226</b>	<b>481</b>	<b>0</b>	<b>213</b>	<b>694</b>
2023Q1	-	1 621	377	21	2 019	2 580	286	398	1 896
2023Q2	-	3 660		75	3 585	3 006	237	75	2 844
2023Q3	-	3 675		70	3 605	2 322	180	70	2 212
2023Q4	-	2 782		118	2 900	2 019	703	118	1 434
2023Q4 (A/P)	-					371	-	-	-
<b>2023Q1 - Q4</b>	-	<b>11 738</b>	<b>377</b>	<b>6</b>	<b>12 109</b>	<b>5 518</b>	<b>-</b>	<b>371</b>	<b>5 518</b>

# Main ratios



Financial ratios (Eur'000)	First quarter			Δ	
	2024	2023	2022	24/23	23/22
Sales	34,518	38,172	28,287	-9.6	+34.9
Gross profit	4,453	5,958	2,524	-25.3	+136.1
Operating profit	46	1,930	(522)	-97.6	-469.4
EBITDA*	317	1,896	(522)	-83.3	-462.9
Profit before taxes	9	1,640	(1,036)	-99.5	-258.2
Net profit for the period	8	1,576	(931)	-99.5	-269.2
<b>Relative indicators</b>					
Number of ordinary registered shares	7,807,000	7,807,000	7,807,000	-	-
Earnings per share (EUR)	0.00	0.20	(0.12)	-0.20	+0.32
Gross profit margin (%)	12.90	15.61	8.92	-2.7 pp	+6.7 pp
Operating margin (%)	0.13	5.06	(1.85)	-4.9 pp	+6.9 pp
EBITDA margin (%)	0.92	4.97	(1.85)	-4.0 pp	+6.8 pp
Profit before taxes margin (%)	0.03	4.30	(3.66)	-4.3 pp	+8.0 pp
Net profit margin for the period (%)	0.02	4.13	(3.29)	-4.1 pp	+7.4 pp
Return on assets (ROA) (%)	0.01	2.18	(1.96)	-2.2 pp	+4.1 pp
Return on equity (ROE) (%)	0.04	9.94	(6.58)	-9.9 pp	+16.5 pp
Debt / equity ratio (%)	63.49	80.95	99.90	-17.2 pp	-18.9 pp
Equity ratio (%)	31.91	21.93	29.77	+10.0 pp	-7.8 pp
Actual profit tax rate (%)	11.11	3.90	10.13	+7.1 pp	-6.2 pp
Total liquidity ratio	82.31	88.69	72.73	-6.38	+15.96

\* EBITDA recalculated to include all non interest related financial items (i.e. forex, derivative results etc.)

# Consolidated statements of comprehensive income

Eur'000	First quarter, 2024		
	2024	2023	2022
Sales	34,518	38,172	28,287
Cost of sales	(30,065)	(32,214)	(25,763)
<b>Gross profit</b>	<b>4,453</b>	<b>5,958</b>	<b>2,524</b>
Sales and marketing expenses	(3,459)	(3,221)	(2,371)
General and admin expenses	(1,032)	(814)	(694)
Other operating income	(18)	20	19
Other operating expenses	102	(13)	-
<b>Profit from operations</b>	<b>46</b>	<b>1,930</b>	<b>(522)</b>
Finance income	86	96	15
Finance (expenses)	(123)	(386)	(529)
<b>Profit before tax</b>	<b>9</b>	<b>1,640</b>	<b>(1,036)</b>
Income tax	(1)	(64)	105
<b>Net profit</b>	<b>8</b>	<b>1,576</b>	<b>(931)</b>
Other comprehensive income			
Change in cash flow hedge	-	-	-
Impact of income tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>8</b>	<b>1,576</b>	<b>(931)</b>
<b>Net profit attributable to:</b>			
The shareholders of the Company	8	1,576	(931)
Non-controlling interests	-	-	-
	<b>8</b>	<b>1,576</b>	<b>(931)</b>
<b>Total comprehensive income attributable to:</b>			
The shareholders of the Company	8	1,576	(931)
Non-controlling interests	-	-	-
	<b>8</b>	<b>1,576</b>	<b>(931)</b>
<b>Earnings per share (EPS) for continuing operations:</b>			
Basic and diluted, profit for the year attributable to ordinary equity holders of the parent (in EUR)	0.00	0.20	(0.12)





# Consolidated balance sheet

Eur'000	As at 31 March		
	2024	2023	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	30,327	30,327	30,327
Intangible assets	778	740	172
Property, plant and equipment	125	89	69
Right-of-use assets	358	338	227
Long term receivables	11	244	107
Deferred income tax asset	526	808	893
<b>Total non-current assets</b>	<b>32,125</b>	<b>32,546</b>	<b>31,795</b>
<b>Current assets</b>			
Inventories	-	-	1
Prepayments and deferred expenses	17,634	31,043	9,055
Trade accounts receivable	772	2,085	282
Prepaid income tax	5	7	70
Other receivables	516	1,635	608
Other current financial assets	4	-	-
Restricted cash	-	200	200
Cash and cash equivalents	5,335	4,762	5,547
<b>Total current assets</b>	<b>24,266</b>	<b>39,732</b>	<b>15,763</b>
<b>Total assets</b>	<b>56,391</b>	<b>72,278</b>	<b>47,558</b>

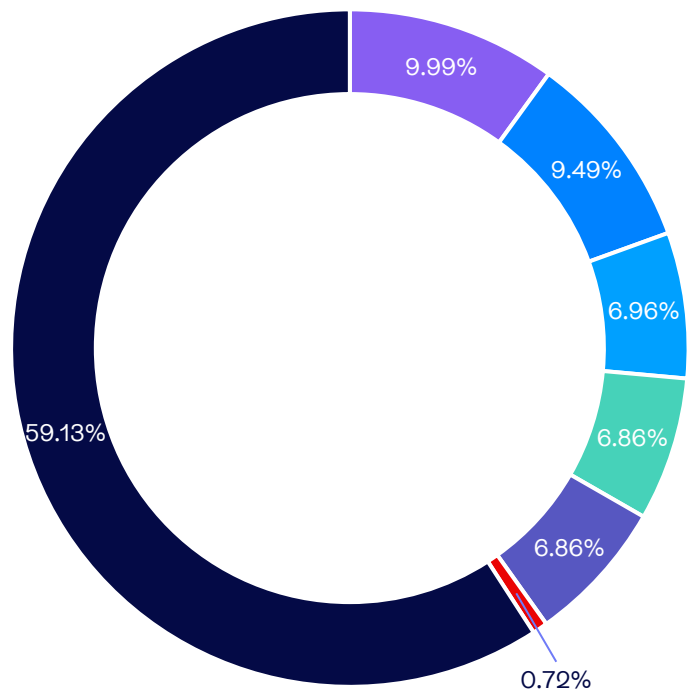
Eur'000	As at 31 March		
	2024	2023	2021
<b>EQUITY AND LIABILITIES</b>			
Share capital	234	234	234
Cash flow hedge reserve	-	-	-
Own shares acquired	(183)	-	-
Own shares acquisition reserve	1,250	-	-
Legal reserve	29	29	29
Foreign currency translation reserve	145	145	145
Retained earnings	16,519	15,441	13,752
<b>Equity attributable to parent</b>	<b>17,994</b>	<b>15,849</b>	<b>14,160</b>
Non-controlling interests	-	-	-
<b>Total equity</b>	<b>17,994</b>	<b>15,849</b>	<b>14,160</b>
<b>Non-current liabilities</b>			
Non-current borrowings	8,682	11,452	11,634
Deferred tax liability	-	-	-
Non-current lease liabilities	235	163	91
Other non current liabilities	-	15	-
<b>Total non-current liabilities</b>	<b>8,917</b>	<b>11,630</b>	<b>11,725</b>
<b>Current part of non - current borrowings</b>	<b>2,742</b>	<b>1,012</b>	<b>2,271</b>
Current borrowings	-	-	2,593
Trade payables	4,095	15,963	3,189
Advances received	16,862	23,704	11,720
Income tax payable	123	6	6
Other current liabilities and accrued ex	5,492	3,926	1,745
Current lease liabilities	166	188	149
Other current financial liabilities	-	-	-
<b>Total current liabilities</b>	<b>29,480</b>	<b>44,799</b>	<b>21,673</b>
<b>Total equity and liabilities</b>	<b>56,391</b>	<b>72,278</b>	<b>47,558</b>

# Consolidated cash flow statement

Eur'000	First quarter, 2024		
	2024	2023	2022
Net profit	8	2,260	(505)
Adjustments for non-cash items	347	295	192
Changes in working capital	(840)	(3,639)	(1,799)
<b>Net cash flows from operating activities</b>	<b>(485)</b>	<b>(1,084)</b>	<b>(2,112)</b>
<b>Net cash flows from investing activities</b>	<b>(44)</b>	<b>(142)</b>	<b>(55)</b>
Loans received	4,800	4,000	2,593
Loans repaid	(2,057)	(337)	(422)
Interest paid	(226)	(245)	(176)
Lease paid	-	-	-
Shares buyback	-	-	-
Dividends paid	-	-	-
<b>Net cash flows from financing activities</b>	<b>2,517</b>	<b>3,418</b>	<b>1,995</b>
<b>Net change in cash flows</b>	<b>1,988</b>	<b>2,192</b>	<b>(172)</b>
Cash & equivalents at beginning of period	3,347	2,770	5,919
Cash & equivalents at close of period	5,335	4,962	5,747



# Shareholder structure



- Willgrow, UAB
- Mr. Ugnius Radvila
- Moonrider, OÜ
- Mr. Vidas Paliūnas
- Mr. Rytis Šūmakaris
- AB Novaturas
- Others (free float)



# Company information

Name	Position	Voting rights owned (%)
Mr. Gediminas Almantas	Independent member, chairs the board	-
Mr. Tomas Korganas	Member of the board	-
Mr. Ugnius Radvila	Member of the board	9,49%
Mr. Kristijonas Kaikaris	CEO	-
Mrs. Ieva Galvydienė	CCO	-
Mrs. Rasa Barysienė	CSO	-
Mr. Vaidrius Verikas	CFO	-

## Novaturas group PLC

### Registered address:

Mickevičiaus str. 27, LT-44245 Kaunas, Lithuania

[www.novaturasgroup.com](http://www.novaturasgroup.com)

Registered under number 135567698 in Lithuania  
Company established: 16/12/1999

### Stock Listing:

Warsaw Stock Exchange  
Nasdaq Vilnius Stock Exchange

### Contact information:

Vaidrius Verikas  
CFO  
mob. +370 646 43758  
[vaidrius.verikas@novaturas.lt](mailto:vaidrius.verikas@novaturas.lt)



