

**AB NOVATURAS**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**for the three-month period ended 31 March 2023**

**(unaudited)**

Beginning of reporting period	1 January 2023
End of reporting period	31 March 2023
Business name	Novaturas, AB (further – “Novaturas” or “the Company”) (The Company’s financial statements and activity ratios are presented consolidated with the results of subsidiaries; separate reports of the parent company are not presented.)
Legal form	Public limited company
Registration date	16 December 1999
Registration number	135567698
LEI code	097900BGCW0000042109
Manager of register	State Enterprise Centre of Registers
Company address	A. Mickevičiaus str. 27, LT-44245 Kaunas
Telephone	+370 37 321 264
Fax	+370 37 321 130
Website	<a href="http://www.novaturasgroup.com">www.novaturasgroup.com</a>

Abbreviation “pp” used in the report means percentage points.

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## Management report

### 2023 first-quarter highlights:

- Novaturas's turnover was EUR 39.6 mln or 35.4% higher than in the same period of 2022.
- Gross profit amounted to EUR 6.2 mln and was almost 2.3 times higher than in the same period of 2022.
- Operating expenses totaled EUR 3.6 mln, 27.1 higher than in the same period of 2022.
- EBITDA ratio was positive and amounted to EUR 2,6 mln. For comparison, in the same period of 2022 EBITDA ratio was negative and amounted to EUR 96 th.
- Novaturas had a net profit of 2.3 mln. During the first quarter of 2022 Novaturas had a net loss of EUR 0.5 mln.
- The company served 38.1 thousand clients, 4.7% more than in the same period of 2022.

### CEO's Foreword

I am honored to share that Novaturas Group recorded solid growth in the first quarter of this year, one of the best quarters in the company's history. The diversified and broadened destination programme in the region as well as the efficient cost management allow to update the financial forecast for 2023.

In the first quarter, the company generated revenues of EUR 39.6 million, which is 35% up compared to the same period last year. The total number of travellers served was 38.1 thousand, which is an increase of 4.7% compared to 2022. The company's EBITDA was positive at EUR 2.6 million, compared to a negative EBITDA of EUR -96 thousand in the first quarter of last year.

We have now sold more than 56% of this year's total programme and early bookings for the winter season are almost triple last year's level. In view of the success of the first three months, we have revised and improved the Group's annual financial forecast. We expect EBITDA of EUR 4–6 million and net profit of EUR 2–4 million. And we plan to deliver this increase by offering our customers a balanced programme, a wide range of destinations and by continuing to manage costs efficiently, as we have done in the first quarter.

### Competitive advantage – a diversified programme and sales channels

One of our Group's greatest strengths is the diversification of travel destinations. This is also an important competitive advantage, as other players on the market as well as new entrants tend to offer proven tourism products, which are also the most competitive. Meanwhile, we update our programme according to demand trends, offer new destinations, and can therefore safely say that we contribute to shaping the travel habits of travellers in Lithuania, Latvia and Estonia, instead of just meeting their needs. In this way, we are not only improving the company's profitability, but also substantially expanding the opportunities to explore new or unvisited destinations.

In the first quarter of this year, we also recorded increased sales in its e-commerce channel. The total number of unique user visits to Novaturas website is 26% higher and the web sales are up by over 16% compared to the same period last year. In addition, we will soon be launching a revamped website which will offer a range of new functionalities and will make it even easier and faster for customers to buy travel.

In April, we launched early bookings for the next winter season and in May announced the full programme. New destinations Jordan and Vietnam were introduced, and Novaturas added Salzburg in Austria to popular ski destinations in Italy and France. In response to the growing interest of travellers in exotic countries, we have expanded the range of places and destinations by offering 12 long-haul countries.

Travellers from Lithuania, Latvia and Estonia can choose from a total of 22 different destinations in 19 countries for the next winter season. The growing trend of early holiday planning provides reassurance, with the company anticipating at least a 15% increase in the number of places on offer in its winter early bookings programme.

### New operational strategy

This spring, we presented new operational strategy for Novaturas Group 2023–2025 and set ambitious goals to strengthen our leadership in the region. The company will focus on four key areas: technological advancement, improving traveller experience and choice, more sustainable travel and employee engagement. The new strategy outlines priorities to create more value for travellers, employees, partners and shareholders.

### The company is investing in a growing trend – workations

One of the most outstanding achievements was the implementation of the largest group workation in the history of Lithuanian tourism by the Tesonet accelerator (Nord Security, Oxylabs, Surfshark, CyberCare) in partnership with tour operators AirGuru and Novaturas in April. Novaturas charter flights carried almost 2 500 passengers.

**Risk management is also a priority**

Following the best practices of leading airlines, Novaturas Group has now hedged the majority of its total summer programme sales with financial derivatives against aviation fuel price and currency fluctuations. In this way, we not only aim to ensure sustainable financial results, but also to minimise the risks for our customers to the maximum extent.

In addition, we have consolidated some of our flights with other market players, following the significant increase in the offering of Egypt destinations in the first quarter. This helped to manage the risk of filling seats and resulted in good profitability.

The aim is to proactively manage other potential risks during the year. The third quarter is traditionally a period of lower activity in the tourism industry and we plan to consolidate some flights with other market players in order to achieve sustainable results.

Sincerely,

CEO  
Vitalij Rakovski



## Main ratios

Financial indicators*	Q1 2023	Q1 2022	Q1 2021	Change, % 23/22	Change, % 22/21
Sales	39,602	29,254	5,571	+34.4	+425.1
Gross profit	6,244	2,746	1,617	+127.4	+69.8
EBITDA	2,641	(96)	615	-	-
Operating profit (EBIT)	2,614	(96)	572	-	-
Profit before taxes	2,324	(610)	147	-	-
Net profit for the period	2,260	(505)	191	-	-

\* Unless otherwise indicated, amounts are in thousands of EUR.

Relative indicators/ratios	Q1 2023	Q1 2022	Q1 2021	Change 23/22	Change 22/21
Number of ordinary registered shares	7,807,000	7,807,000	7,807,000	-	-
Profit per share (EUR)	0.29	-0.06	0.02	0.35	-0.08
Gross profit margin (%)	15.8	9.4	29.0	+6.4 pp	-19.6 pp
EBITDA margin (%)	6.7	-0.3	11.0	+7.0 pp	-11.3 pp
EBIT margin (%)	6.6	-0.3	10.3	+6.9 pp	-10.6 pp
Profit before taxes margin (%)	5.9	-2.1	2.6	+8 pp	-4.7 pp
Net profit margin for the period (%)	5.7	-1.7	3.4	+7.4 pp	-5.1 pp
Return on assets (ROA) (%)	3.2	-1.1	0.4	+4.3 pp	-1.5 pp
Debt / equity ratio (%)	75.4	94.9	121.4	-19.5 pp	-8.4 pp
Equity ratio (%)	23.1	31.0	31.4	-7.9 pp	-0.4 pp
Actual profit tax rate (%)	2.8	17.2	-29.9	-14.4 pp	+47.1 pp
Total liquidity ratio	0.90	0.74	0.73	+0.16	0.01

## Segment information

For management purposes, Novaturas is organized into business units based on its services (product categories), which are as follows:

- Flight package tours
- Sightseeing tours by coach
- Sightseeing tours by plane
- Other sales (flight tickets, hotels, block seat sales to other operators, own agencies commissions)

(Unless otherwise indicated, amounts are in thousands of EUR.)

	Q1 2023	Q1 2022	Q1 2021	Change 23/22	Change 22/21
<b>Flight package tours</b>					
Sales	34 170	25,287	4,154	+35.1%	+508.7%
Cost of sales	(27 727)	(24,078)	(2,976)	+15.2%	+709.1%
<b>Gross profit</b>	<b>6 443</b>	<b>1,209</b>	<b>1,178</b>	<b>+432.9%</b>	<b>+2.6%</b>
Gross profit margin (%)	18.9	4.8	28.4	-14.1 pp	-23.6 pp
Sales commission expenses	(1 612)	(1,214)	(279)	+32.8%	+335.1%
<b>Sales profit for segment</b>	<b>4 831</b>	<b>(5)</b>	<b>899</b>	-	<b>-100.6%</b>
Sales profit margin (%)	14.1	-	21.6	-	-21.7pp
<b>Sightseeing tours by coach</b>					
Sales	60	21	-	+185.7%	-
Cost of sales	(50)	(13)	-	+284.6%	-
<b>Gross profit</b>	<b>10</b>	<b>8</b>	-	<b>+25.0%</b>	-
Gross profit margin (%)	16.7	38.1	-	-21.4 pp	-
Sales commission expenses	(1)	(1)	-	-	-
<b>Sales profit for segment</b>	<b>9</b>	<b>7</b>	-	<b>+28.6%</b>	-
Sales profit margin (%)	14.2	33.3	-	<b>-19.1 pp</b>	-
<b>Sightseeing tours by plane</b>					
Sales	266	121	-	119.8%	-
Cost of sales	(228)	(117)	-	94.9%	-
<b>Gross profit</b>	<b>38</b>	<b>4</b>	-	<b>850.0%</b>	-
Gross profit margin (%)	14.3	3.3	-	+11.0 pp	-
Sales commission expenses	(8)	(5)	-	-3.0 pp	-
<b>Sales profit for segment</b>	<b>30</b>	<b>(1)</b>	-	-	-
Sales profit margin (%)	11.3	-0.8	-	-	-
<b>Other sales</b>					
Sales	5 106	3,825	1,417	+33.5%	+169.9%
Cost of sales	(5 353)	(2,300)	(978)	+132.7%	+135.2%
<b>Gross profit</b>	<b>(247)</b>	<b>1,525</b>	<b>439</b>	-	<b>+247.4%</b>
Gross profit margin (%)	-4.8	39.9	31.0	-	+8.9pp
Sales commission expenses	-	-	-	-	-
<b>Sales profit for segment</b>	<b>(247)</b>	<b>1,525</b>	<b>439</b>	-	<b>+247.4%</b>
Sales profit margin (%)	-4.8	39.9	31.0	-	+8.9pp

## Geographic and other sales split information

The company's activities included tour organization and the distribution of tours through diversified and complementary distribution channels: a retail network of travel agencies and the company's own retail channels (own travel agencies, e-commerce sales, tickets only sales through the Global Distribution System (GDS)). The company works with over 400 travel

agencies, including all of the major agencies in the Baltics. E-commerce sales are via company websites. In three-month of 2023, the company's websites were visited by 1.2 million unique visitors, which is 29% more than in the same period of 2022.

The group sells flight tickets for its own organized charter flights via GDS, which means that Novaturas' charter tickets are available worldwide – to travel agents and also to passengers directly via web portals for airline tickets.

The breakdown of sales by distribution channels was as follows:

	Q1 2023, %	Q1 2022, %*	Q1 2021, %*	Change 23/22	Change 22/21
Travel agencies	65.9	67.5	70.3	-1.6 pp	-2.8 pp
Own retail	17.6	13.6	10.9	+4.0 pp	+2.7 pp
Web sales	14.7	17.2	11.6	-2.5 pp	+5.6 pp
GDS	1.8	1.7	7.2	+0.1 pp	-5.5 pp
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	-	-

\* During Q1 2023 updates to the logic of the distribution channels were implemented. Updated data is provided to maintain comparability.

Number of clients served by country of sales (in thousands of clients):

	Q1 2023	Q1 2022	Q1 2021	Change %, 23/22	Change %, 22/21
Lithuania	18.3	16.1	4.9	+13.7	+224.0
Latvia	10.0	9.2	1.2	+8.7	+696.6
Estonia	9.8	11.1	2.8	-11.7	+295.1
Other	-	-	-	-	-
<b>Total</b>	<b>38.1</b>	<b>36.4</b>	<b>8.9</b>	<b>+4.7</b>	<b>+307.2</b>

Number of clients served by product category (in thousands of clients):

	Q1 2023	Q1 2022	Q1 2021	Change %, 23/22	Change %, 22/21
<b>Flight package tours</b>	30.5	28.9	5.5	+5.5	+429.1
<b>Sightseeing tours by coach</b>	0.2	0.1	-	+100.0	-
<b>Sightseeing tours by plane</b>	0.2	0.1	-	+100.0	-
<b>Other sales (separate flight and hotel services)</b>	7.2	7.3	3.4	-1.4	+110.4
<b>Total</b>	<b>38.1</b>	<b>36.4</b>	<b>8.9</b>	<b>+4.7</b>	<b>+307.2</b>



The breakdown of group package travel sales by destinations is as follows:

	Q1 2023, %	Q1 2022, %	Q1 2021, %	Change 23/22	Change 22/21
Egypt	41.6	51.5	61.0	-19.2	-9.5
Spain (including Canary Islands)	17.8	18.0	35.8	-1.1	+15.7
Skiing	13.5	15.7	-	-14.0	-
Long-haul	22.9	8.5	1.6	+169.4	+6.9
Other destinations	4.2	6.3	1.6	-33.3	+4.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	-	-

## Information about the Supervisory Council and the Board

Since the 30<sup>th</sup> of June 2020 the Group has one collegial body - the Board, to which part of the supervisory functions were delegated. The Board consists of 5 competent professional members, two of them are independent. Tenure period is 4 years.

Members of the current Board are on resignation notice. It is planned that forthcoming shareholders meeting, that will take place on 6<sup>th</sup> of June 2023 shall reduce number of the Board members from 5 to 3, one of them being independent as well as fill vacancies with newly appointed board members.

Considering the structure of the Company's shareholders, the size of the Company, the number of employees, and the structure of Novaturas Group, the proposed changes in corporate governance shall simplify the management of the Company and make it more efficient. Greater involvement of independent members in the management of the Company, rather than in supervision, shall provide opportunities to supplement the existing competencies of the Company and make maximum use of the knowledge and experience of the current management and at the same time incorporate new approaches and good governance practices. The changes also shall strengthen the management of the group, with more decisions relating to subsidiaries being added to the Board's remit.

Information about the Board as of the 31<sup>st</sup> of March 2023:

Name	Position on the Board	Legal entity and position	Number of shares held in the Company	Start of term
Ugnius Radvila	Member of the Board	-	740,702	30/06/2020
Vidas Paliūnas	Member of the Board	Member of the Board of UAB Verslo centras 32 Managing Director of UAB Optimistai	535,278	30/06/2020
Rytis Šūmakaris	Member of the Board	UAB Marių Namai – Managing Director and Members of the Board	535,278	30/06/2020
Andrius Jurkonis	Member of the Board (independent member)	Manager of the investment fund Axia Capital Fund; manager of Farmacijos kapitalas UAB, manager of New Pharma CEE, manager of Privataus kapitalo investicijos UAB, and manager and sole shareholder of New retail LV UAB	-	30/06/2020
Virginijus Lepeška	Chairman of the Board (independent member)	Consultant and chairman of the Board of Organizacijų vystymo centras UAB; consultant and Chairman of the Board OVC mokymai UAB, consultant, the Board member Biseris UAB; the Board member Lewben UAB	-	30/06/2020

Company's top executives as of the 31<sup>th</sup> of March 2023:

<b>Name</b>	<b>Position within the Company</b>	<b>Number of shares held in the Company</b>
Vitalij Rakovski	CEO	-
Ieva Galvydienė	CCO	-
Rasa Barisienė	CSO	-
Vygantas Reifonas	CFO	-

## Share capital and shareholders

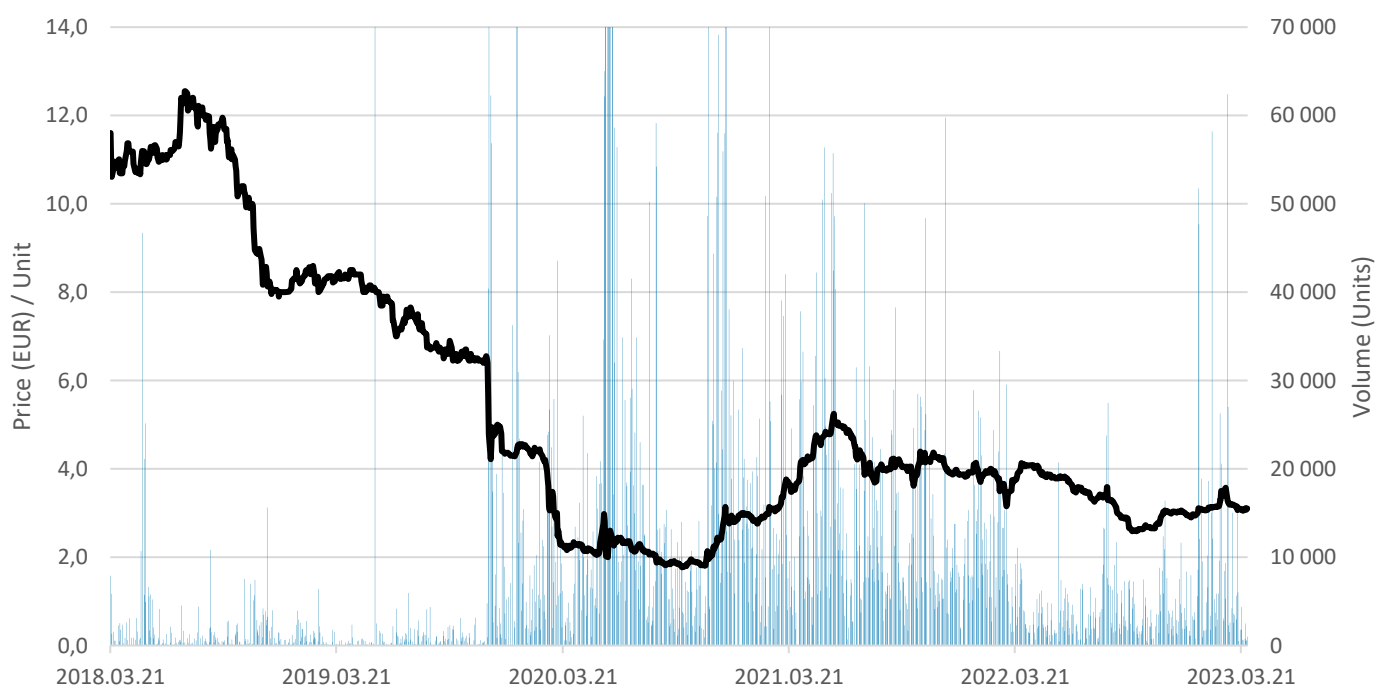
The company's share capital is EUR 234,210. It consists of 7,807,000 ordinary registered shares with a nominal value of EUR 0.03. The number of shares of the company that grant votes in the General Meeting of Shareholders is 7,807,000.

The ordinary registered shares of AB Novaturas (ISIN code LT0000131872) are listed on the Official List of the Nasdaq Vilnius Stock Exchange (symbol NTU1L) and on the Warsaw Stock Exchange (symbol NTU, ISIN code LT0000131872).

Information about trading in AB Novaturas shares from 1 January 2019 to 31 March 2023 on the Nasdaq Vilnius exchange in Lithuania:

	Currency	Opening price	Maximum price	Lowest price	Closing price	Average price	Volume (quantity)	Volume (EUR)
Q1 2019	EUR	7.90	8.60	7.90	8.31	8.28	53,408	442,387
Q2 2019	EUR	8.31	8,50	6.80	7.05	8.02	276 376	2,216,747
Q3 2019	EUR	7.15	7.80	6.40	6.55	7.03	61 452	431,871
Q4 2019	EUR	6.55	6.80	4.20	4.30	4.27	1 380 166	5,906,141
Q1 2020	EUR	4.30	4.68	2.12	2.22	3.89	821 795	3,200,535
Q2 2020	EUR	2.20	3.02	1.93	2.32	2.05	4,359,777	8,931,213
Q3 2020	EUR	2.32	2.36	1.76	1.77	2.06	833,520	1,719,428
Q4 2020	EUR	1.79	3.20	1.76	2.94	2.47	1,222,888	3,021,562
Q1 2021	EUR	2.94	3.90	2.70	3.52	3.14	897,418	2,821,109
Q2 2021	EUR	3.58	4.90	3.58	4.70	4.45	627,522	2,793,640
Q3 2021	EUR	4.75	4.75	3.65	4.00	4.08	805,595	3,287,458
Q4 2021	EUR	4.04	4.45	3.51	3.84	4.07	772,922	3,142,907
Q1 2022	EUR	3.82	4.17	3.05	3.82	3.80	685,940	2,606,084
Q2 2022	EUR	3.58	4.14	3.46	3.57	3.86	193,793	747,641
Q3 2022	EUR	3.60	3.65	2.50	2.60	3.19	317,905	115,699
Q4 2022	EUR	2.60	3.90	2.58	2.92	2.86	238,999	693,541
Q1 2023	EUR	2.90	3.60	2.89	3.10	3.16	586,351	1,853,336

Nasdaq Vilnius Stock Exchange volume and price



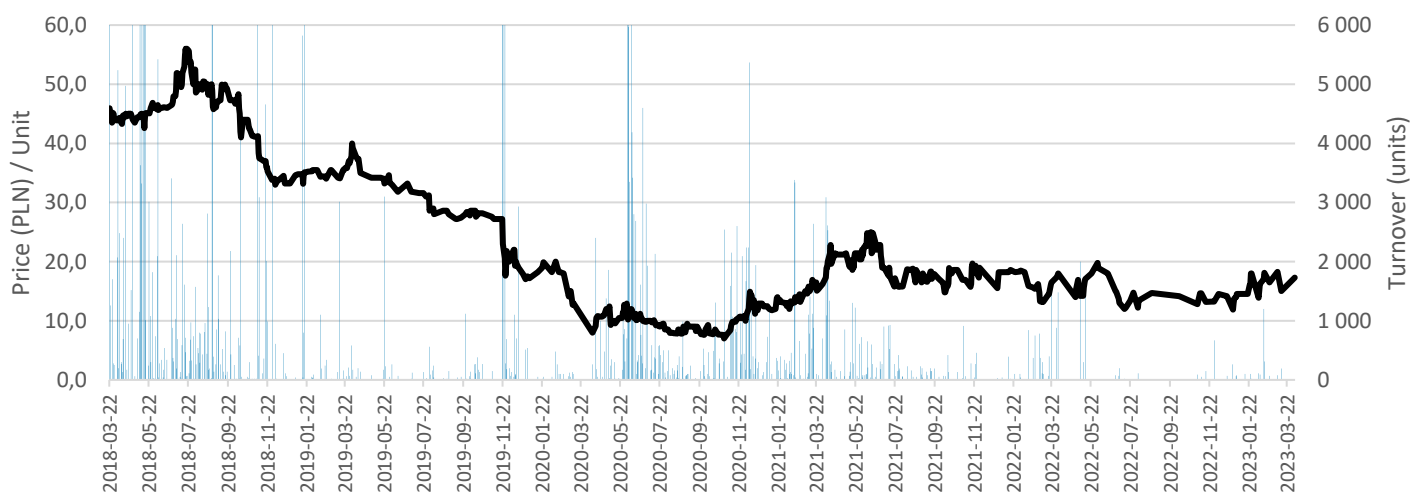
As of 31 March 2023, the company's market capitalization was EUR 24.2 million and increased by 7% in the first quarter.

Information about trading in AB Novaturas shares from 1 January 2019 to 31 March 2023 on the “GPW main market” at the Warsaw Stock Exchange in Poland:

	Currency	Opening price	Maximum price	Lowest price	Closing price	Average price	Volume (quantity)	Volume (PLN)
Q1 2019	PLN	33.20	38.48	33.15	37.80	34.23	19,337	661,820
Q2 2019	PLN	37.80	40.00	31.80	33.20	34.38	5,150	177,060
Q3 2019	PLN	31.80	31.80	27.20	28.40	28.71	2,824	81,070
Q4 2019	PLN	28.00	28.60	17.00	17.50	20.70	87,854	1,818,800
Q1 2020	PLN	17.20	21.00	12.00	12.00	17.66	1,685	29,760
Q2 2020	PLN	8.00	13.10	8.00	9.85	10.34	102,261	1,056,950
Q3 2020	PLN	9.80	10.90	7.60	8.50	9.15	16,461	150,650
Q4 2020	PLN	8.50	15.00	7.00	12.40	10.88	39,256	427,100
Q1 2021	PLN	12.40	17.00	11.80	16.30	14.41	22,350	321,980
Q2 2021	PLN	16.20	25.00	16.00	20.20	20.38	21,718	442,613
Q3 2021	PLN	20.20	20.20	15.70	17.10	17.81	6,920	123,250
Q4 2021	PLN	17.10	19.70	14.70	18.20	17.10	2,910	49,766
Q1 2022	PLN	18.20	18.60	13.20	17.40	15.84	718	11,371
Q2 2022	PLN	18.00	19.80	14.00	14.90	16.13	5,040	81,272
Q3 2022	PLN	13.75	14.90	12.00	14.70	12.82	400	5,128
Q4 2022	PLN	14.18	14.66	11.90	13.80	13.90	1,300	17,261
Q1 2023	PLN	14.00	18.30	13.90	18.10	17.69	2,410	42,633

As of 31 March 2023, the Company's market capitalization was PLN 141.3 million and, calculated in PLN, increased by 31% during the first quarter.

Warsaw Stock Exchange volume and price



The following shareholders held at least 5% of share capital and votes as of 31 March 2023:

<b>Name of the shareholder</b>	<b>Number of shares</b>	<b>Share of authorized capital and total number of votes</b>
Willgrow (ex UAB „ME Investicija“)	779,900	9.99
Ugnius Radvila	740,702	9.49
Moonrider OU	543,346	6.96
Paliūnas Vidas	535,278	6.86
Šumakaris Rytis	535,278	6.86
Rendez Vous OU	522,363	6.69
Other	4,150,133	53.15
<b>Total</b>	<b>7,807,000</b>	<b>100.00</b>

## Consolidated statements of comprehensive income

(Unless otherwise indicated, amounts are in thousands of EUR)

	Q1 2023	Q1 2022	Q1 2021	Change %, 23/22	Change %, 22/21
Sales	39,602	29,254	5,571	+35.4	425.1
Cost of sales	(33,358)	(26,508)	(3,954)	+25.8	570.4
<b>Gross profit</b>	<b>6,244</b>	<b>2,746</b>	<b>1,617</b>	<b>+127.4</b>	<b>69.8</b>
Sales and marketing expenses	(2,823)	(2,167)	(652)	+30.3	232.2
General and administrative expenses	(814)	(694)	(393)	+17.3	76.8
Other operating income	20	19	-	+5.3	-
Other operating (expenses)	(13)	-	-	-	-
<b>Profit from operations</b>	<b>2,614</b>	<b>(96)</b>	<b>572</b>	-	-
Finance income	96	15	212	+540.0	-92.9
Finance (expenses)	(386)	(529)	(637)	-27.0	-17.0
<b>Profit before tax</b>	<b>2,324</b>	<b>(610)</b>	<b>147</b>	-	-
Income tax (expense)	(64)	105	44	-	138.6
<b>Net profit</b>	<b>2,260</b>	<b>(505)</b>	<b>191</b>	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	-	-	-	-
Result of changes in cash flow hedge reserve	-	4	449	-	-
Impact of income tax	-	(1)	(67)	-	-
<b>Total comprehensive income for the year</b>	<b>2,260</b>	<b>(502)</b>	<b>573</b>	-	-
Basic and diluted, profit for the year attributable to ordinary equity holders of the parent (in EUR)	0.29	-0.06	0.02	-	-

## Consolidated statements of financial position

(Unless otherwise indicated, amounts are in thousands of EUR)

	31 March 2023	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	30,440	30,289	30,327
Other intangible assets	627	210	114
Property, plant and equipment	89	69	103
Right of use assets	338	227	219
Long-term receivables	244	107	187
Deferred income tax asset	808	893	935
<b>Total non-current assets</b>	<b>32,546</b>	<b>31,795</b>	<b>31,885</b>
<b>Current assets</b>			
Inventories	-	1	2
Prepayments and deferred expenses	30,297	8,514	7,114
Trade accounts receivable	2,085	282	127
Prepaid income tax	7	70	70
Other receivables	1,635	608	221
Other current financial assets	-	-	-
Restricted cash	2,289	200	2,300
Cash and cash equivalents	2,673	5,547	4,241
<b>Total current assets</b>	<b>38,986</b>	<b>15,222</b>	<b>14,075</b>
<b>Total assets</b>	<b>71,532</b>	<b>47,017</b>	<b>45,960</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	234	234	234
Cash flow hedge reserve	-	-	(39)
Legal reserve	29	29	29
Foreign currency translation reserve	145	145	145
Retained earnings	16,125	14,178	13,965
<b>Total equity</b>	<b>16,533</b>	<b>14,586</b>	<b>14,334</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current borrowings	5,000	11,252	8,767
Other non-current liabilities	6,452	382	3,321
Deferred income tax liabilities	-	-	-
Lease liabilities	163	91	83
Other non-current liabilities	15	-	-
<b>Total non-current liabilities</b>	<b>11,630</b>	<b>11,725</b>	<b>12,171</b>
<b>Current liabilities</b>			
Current portion of non-current borrowings	1,012	2,271	2,699
Current borrowings	-	2,593	2,737
Trade payables	15,963	3,189	1,784
Advances received	23,704	11,720	10,929
Income tax payable	6	6	8
Other current liabilities and accrued expenses	2,496	778	1,104
Lease liabilities	188	149	46
Other current financial liabilities	-	-	148
<b>Total current liabilities</b>	<b>43,369</b>	<b>20,706</b>	<b>19,455</b>
<b>Total equity and liabilities</b>	<b>71,532</b>	<b>47,017</b>	<b>45,960</b>



## Consolidated statements of changes in equity

(Unless otherwise indicated, amounts are in thousands of EUR)

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Foreign currency translation reserve	Equity attributable to equity holders
<b>Balance as at 31 December 2021</b>	<b>234</b>	<b>29</b>	<b>(3)</b>	<b>14,683</b>	<b>145</b>	<b>15,088</b>
Net profit for the year	-	-	-	(818)	-	(818)
Other comprehensive income	-	-	3	-	-	3
Total comprehensive income			3	(818)	-	(815)
<b>Balance as at 31 December 2022</b>	<b>234</b>	<b>29</b>	<b>-</b>	<b>13,865</b>	<b>145</b>	<b>14,273</b>
Net profit for the year	-	-	-	2,260	-	2,260
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income			-	2,260	-	2,260
<b>Balance as at 31 March 2023</b>	<b>234</b>	<b>29</b>	<b>-</b>	<b>16,125</b>	<b>145</b>	<b>16,533</b>

## Consolidated statements of cash flow

(Unless otherwise indicated, amounts are in thousands of EUR)

	Q1 2023	Q1 2022	Q1 2021
<b>Cash flows from (to) operating activities</b>			
Net profit	2,260	(505)	191
Adjustments for non-cash items:			
Depreciation and amortization	27	13	42
Change in deferred income tax	64	-	-
Elimination of financial, investment and other non-cash activity results	204	179	641
<b>Changes in working capital:</b>	<b>2,555</b>	<b>(313)</b>	<b>874</b>
Decrease in inventories	-	(1)	-
(Increase) decrease in trade receivables	(1,567)	(115)	17
(Increase) decrease in other receivables	59	(137)	(37)
(Increase) decrease in prepayments and deferred expenses	(11,879)	(2,330)	559
Increase (decrease) in trade payables	1,691	(1,707)	(177)
Increase in advances received	9,312	3,105	53
Income tax paid	-	42	(18)
Increase (decrease) in other accounts payable and accrued expenses	(1,255)	(656)	(525)
<b>Net cash flows from operating activities</b>	<b>(1,084)</b>	<b>(2,112)</b>	<b>746</b>
<b>Cash flows from (to) investing activities</b>			
(Acquisition) of non-current assets (except investments)	(142)	(55)	(23)
Proceeds from sale of non-current assets (except investments)	-	-	-
<b>Net cash flows (to) investing activities</b>	<b>(142)</b>	<b>(55)</b>	<b>(23)</b>
<b>Cash flows from financing activities</b>			
Loans received	4,000	2,593	1,405
(Repayment) of loans	(337)	(422)	(732)
Interest (paid)	(245)	(176)	(220)
<b>Net cash flows (to) financing activities</b>	<b>3,663</b>	<b>1,995</b>	<b>453</b>
<b>Net increase (decrease) in cash flows</b>	<b>2,192</b>	<b>(172)</b>	<b>1,176</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,770</b>	<b>5,919</b>	<b>5,365</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,962</b>	<b>5,747</b>	<b>6,541</b>

## Notes to the financial statements

### Information about subsidiaries

Novaturas Group is a holding structure and AB Novaturas is the parent company which conducts operations directly and through subsidiaries in their respective markets of Lithuania, Latvia and Estonia.

Company	Country of operations	Shareholding %
Novatours SIA	Latvia	100
Novatours OÜ	Estonia	100
Aviaturas ir Partneriai UAB	Lithuania	100
SRL Novatours Holidays*	Romania	100

\* Operations of the subsidiary in Romania were discontinued in 2009.

### Sales and marketing expenses

	Q1 2023	Q1 2022	Q1 2021	Change %, 23/22	Change %, 22/21
Commissions	1,621	1,220	279	+32.9	+337.3
Salaries and related taxes	786	582	252	+35.1	+131.0
Advertising and marketing expenses	314	266	64	+18.0	+315.6
Rent and maintenance expenses	65	54	33	+20.4	+63.6
Depreciation and amortization	2	4	8	-50.0	-50.0
Business trips expenses	6	3	-	+100.0	-
Communication expenses	10	10	9	-	+11.1
Transportation expenses	8	9	3	-11.1	+200.0
Representation expenses	4	11	-	-63.6	-
Training expenses	-	-	-	-	-
Other	7	7	4	-	+75.0
<b>Total:</b>	<b>2,823</b>	<b>2,166</b>	<b>652</b>	<b>+30.3</b>	<b>+232.2</b>

### General and administrative expenses

	Q1 2023	Q1 2022	Q1 2021	Change %, 23/22	Change %, 22/21
Salaries and related taxes	486	372	168	+30.6	+121.4
Rent and maintenance expenses	34	21	17	+61.9	+23.5
Depreciation and amortization	22	9	34	+144.4	-73.5
Business trips expenses	12	2	-	+500.0	-
Communication expenses	10	6	5	+66.7	+20.0
Consulting expenses	19	56	54	-66.1	+3.7
Transportation expenses	8	9	4	-11.1	+125.0
Representation expenses	16	6	2	+166.7	+200.0
Training expenses	3	-	-	-	-
Other	204	214	109	-4.7	+96.3
<b>Total:</b>	<b>814</b>	<b>695</b>	<b>393</b>	<b>+17.1</b>	<b>+76.8</b>

## Hedging

The company operates as a tour operator. Due to its business specifics, the company is exposed to the risk of fluctuation in the price of aviation fuel and the EUR/USD foreign exchange rate. The company hedges against changes in aviation fuel prices (which affect fuel costs) and against changes in the EUR/USD exchange rate (which affects fuel and hotel costs) for the entire period of early bookings for upcoming summer and winter seasons, using forward and futures contracts. When derivative positions are closed on a monthly basis, the result is accounted for in the comprehensive income report.

The tables below present the results of closed hedging contracts and still-held hedging contracts at period-end market value (in thousands of EUR):

	Q1 2023	Q1 2022	Q1 2021	Change 23/22	Change 22/21
Result of closed hedging contracts already reflected in the statement of comprehensive income for the period	-	-	(167)	-	167

	31 March 2023	31 March 2022	31 March 2021
Market value of existing hedges at the end of the period	(78)	-	(46)

## Borrowings

The loans granted to the company are shown in the table below:

	31 March 2023	31 March 2022	31 March 2021
Long term borrowings			
AB Luminor bank loan	-	-	5,307
AB Luminor bank loan	5,000	5,000	5,000
Limited partnership "Pagalbos verslui fondas" ordinary bonds	5,000	5,000	-
Loan granted by Investicijų ir verslo garantijos UAB	1,617	2,090	2,404
Altum loan	-	480	960
Tax credits	847	1,335	1,116
<b>Total non-current borrowings</b>	<b>12,464</b>	<b>13,905</b>	<b>14,787</b>
Less: current portion of long-term borrowings	(1,012)	(2,271)	(2,699)
	<b>11,452</b>	<b>11,634</b>	<b>12,088</b>
Current borrowings			
Current portion of long-term loans	1,012	2,593	2,699
AB Luminor bank overdraft	-	2,271	2,737
<b>Total current borrowings</b>	<b>1,012</b>	<b>4,864</b>	<b>5,436</b>

Off-balance sheet commitments

	Total value at 31 March 2023
Guarantees securing travels backed up by bank limits and restricted cash	12,327
Guarantees securing travels backed up by insurance policies	6,000

## Related party transactions

During the three-month period ended 31 March 2023, total payments of EUR 30.3 thousand were made to Board members.

## Management confirmation of the consolidated financial statements

We hereby confirm that, to the best of our knowledge, the quarterly (unaudited) consolidated financial statements for the quarter ended 31 March 2023 drawn up in accordance with the International Financial Reporting Standards are truthful and give a true and fair view of the Company's and Group's assets, liabilities, financial position, profit or loss, and cash flows.

Vitalij Rakovski  
CEO

Vygantas Reifonas  
CFO