



AB NOVATURAS

Consolidated interim financial **statements**

for the three-months period ended 31 March 2024

(unaudited)

Beginning of reporting period	1 January 2024
End of reporting period	31 March 2024
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
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Website	www.novaturasgroup.com

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

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Management report

CEO's Foreword

Novaturas Group, the leader in the Baltic tourism market, has announced its results for the first quarter of 2024. In January–March, the company generated revenues of EUR 34.5 mln. This is EUR 3.7 mln. (10%) less than in the corresponding period of 2023. The company's EBITDA (earnings before interest, taxes, depreciation and amortisation) was EUR 316 thsnd.

In January–March, Novaturas Group served a total of 35,7 thsnd. customers in the Baltic States (38 thsnd. in the corresponding period last year).

The net profit of the company for January–March amounted to EUR 8 thsnd. In the same period last year, it was EUR 1.57 mln. These changes are due to complex reasons: a lower demand for Egypt and customer caution due to the military conflict in the Middle East, as well as the changed competitive environment resulting in the decline in profit margins. The company has also recorded the rising operating and commission sales costs this year in order to maintain competitive conditions for employees and partners.

In addition, a large part of the profit for the first quarter of 2023 was due to the decrease in the price of aviation fuel that Novaturas has effectively used. Meanwhile, in January–March this year, such favourable market conditions were not available, which also led to a decline in profits.

It is important to point out that this year the company has been prompt to respond to changes in travellers' behaviour and has adapted its travel programme accordingly. This has resulted in optimised operations and a high load factor in all destinations offered by the company, which was 97% on average during the given period.

In the first quarter of this year, we experienced a drop in demand for flights to Egypt, which is very popular in the winter season. It is also worth mentioning that in the Baltic outbound tourism market we have two new tour operators that mainly focus on the most popular destinations across the Baltic States, i.e. Turkey and Egypt, and naturally seek to compete on the market with their price offers, which has partly affected the changes in our profit margins. Profitability this year has also been affected by increased costs. Finally, we have observed a slightly weaker demand for travel in the Estonian market, compared to Latvia or Lithuania.

With the widest range of destinations and monitoring the changes in demand in the region, we have also offered alternatives to travellers, for instance, holidays in favourite destinations such as Tenerife, Madeira, the United Arab Emirates, as well as expanded the range of ski trips by offering 4 destinations and trips to as many as 12 long-haul countries. Novaturas was also the first tour operator in the region to launch its summer season, with flights to the newly introduced Cyprus starting in mid-March and Turkey at the end of March. It was this flexible response that helped navigate the dynamic circumstances and offset the less favourable trends than last year.

Orientation towards the development of new services

In order to strengthen our position and sales volumes, we intend to further improve the traveller experience and introduce new services this year. The plan is to offer more user-friendly tools for agencies and other business partners, as well as to strengthen our own e-commerce channels. The focus on technology and data analytics-based solutions remains a strategic direction.

Novaturas will focus on projects that could increase the competitiveness of the company, and envisages organisational transformation processes, including improvement of customer experience, strategic partnerships, and organisational structure.

With the widest range of destinations in the region, we will continue the diversification strategy and focus on higher-margin destinations. We are also ready to continue to flexibly adapt the travel programme to the needs of travellers and focus on operational efficiency.

In the summer season, we offer 19 destinations from Lithuania, 14 from Latvia and 15 from Estonia. We aim to make the most of our diversified portfolio of destinations and compete not only in popular summer destinations such as Turkey and Greek islands, but also in resorts in Spain, Italy and Bulgaria, as well as in

Montenegro, which has become a business card of the company, and in other destinations where we see greater potential. We observe a growing demand for workation or incentive trips of companies, and Novaturas is an exceptionally strong partner in this area.

At the beginning of May, Novaturas launched early bookings for the next winter season, and will introduce the full winter 2024/2025 programme as well as new destinations in June.

New aviation partners and improved flight experience

Novaturas Group aims to be the first choice for travellers by focusing even more on the quality of services and systematically improving the flight experience. At the end of last year, a long-term cooperation agreement was signed with Heston Airlines, which has become the main flight partner in Estonia.

Through this partnership, we aim to improve the punctuality of flights and the overall quality of services, from hassle-free and safe flights to a state-of-the-art environment and a higher level of in-flight catering services. The first flights with Heston Airlines from Estonia started on 1 May, and some of the flights with Heston Airlines will also be operated from Lithuania and Latvia.

Heston Airlines operates a fleet of modern Airbus A320 aircraft, which are only 7 years old, so this cooperation will help reduce fuel consumption and minimise GHG emissions during flights.

Novaturas also continues partnership with airBaltic, which has one of the youngest fleets in Europe, and has announced that it will operate a part of its flights from Lithuania to Turkey this summer season in cooperation with Turkish Airlines, which will fly travellers not only from Vilnius, but also from Kaunas Airport.

Kristijonas Kaikaris, CEO of Novaturas Group

Main ratios

Unless otherwise indicated, amounts are in thousands of EUR.

Financial indicator*	Q1 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 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 %

* EBITDA has been recalculated to include all non – interest related financial items (e.g.forex, jet fuel derivatives results)

Unless otherwise indicated, amounts are in thousands of EUR.

Alternative measure	Q1 2024	Q1 2023	Q1 2022	Change, 24/22	Change, 24/22
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	78.64	98.20	-15.2 pp	-19.6 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	+7.2 pp	-6.2 pp
Total liquidity ratio	82.31	88.69	72.73	-6.4 pp	+16.0 pp

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 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Flight package tours					
Sales	30,842	32,754	24,329	-5.8 %	34.6 %
Cost of sales	(28,003)	(26,594)	(23,341)	5.3 %	13.9 %
Gross profit	2,839	6,159	988	-53.9 %	523.2 %
Gross profit margin (%)	9	19	4	-9.6 pp	14.7 pp
Sales commission expenses	(2,086)	(2,008)	(1,417)	3.9 %	41.7 %
Sales profit for segment	753	4,151	(429)	-81.9 %	-1068.7 %
Sales profit margin (%)	2	13	(2)	-10.2 pp	14.4 pp
Sightseeing tours by coach					
Sales	59	58	19	2.6 %	197.7 %
Cost of sales	(74)	(48)	(12)	54.3 %	310.9 %
Gross profit	(15)	10	8	-257 %	24.9 %
Gross profit margin (%)	(25)	17	40	-42 pp	-23 pp
Sales commission expenses	(2)	(1)	(1)	60.6 %	- 0.3
Sales profit for segment	(17)	8	7	-302.7 %	28.6 %
Sales profit margin (%)	(29)	15	34	-43.4 pp	-19.2 pp
Sightseeing tours by plane					
Sales	159	255	114	-37.6 %	124.6 %
Cost of sales	(146)	(219)	(111)	-33.2 %	97.1 %
Gross profit	13	36	3	-64.2 %	1292.7 %
Gross profit margin (%)	8	14	2	-6.1 pp	11.9 pp
Sales commission expenses	(5)	(10)	(6)	-49.8 %	65.9 %
Sales profit for segment	8	26	(3)	-69.6 %	-873.9 %
Sales profit margin (%)	5	10	(3)	-5.3 pp	13.3 pp
Other sales					
Sales	3,458	5,106	3,825	-32.3 %	33.5 %
Cost of sales	(1,842)	(5,353)	(2,300)	-65.6 %	132.7 %
Gross profit	1,616	(247)	1,525	-754.3 %	-116.2 %
Gross profit margin (%)	47	(5)	40	51.6 pp	-44.7 pp
Sales commission expenses	-	-	-	-	-
Sales profit for segment	1,616	(247)	1,525	-754.3 %	-116.2 %
Sales profit margin (%)	47	(5)	40	51.6 pp	-44.7 pp

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 the major agencies in the Baltics. E-commerce sales are via company websites.

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 to passengers directly via web portals for airline tickets.

The breakdown of sales by distribution (in percentage) channels was as follows:

Distribution channel	Q1 2024	Q1 2023	Q1 2022	Change, 24/22	Change, 24/22
Travel agencies	70.9	65.9	67.5	5 pp	-1.6 pp
Own retail	17.8	17.6	13.6	0.2 pp	4 pp
Web sales	9.5	14.7	17.2	-5.2 pp	-2.5 pp
GDS	1.8	1.8	1.7	0 pp	0.1 pp
Total	100.0	100.0	100.0		

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

Country	Q1 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Lithuania	17.2	18.3	16.1	-6.3 %	13.7 %
Latvia	10.0	10.0	9.2	0.2 %	8.7 %
Estonia	8.5	9.8	11.1	-12.9 %	-11.7 %
Other	-	-	-	-	-
Total	35.7	38.1	36.4	-6.3 %	4.7 %

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

Product category	Q1 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Flight package tours	27.4	30.5	16.1	-10.2 %	89.4 %
Sightseeing tours by coach	0.2	0.2	9.2	21.5 %	-97.8 %
Sightseeing tours by plane	0.2	0.2	11.1	21 %	-98.2 %
Other sales	7.8	7.2	-	8.7 %	-
Total	35.7	38.1	36.4	-6.3 %	4.7 %

During the first quarter of 2024 the highest revenue share was received from the following destinations: Egypt, Canary Island, Italy, Thailand, and other long-haul destinations. Demand for travels to Egypt decreased during Q1 2024, however, demand for travels to Thailand, United Arab Emirates, Austria and Tanzania is increased in Q1 2024.

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

Destination	Q1 2024	Q1 2023	Q1 2022	Change %, 24/22	Change%, 23/22
Egypt	35,4	41,6	51,3	-6,2 pp	-9,7 pp
Canary Island	16,8	17,8	17,9	-1 pp	-0,1 pp
Italy	10,9	11,8	13,3	-0,9 pp	-1,5 pp
Thailand	7,2	5,6	1,1	1,5 pp	4,6 pp
United Arab Emirates	6,2	4,1	4,6	2,1 pp	-0,5 pp
Portugal	2,9	3,0	1,5	-0,1 pp	1,5 pp
Austria	2,3	-	-	2,3 pp	0 pp
Tanzania	2,3	1,7	1,4	0,6 pp	0,3 pp
Long hauls	11,2	11,4	6,0	-0,1 pp	5,4 pp
Other destinations	4,7	3,1	2,9	1,6 pp	0,2 pp
Total	100,0	100,0	100,0		

Information about the Supervisory Council and the Board

Since 30th June 2020 the Group has one collegial body – the Board, to which part of the supervisory council functions were delegated. The Board consists of 3 professional members, one of them is independent. Board member's tenure period is two years.

Information about the Board as of the 31st March 2024:

Name	Position on the Board	Legal entity and position	Number of shares held in the Company	Start of term
Gediminas Almantas	Chairman of the Board (independent member)	Chairs the board as independent member, has more than 17 years of experience in various companies, his areas of expertise include organisational governance, good governance, organisational development, crisis management, ethics and building trust in organisations. Mr. Almantas previously worked at Copenhagen Airport, held the position of Director General of Lietuvos oro uostai for 4 years, and currently is a member of the Board of Directors and chairs the Audit Committee of Lietuvos oro uostai. As an independent member and chairman, he has extensive experience on other boards as well – Mr. Almantas has been a board member of EPSO-G Group for 7 years and the chairman of the board for 4 years, the chairman of the Lithuanian Red Cross Society for 8 years, and is currently the chairman of the board of LTG Infra. He has been an independent member of the Board of Directors and a member of the Audit Committee of AB Oro Navigacija since 2018.	-	07/06/2023
Tomas Korganas	Member of the Board	has over 20 years of experience in international companies and boards, business development, management, mergers and acquisitions (M&A). Mr. Korganas has worked for international companies such as BCG, Goldman Sachs, General Electric. He is also a member of the professional mentoring programme "LT Big Brother", where he shares his experience with motivated young Lithuanians around the world.	-	07/06/2023
Ugnius Radvila	Member of the Board	has been working for the company since its foundation. With many years of management experience in the tourism market, Ugnius Radvila has been a consultant and a permanent member of the Board since 2011, ensuring continuity of work. His priority areas in the new Board are human resources management and attracting competences, as well as ensuring the focus on sustainability which is one of the company's strategic areas of activity.	740,702	07/06/2023

Company's top executives as of the 31st March 2024:

Name	Position within the Company	Number of shares held in the Company
Kristijonas Kaikaris	CEO	-
Ieva Galvydienė	CCO	-
Rasa Barisienė	CSO	-
Vaidrius Verikas	CFO	-

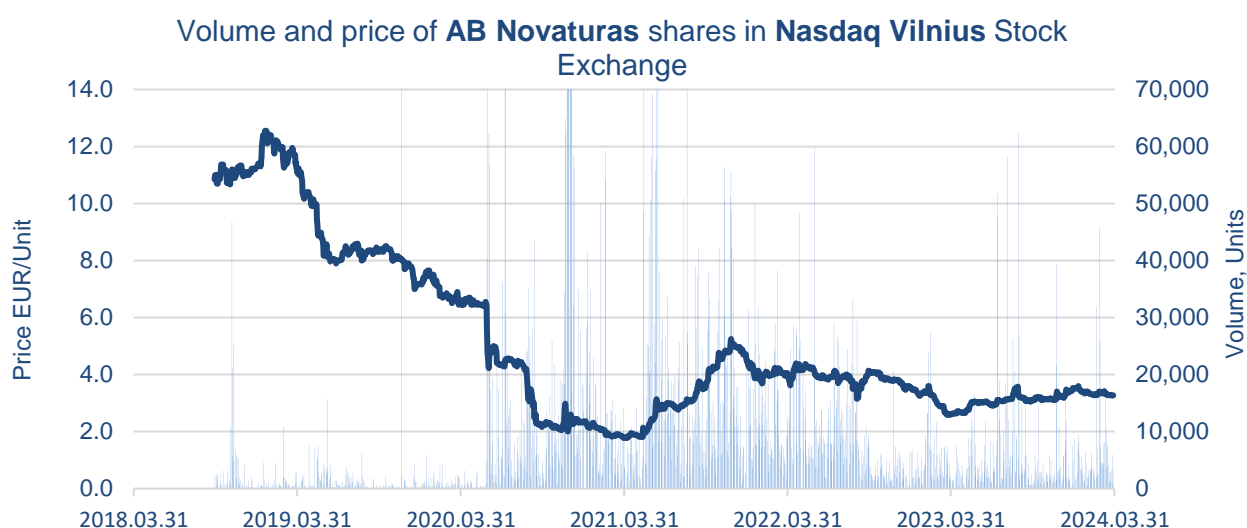
Share capital and shareholders

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 7,731,003.

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 AB Novaturas shares for the last thirteen quarters on the Nasdaq Vilnius exchange in Lithuania:

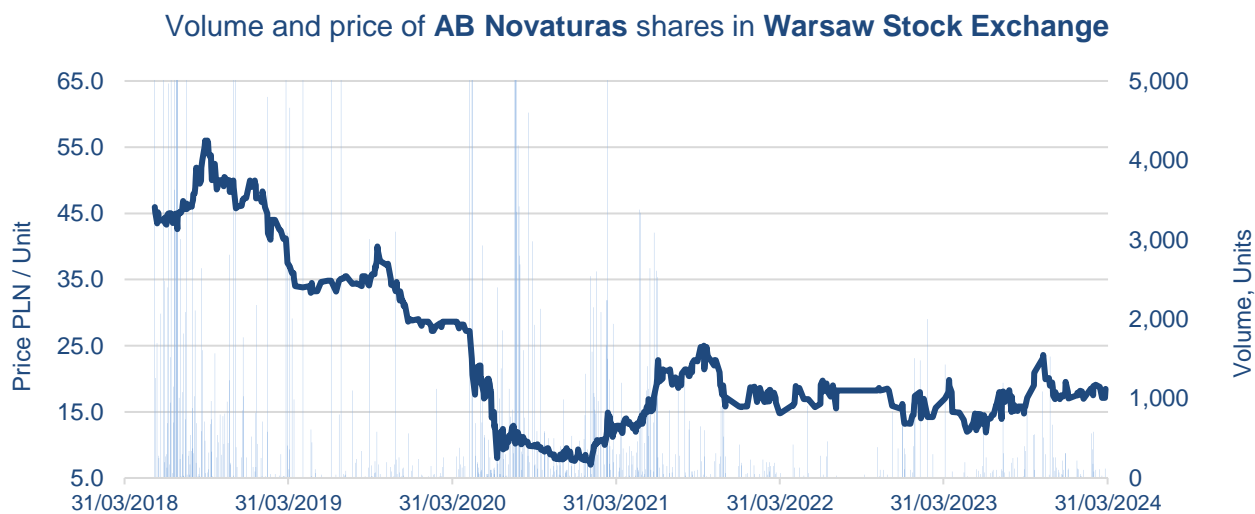
	Currency	Opening price	Maximum price	Lowest price	Closing price	Average price	Volume (quantity)	Volume (EUR)
Q4 2020	EUR	1.79	3.20	1.76	2.94	2.47	1,222,888	3,021,562
Q1 2021	EUR	2.94	3.90	2.70	3.52	3.14	897,418	2,821,109
Q2 2021	EUR	3.58	4.90	3.58	4.70	4.45	627,522	2,793,640
Q3 2021	EUR	4.75	4.75	3.65	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
Q2 2023	EUR	3.08	3.47	3.08	3.40	3.24	260,090	841,644
Q3 2023	EUR	3.43	3.62	3.24	3.26	3.38	366,477	1,237,521
Q4 2023	EUR	3.27	3.47	3.10	3.43	3.34	415,938	1,287,274
Q1 2024	EUR	3.43	3.64	3.18	3.22	3.39	604,224	2,049,481



As of 31st March 2024, the company's market capitalization was EUR 25.1 million and decreased by 6% during the first quarter.

Information about trading in AB Novaturas for the last thirteen quarters 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)
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
Q2 2023	PLN	17.28	24.00	23.60	19.00	19.68	8,420	165,723
Q3 2023	PLN	17.00	19.55	16.90	18.45	18.14	4,320	78,383
Q4 2023	PLN	18.45	19.00	14.65	16.45	16.99	4,110	69,845
Q1 2024	PLN	16.45	17.15	13.15	15.80	15.26	6,817	104,023



As of 31st March 2024, the Company's market capitalization was PLN 123 million and, calculated in PLN, decreased 4% during the first quarter.

The following shareholders held at least 5% of share capital and votes as of 31st March 2024:

	Number of shares held	Ownership interest, %
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%
Šūmakaris Rytis	535,278	6.86%
Other	4,616,499	59.13%
Total	7,751,003	99.28%
Novaturas AB	55,997	0.71%
Total	7,807,000	100.00%

Information regarding shareholders by country as of 31st March 2024:

Country	Number of shareholders	Share of authorized capital %
Lithuania	1,996	55.16%
Estonia	4,056	38.53%
Latvia	394	4.89%
Other countries	182	1.43%
Total	6,628	100.00%

Consolidated statements of comprehensive income

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

	Q1 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Revenues from the contracts with customers	34,518	38,172	28,287	-10%	35%
Cost of sales	(30,065)	(32,214)	(25,763)	-7%	25%
Gross profit	4,453	5,958	2,524	-25%	136%
Selling expenses	(3,459)	(3,221)	(2,371)	7%	36%
General and administrative expenses	(1,032)	(814)	(694)	27%	17%
Other operating income	(18)	20	19	-190%	5%
Other operating expenses	102	(13)	-	-885%	-
Operating profit	46	1,930	(522)	-98%	-469%
Finance income	86	96	15	-10%	540%
Finance (expenses)	(123)	(386)	(529)	-68%	-27%
Profit before tax	9	1,640	(1,036)	-99%	-258%
Income tax (expense)	(1)	(64)	105	-98%	-161%
Net profit	8	1,576	(931)	-99%	-269%
Other comprehensive income, to be reclassified to profit or loss in subsequent periods					
Result of changes in cash flow hedge reserve	-	-	-	-	-
Impact of income tax	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	8	1,576	(931)	-99%	-269%
Net profit attributable to:					
To the equity holders of the Company	8	1,576	(931)	-99%	-269%
Non-controlling interests	-	-	-	-	-
	8	1,576	(931)	-99%	-269%
Total comprehensive income attributable to:					
To the equity holders of the Company	8	1,576	(931)	-99%	-269%
Non-controlling interests	-	-	-	-	-
	8	1,576	(931)	-99%	-269%
Earnings per share (EPS) for continuing operations:					
Basic and diluted, profit for the year attributable to ordinary equity holders of the parent (in EUR)	0.00	0.20	(0.12)	-99%	-269%

Consolidated statements of financial position

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

	31/03/2024	31/03/2023	31/03/2022
ASSETS			
Non-current assets			
Goodwill	30,327	30,327	30,327
Other 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
Total non-current assets	32,125	32,546	31,795
Current assets			
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
Total current assets	24,266	39,732	15,763
TOTAL ASSETS	56,391	72,278	47,558

(Continued in the next page)

Consolidated statements of financial position (continued)

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

	31/03/2024	31/03/2023	31/03/2022
EQUITY AND LIABILITIES			
Equity			
Share capital	234	234	234
Cash flow hedge reserve	-	-	-
Own shares bought	(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
Total equity	17,994	15,849	14,160
Liabilities			
Non-current borrowings	8,682	11,452	11,634
Lease liabilities	235	163	91
Other non-current liabilities	-	15	-
Total non-current liabilities	8,917	11,630	11,725
Current liabilities			
Current portion of non-current borrowings	2,742	1,012	2,271
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 expenses	5,492	3,926	1,745
Lease liabilities	166	188	149
Other current financial liabilities	-	-	-
Total current liabilities	29,480	44,799	21,673
TOTAL EQUITY AND LIABILITIES	56,391	72,278	47,558

(Concluded)

Consolidated statements of changes in equity

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

	Issued capital	Cash flow hedge reserve	Own shares acquired	Own shares acquisition reserve	Legal Reserve	Foreign currency translation reserve	Retained earnings	Total Equity
Balance 31 December 2022	234	-	-	1,250	29	145	12,797	14,455
Net profit (loss) for the period	-	-	-	-	-	-	3,587	3,587
Total comprehensive income	-	-	-	-	-	-	3,587	3,587
Share based payments							80	80
Acquired own shares	-	-	(183)	-	-	-	-	(183)
Balance 31 December 2023	234	-	(183)	1,250	29	145	16,464	17,939
Net profit (loss) for the interim period	-	-	-	-	-	-	8	8
Total comprehensive income	-	-	-	-	-	-	8	8
Share based payments	-	-	-	-	-	-	47	47
Balance 31 March 2024	234	-	(183)	1,250	29	145	16,519	17,994

Consolidated statements of cash flow

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

	Q1 2024	Q1 2023	Q1 2022
Cash flows from (to) operating activities			
Net profit	8	1,576	(931)
Adjustments for non-cash items:	-		
Depreciation and amortisation	85	27	13
Change in deferred income tax	-	-	-
Income tax for the reporting period	1	64	(105)
Elimination of financial, investment and other non-cash activity results	261	204	284
	355	1,871	(739)
Changes in working capital:			
(Increase)/decrease in inventories	-	-	(1)
(Increase)/decrease in trade receivables	135	(1,567)	(115)
(Increase)/decrease in other receivables	2,546	59	(137)
(Increase)/decrease in other current financial assets	(233)	-	-
(Increase)/decrease in prepayments and deferred expenses	(7,267)	(12,625)	(2,871)
Increase/(decrease) in trade payables	241	1,691	(1,707)
Increase/(decrease) in advances received	2,634	9,312	3,105
Income tax paid	-	-	42
Increase/(decrease) in other current liabilities and accrued expenses	1,104	175	311
Net cash flows from (to) operating activities	(485)	(1,084)	(2,112)
Cash flows from (to) investing activities			
(Acquisition) of non-current assets (excluding investments)	(44)	(142)	(55)
Net cash flows from (to) investing activities	(44)	(142)	(55)
Cash flows from (to) financing activities			
Loans received	4,800	4,000	2,593
(Repayment) of loans	(2,057)	(337)	(422)
Interest (paid)	(226)	(245)	(176)
Lease (paid)	-	-	-
Net cash flows from (to) financing activities	2,517	3,418	1,995
Net increase (decrease) in cash flows	1,988	2,192	(172)
Cash and cash equivalents at the beginning of the year	3,347	2,770	5,919
Cash and cash equivalents at the end of the period	5,335	4,962	5,747

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 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Commissions	2,093	2,019	1,424	3.7 %	41.8 %
Salaries and related taxes	913	786	582	16.2 %	35.1 %
Advertising and marketing expenses	340	314	266	8.3 %	18 %
Depreciation and amortization	1	2	4	-50 %	-50 %
Communication expenses	5	10	10	-50 %	0 %
Representation expenses	21	4	11	425 %	-63.6 %
Other	86	86	74	0 %	16.2 %
Total:	3,459	3,221	2,371	7.4 %	35.8 %

General and administrative expenses

	Q1 2024	Q1 2023	Q1 2022	Change %, 24/23	Change %, 23/22
Salaries	570	486	372	17.3 %	30.6 %
Consultations	37	19	56	94.7 %	-66.1 %
Depreciation and amortisation	84	22	9	281.8 %	144.4 %
Transportation	11	8	9	37.5 %	-11.1 %
Representation	37	16	6	131.3 %	166.7 %
Training expenses	1	3	-	-66.7 %	-
Others	292	260	242	12.3 %	7.4 %
Total	1,032	814	694	26.8 %	17.3 %

Derivatives

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 buys derivatives to protect itself against changes in aviation fuel prices (which affect fuel costs) and against changes in the EUR/USD exchange rate (which affects fuel costs) considering risks arising from future travels sold. When derivative positions are closed monthly, the realized result is accounted for in the income statement.

Open derivative contracts are treated as financial instrument which is revalued on monthly basis and change in contracts value is included in the income statement as unrealized income or loss.

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

	Q1 2024	Q1 2023	Q1 2022	Change 24/23	Change 23/22
Result of closed hedging contracts already reflected in income statement	211	0	0	211	0

	31 March 2024	31 March 2023	31 March 2022
Market value of existing hedges at the end of the period reflected in income statement	4	0	0

Borrowings and off-balance sheet commitments

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

	31 March 2024	31 March 2023	31 March 2022
Long term borrowings			
Luminor Bank AS long-term credit line	5,000	5,000	5,000
Loan granted by Investicijų ir verslo garantijos UAB	1,143	1,617	2,090
Altum loan	-	-	480
Limited partnership "Pagalbos verslui fondas" ordinary bonds	5,000	5,000	5,000
Average weighted annual interest rate on a liquidity loan and loan from State Social Insurance Fund	281	847	1,335
Total borrowings	11,424	12,464	13,905
Less: current portion of non-current borrowings	(2,742)	(1,012)	(2,271)
Total non-current borrowings	8,682	11,452	11,634
Current borrowings			
Current portion of non-current borrowings	2,742	1,012	2,271
Total current borrowings	2,742	1,012	2,271

As at 31 March 2024 all bank covenants are met.

As a means of security of loans and limits received from AS Luminor Bank, AB Novaturas pledged shares of its subsidiaries, owned brands and receivables as business complex.

Off-balance sheet commitments	Total value at 31 March 2023
Guarantees securing travels backed up by bank limits	7,500
Guarantees securing travels backed up by insurance policies	8,000

Related party transactions

During the three-month period ended 31 March 2024, total payments of EUR 18.9 thousand (2023 3 months: 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 annual (unaudited) consolidated financial statements for the period ended 31 March 2024 drawn up in accordance with the International Financial Reporting Standards are truthful and in all material respects give a true and fair view of the Company's and Group's assets, liabilities, financial position, profit or loss, and cash flows.

Kristijonas Kaikaris

CEO

Vaidrius Verikas

CFO

Interim Consolidated Report

Reporting period

January-March 2024

Issuer and its contact details

Name of the Issuer	AB Novaturas (hereinafter – ‘the Company’)
Legal form	Public company
Date of registration	16 December 1999
Name of the Register of Legal Entities	State Enterprise Centre of Registers
Company code	135567698
LEI code	097900BGCW0000042109
Registered office	A. Mickevičiaus str. 27, LT-44245 Kaunas
Telephone number	+370 37 321 264
Fax number	+370 37 321 130
E-mail address	info@novaturas.lt
Internet address	www.novaturasgroup.com

Main activities of the Company

Novaturas Group is the leading tour operator in the Baltic States, established in the market since 1999. The Company offers organized summer and winter holiday packages and sightseeing tours by bus and plane to more than 30 destinations around the world, including the most popular resorts and destinations in Southern Europe, North Africa, the Middle East, Asia and Latin America.

The Company operates in Lithuania, Latvia and Estonia. Novaturas Group partners with more than 400 travel agencies, including the largest agencies in the Baltic States. The Company also owns sales spots in major cities of Lithuania, Latvia and Estonia, and is constantly developing its own e-commerce channels.

Flight package tours. Flight packaged tours are the main part of Company’s services. They include holiday trips to popular summer resorts in Europe (in the Mediterranean Sea region), North Africa and Asia, as well as to the most popular European winter destinations in Italy, France and Andorra. Customers receive a full range of services, including flights, transfer from airport to hotel, accommodation, a round-the-clock resident tour guide, and attractions during the stay, including full-day excursions during the summer.

Sightseeing trips by plane. These are long-distance round trips by plane, including to Asia and South America, using both chartered and regular flights from Vilnius. Novaturas Group provides the flights, accommodation, sightseeing tours by coach and a full-time tour guide who stays with the tourists during the entire trip, providing them with information on the country and the available attractions.

Sightseeing trips by coach. These are sightseeing trips to European destinations, including Poland, Germany, France, Italy, Austria, Croatia and Greece. The round trips by coach are organized from Lithuania. Company provides transportation by coach, accommodation, sightseeing and a tour guide who stays with the tourists during the entire trip.

Other products. Company’s other products include flight tickets and hotel bookings online. Novaturas Group sells these to retail clients as well as to other tour operators who are often interested in booking seats on the most popular chartered flight routes. Further more, depending on demand, Company organizes accommodation and sightseeing tours in the Baltics.

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 - Lithuania, Latvia and Estonia.

Company	Country of operations	Shareholding % as of 31 March 2024
Novatours SIA	Latvia	100
Novatours OÜ	Estonia	100
Aviaturas ir Partneriai UAB	Lithuania	100
SRL Novatours Holidays*	Romania	100

* The activities of the subsidiary in Romania were suspended in 2009 and have not been renewed since that time.

Data about securities traded on a regulated market

The Nasdaq Vilnius stock exchange is the home market for the Company's shares. Since 21 March 2018, the Company's ordinary shares have been dual-listed on the Nasdaq Vilnius exchange and the Warsaw Stock Exchange.

The symbol of the Company's shares is NTU1L on the Nasdaq Vilnius exchange and NTU on the Warsaw Stock Exchange.

Type of shares	Number of shares	Nominal value (in EUR)	Total nominal value (in EUR)	Issue code
Ordinary registered shares	7,807,000	0.03	234,210	LT0000131872

Information about related party transactions

The Company's transactions with related parties are disclosed in the Notes to the Financial Statements.

Risk management

Credit risk

The Group's credit risk is relatively low as customers are required to pay for tours before the tours start. Besides that, credit limits are granted to the travel agencies that carry out most sales. The main purpose of the credit limits is to ensure timely payments. If a credit limit is exceeded, the Group's reservation system automatically blocks sales.

The Group partially prepays for travel services to its suppliers which are at a later stage offset against invoices payable for travel. Such prepayments are distributed to each hotel where the travel is booked thereby reducing credit risk exposure via disaggregation of credit risk exposure. Furthermore, as the Group pays hotel bills after travel commencement, an offset availability remains in case of credit default event.

The Group does not guarantee the obligations of other parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments.

Interest rate risk

Group short-term borrowings (credit line) is linked to Euribor while long term financing is built on fixed interest rate. No financial instruments have been designated to manage the outstanding exposure to fluctuation in interest rates.

Foreign exchange / commodity price risk

The Group manages foreign exchange risk by contracting agreements in EUR, and functional currency of the subsidiaries in Latvia and Estonia is the EUR.

In December 2010, the Company began to use derivative financial instruments to reduce EUR/USD foreign exchange risk and fuel price variance risk. These risks are managed through the purchase of foreign exchange

forward contracts and CIF NEW Cargoes contracts to hedge jet fuel price risk. As of 1 January 2014, the Group and the Company started to use derivatives for which hedge accounting applies. Since 1st January 2023 the Group ceased application of hedge accounting and accounts for realized results of derivative financial instruments through profit and loss. Unrealised value of derivatives is disclosed in these financial statements.

Liquidity management

The Group's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with its strategic plans. Liquidity risk is managed by planning the Group's cash flows.

Capital management

The primary objective of the Group's capital management is to ensure that the all-group companies comply with externally imposed capital requirements and that the Group maintains healthy capital ratios to support the business and to maximize shareholders' value. (Capital in the meaning of IAS 1 consists of the equity presented in the financial statements.)

The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of activities. To maintain or adjust the capital structure, the Group may issue new shares, adjust the dividend payment to shareholders and/or return capital to shareholders.

The Company is obliged to maintain equity at no less than 50% of its share capital, as required by the Law on Companies of the Republic of Lithuania. External share capital requirements regarding the equity-to-asset ratio may also be imposed on the Company by banks.

Group companies assess capital using a ratio of total liabilities and equity. Companies' capital includes ordinary shares, reserves and retained earnings attributable to the equity shareholders of the parent company.

Corporate governance

According to the decision of the Ordinary General Meeting of the Shareholders of the Company which was taken on 30 June 2020, governing bodies consists of the Board and the CEO.

Since 7th June 2023 the the Board consists of 3 professional members, one of them is independent. Board member's tenure period is two years.

The Board discuss and approves strategy, annual budget, Group's organizational structure, discuss financial results and approves annual accounts, related party transactions, oversees implementation of good governance practises and does other topics assigned to the competence of the Board by relevant legislation.

CEO represents the Company and the Group within transactions with third parties, is in charge for organization of Group's daily activities, implementation of it's annual goals, presentation of information for the board, shareholders and official registers as well as other delegated authorities.

Shareholders rights

None of the shareholders of the Company have any special controlling rights. The rights of all shareholders are equal. As of 31 March 2024, the number of the Company's shares that grant voting rights during the General Meeting of Shareholders amounted to 7,751,003. One ordinary registered share of the Company gives one vote in the General Meeting of Shareholders.

The Company is not aware of any agreements between shareholders that would limit their ability to exercise their voting rights or restrict trading.

Treasury stock

On 22nd September 2023 AB Novaturas purchased 75 997 units of own shares on the Tender Offer Market of Nasdaq Vilnius for the consideration of EUR 248 thousand. Shares were acquired for the purpose of supporting the Company's stock option programme. On December 14th 2023 Novaturas disposed 20 000 shares in execution of share option.

Dividends

In 2018 the Board of the Company approved a dividend policy to pay out 70-80% of earned net profits as dividends. The Company neither announced nor paid dividends during the period January-March 2024.

Members of the Board as of the 31st of March 2024

Gediminas Almantas, who joined the Board as an independent member, has more than 17 years of experience in various companies, his areas of expertise include organisational governance, good governance, organisational development, crisis management, ethics and building trust in organisations. Mr. Almantas previously worked at Copenhagen Airport, held the position of Director General of Lietuvos oro uostai for 4 years, and currently is a member of the Board of Directors and chairs the Audit Committee of Lietuvos oro uostai. As an independent member and chairman, he has extensive experience on other boards as well – Mr. Almantas has been a board member of EPSO-G Group for 7 years and the chairman of the board for 4 years, the chairman of the Lithuanian Red Cross Society for 8 years and is currently the chairman of the board of LTG Infra. He has been an independent member of the Board of Directors and a member of the Audit Committee of AB Oro Navigacija since 2018.

Tomas Korganas has over 20 years of experience in international companies and boards, business development, management, mergers and acquisitions (M&A). Mr. Korganas has worked for international companies such as BCG, Goldman Sachs, General Electric. He is also a member of the professional mentoring programme “LT Big Brother”, where he shares his experience with motivated young Lithuanians around the world.

Ugnius Radvila has been working for the company since its foundation. With many years of management experience in the tourism market, Ugnius Radvila has been a consultant and a permanent member of the Board since 2011, ensuring continuity of work. His priority areas in the new Board are human resources management and attracting competences, as well as ensuring the focus on sustainability which is one of the company’s strategic areas of activity.

Company’s top executives as of the 31st of March 2024

Kristijonas Kaikaris joined Novaturas in 2023. For the past three years, Kaikaris has been the CEO of CityBee, a car-sharing company. Before that, he was CEO of charter airline Small Planet Airlines for almost three years. Kaikaris has worked in the IT sector for a large part of his career, having spent four years in charge of the Lithuanian offices of international technology companies Microsoft and Oracle, as well as President and Member of the Board of the association Infobalt, and worked in the sales department of IBM. In Lithuania, the new head of the Novaturas Group is also known as a book author and active traveler.

Ieva Galvydienė joined Novaturas in 2006 and started her career as sales manager. Since then, she has been responsible for the coordination of the sales department groupwise and since 2011 has been head of sales for Lithuanian market. In the end of 2019, she started a new position as a head of Novaturas group Aviation department. She has graduated from Faculty of Humanities at Vytautas Magnus University and gained English philology bachelor's degree.

Rasa Barisienė joined Novaturas in 2022. She has more than 20 years of experience in the aviation and tourism industry. She has been the Head of Sales and Marketing for British Airways in Lithuania and Belarus for 9 years, as well as the Manager of the CWT (Carlson Wagonlit Travel) travel agency in Lithuania for 11 years, and later in the Baltic countries. The new Sales Director of Novaturas has also made a significant contribution to TUI Baltics performance in Lithuania in the post-pandemic period.

Vaidrius Verikas joined Novaturas in 2024. He has more than 10 years of experience in financial and organizational management. V. Verikas worked in the international company Omniva, which manages the largest network of post machines in Lithuania, where he held the position of finance and later general director, and was a member of the board. He worked at the audit and tax consulting company PwC, where he was responsible for financial audit projects of the largest Lithuanian companies and evaluation of internal control processes and other financial issues. He obtained a bachelor in Financial Economics at Mykolas Romeris University and gained ACCA (Association of Chartered Certified Accountants) diploma.

Confirmation of responsible persons

In accordance with Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Information Disclosure of the Bank of Lithuania, we, Kristijonas Kaikaris, CEO of AB Novaturas, and Vaidrius Verikas, CFO of AB Novaturas, hereby confirm that, to the best of our knowledge, the AB Novaturas Consolidated Interim Report for the three month period ended 31 March 2024 provides a fair review of the development and performance of the business and the position of the Company's and Group's undertakings in relation to the description of the main risks and contingencies faced therein.

Kristijonas Kaikaris
CEO

Vaidrius Verikas
CFO