

A scenic landscape photograph of a coastal town built on a rocky cliffside. In the foreground, a white classical temple with a pediment and columns sits on a stone wall overlooking the sea. In the background, a sailboat is on the water, and rolling hills are visible under a blue sky with scattered clouds.

Presentation of 6M 2021:
recovery of the tourism sector

29 July 2021

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Key financials & significant events



EUR 29.1 m

6M 2021 Revenue
(+24% vs y/2020)
(-65% vs y/2019)



EUR 1.8 m

6M 2021 EBITDA
(EUR -0.8 m in 6M 2020)
(EUR 1.7 m in 6M 2019)



EUR 1.1 m

6M 2021 Net profit
(EUR -2.2 m in 6M 2020)
(EUR 473 ths in 6M 2019)

Significant events in 6M, 2021:

- The investment for issued bonds emissions has reached “Novaturas” group.
- The smallest tick size has been applied to “Novaturas” shares.
- Optimization processes of the organizational structure. Changes in the management of “Novaturas” Latvian subsidiary.
- Opened summer 2022 early booking sales to three most popular holiday destinations.

Q2 flight operation:

- April 2021 - “Novaturas” group operated flights to Turkey.
- May 2021 - “Novaturas” group operated flights to Greece.
- June 2021 – “Novaturas” group operated flights to Bulgaria and Montenegro.

Forward looking statement for Q3, 2021



Volume

Targeting monthly volumes exceeding 20k pax for Q3.



Profitability

Targeting positive Q3 sales profitability.

*Planned profitability ratios can be affected by restrictions applied to tourism sector if situation changes.



EBITDA

Targeting positive EBITDA for Q3

Favorable trends for strong Q3:

- Accelerating vaccination processes all around the globe.
- EU digital COVID certificate and unified country grouping.
- Adaptation of tourism infrastructure and standardization of travelling regulations.
- Last minute sales are replaced by planning trips in advance.

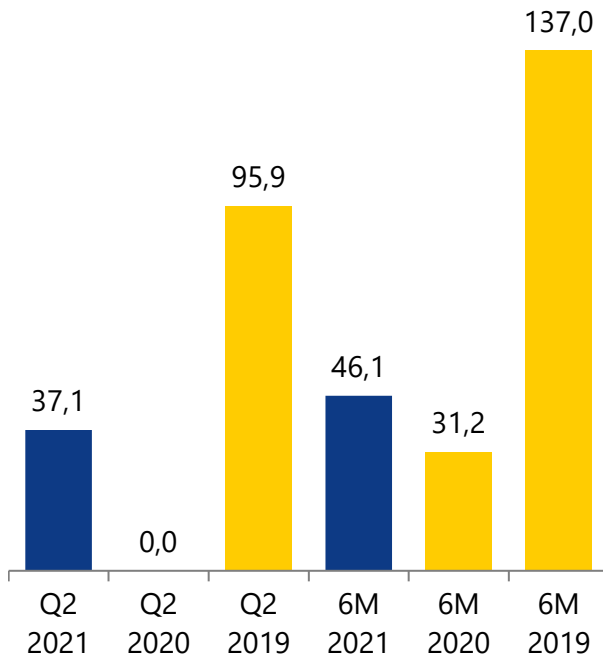
Planned Q3 flight operation:

- September 2021 - "Novaturas" group starts flights to Italy (incl. Sicily) and Portugal (incl. Madeira).
- October 2021 - "Novaturas" group starts flights to Spain.

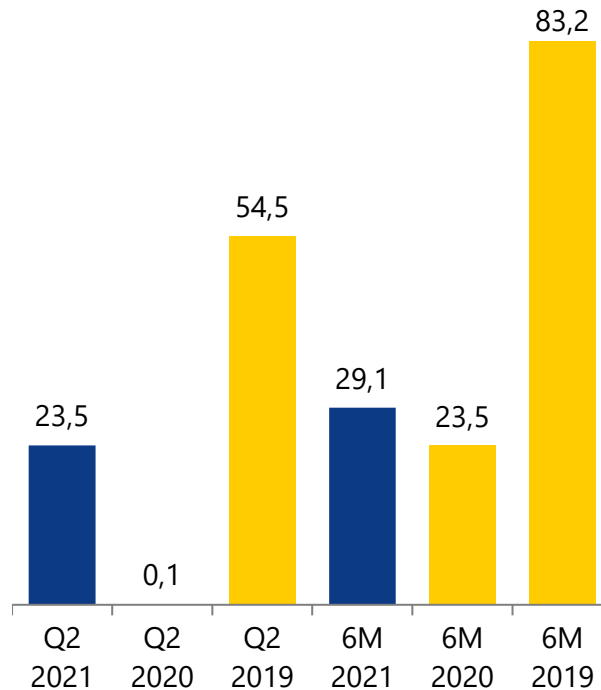
6M 2021 Revenues & seat supply

Even though we are still behind the results of pre-pandemic year in terms of travelers served and revenues generated, but during the first half of this year we have already outnumbered the results of 2020. The recovery trends are obvious, and we are consistently aiming to increase the capacity both in numbers of travelers served and revenue.

Number of PAX sold (ths)



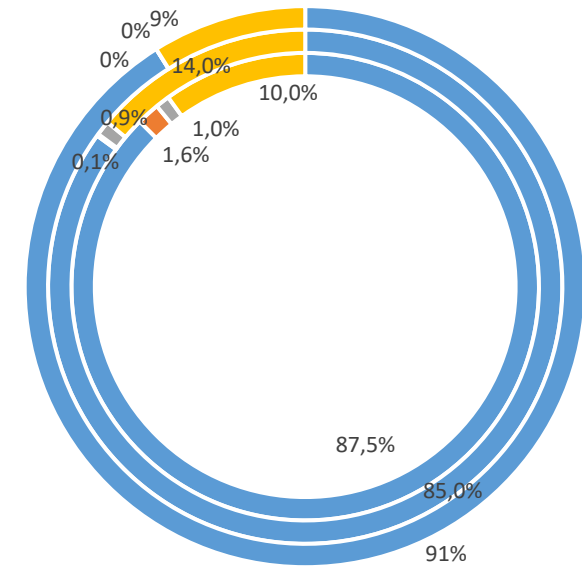
Revenue (EUR m)



Sales by product category

(% share in revenue)

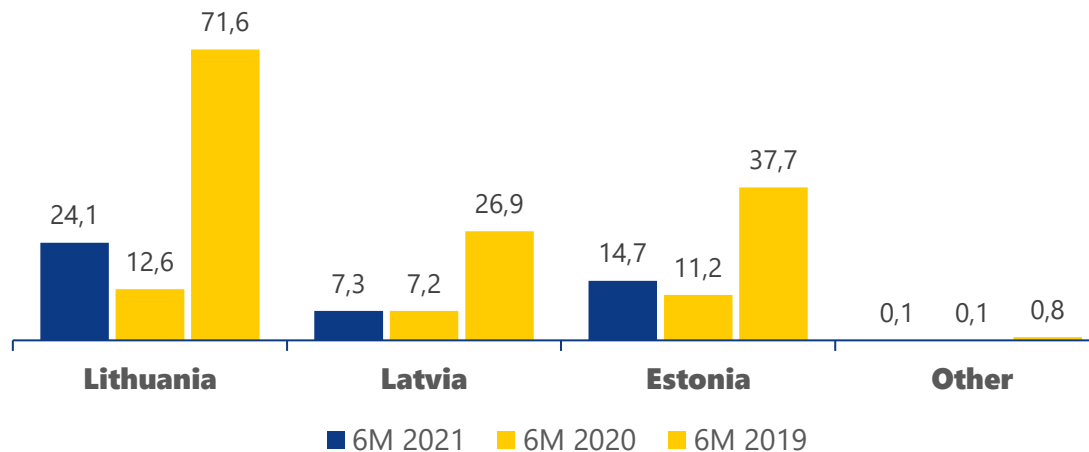
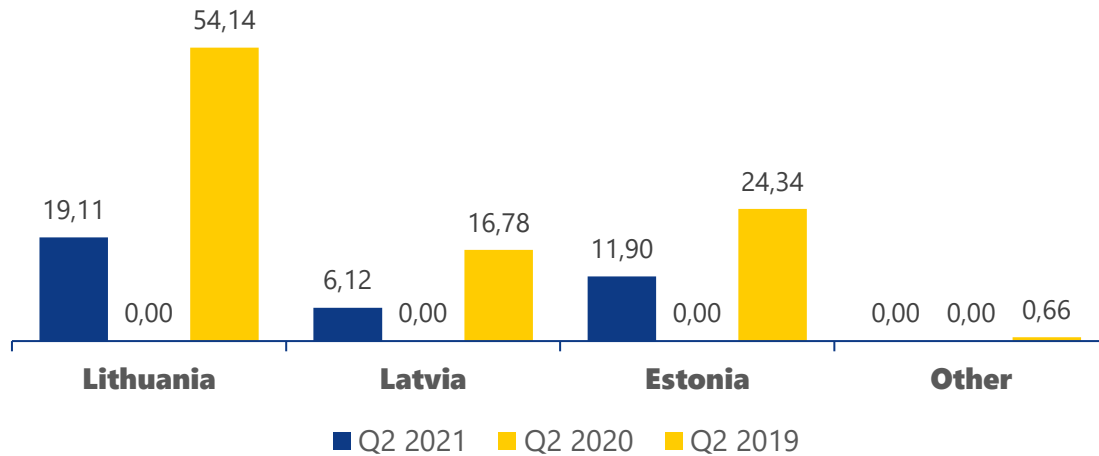
6M 2021 (outer circle) vs 6M 2020 (middle circle) vs 6M 2019 (inner circle)



- Flight package tours
- Sightseeing tours by coach
- Sightseeing tours by plane
- Other products

6M 2021 Number of travelers

Number of PAX sold by country (ths)



With the delayed holiday season and limited holiday destinations available, each month we are gradually increasing the numbers of our travelers served in each market. For Q2 our target was to serve around 10k travelers' group-wide. As the summer season accelerates the number of customers served in all the Baltics is likely to increase.



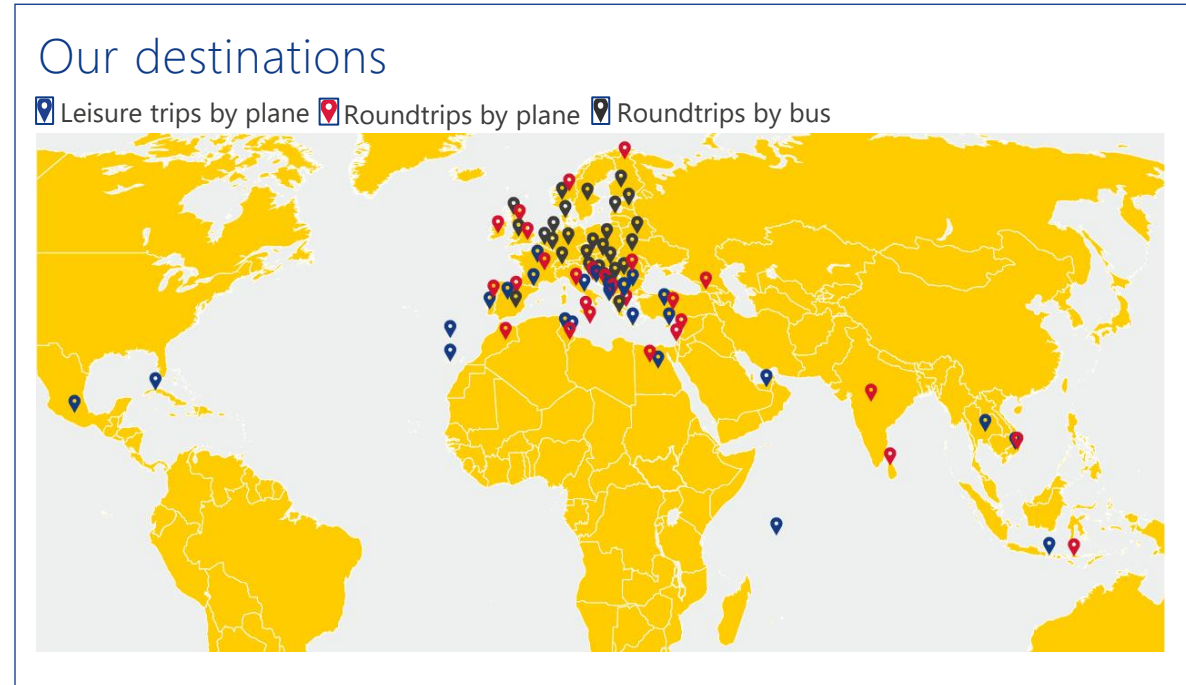
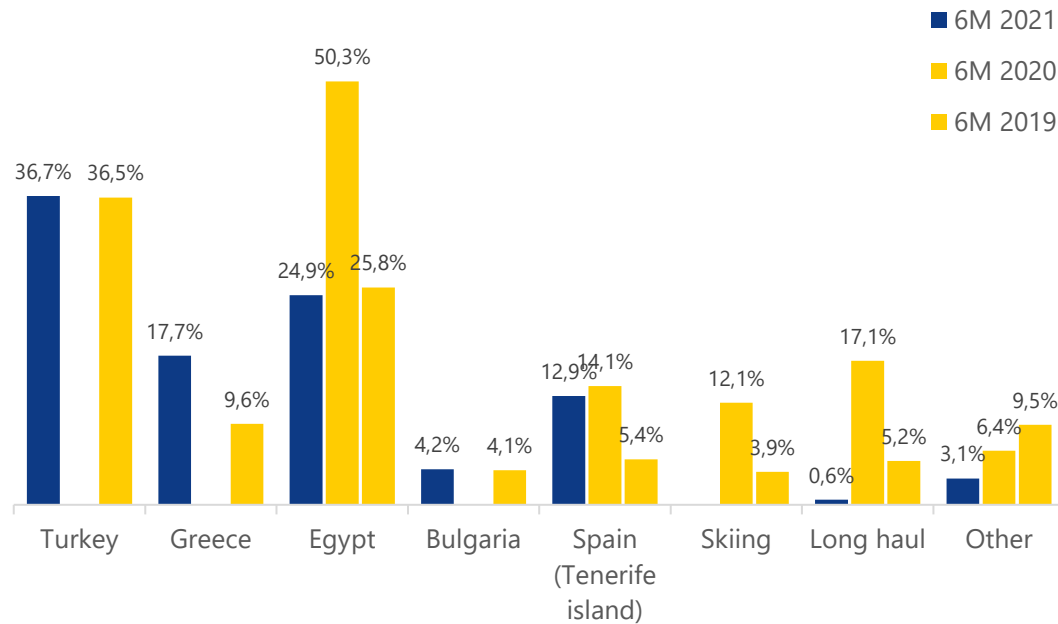
46.082 ths

total PAX sold during 6M 2021 (+48% vs y/2020)
total PAX sold during 6M 2021 (-66% vs y/2019)

6M 2021 Top destinations

Sales of flight package tours by destinations

(% share in charter travel revenue)



Turkey, Greece and Egypt hold main positions in 6M of 2021. During the Q1 months Egypt and Tenerife were the main holiday destinations and during the Q2 Turkey, Greece and Bulgaria have returned to the available holiday destinations portfolio. Due to pandemic, in the first half of 2021 we have not operated flights to skiing destinations and long-haul destinations selection was very limited.

We reach wide customer base thanks to well-balanced distribution

Majority of our products are sold through travel agencies, with whom we have long-term business relations, built on professionalism and mutual trust.

 **18,5%**

share in 6M 2021 revenue from e-commerce

16,7% share in 6M 2020 revenue from e-commerce

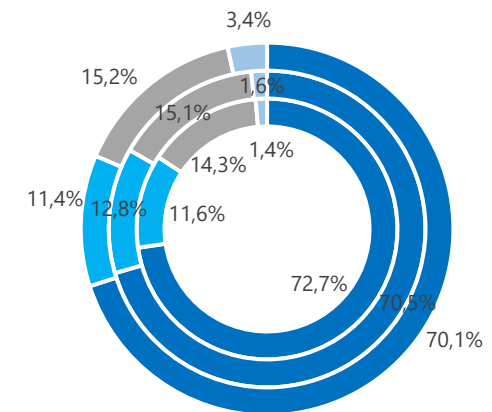
 **0.7 m**

unique visitors on our websites during 6M 2021

1.5 m unique visitors on our websites during 6M 2020

Novaturas sales by distribution channels

6M 2021 (outer circle) vs 6M 2020 (middle circle) vs. 6M 2019 (inner circle)

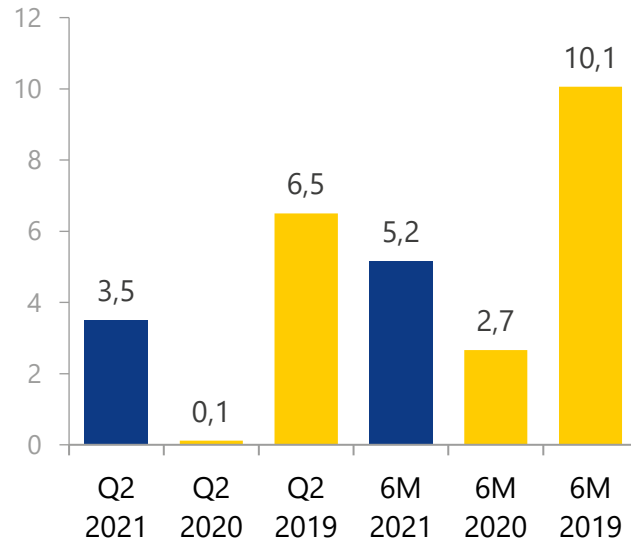


■ Travel agencies ■ Own retail ■ Web sales ■ GDS

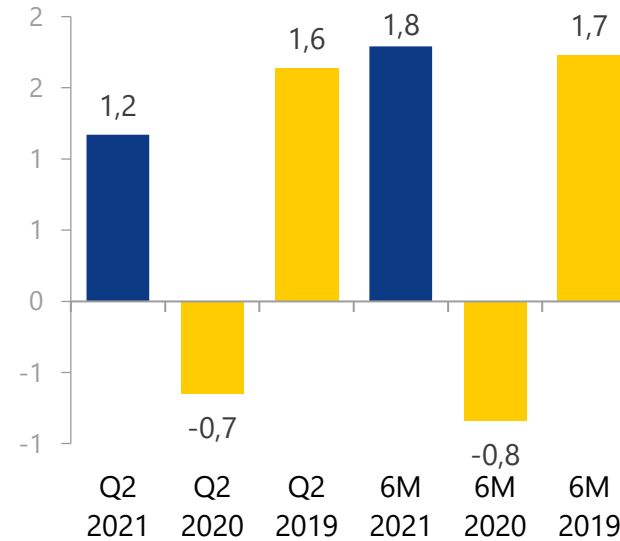
6M 2021 Increase in profitability

The first half of 2021 was marked by positive profitability ratios. In the Q1 increased EBITDA and net profit were the outcome of effective crisis management, leadership in business decisions, strict expenses control. State help, vaccination progress and recovery of the travel market were the objective factors that positively influenced the company's results.

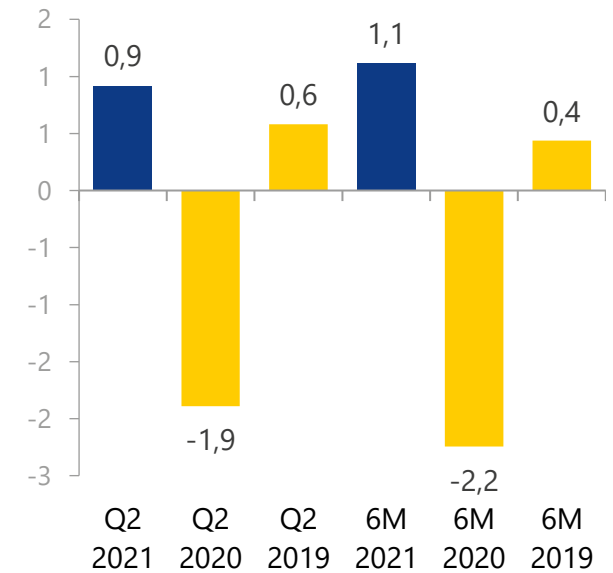
Gross profit (EUR m)



EBITDA (EUR m)



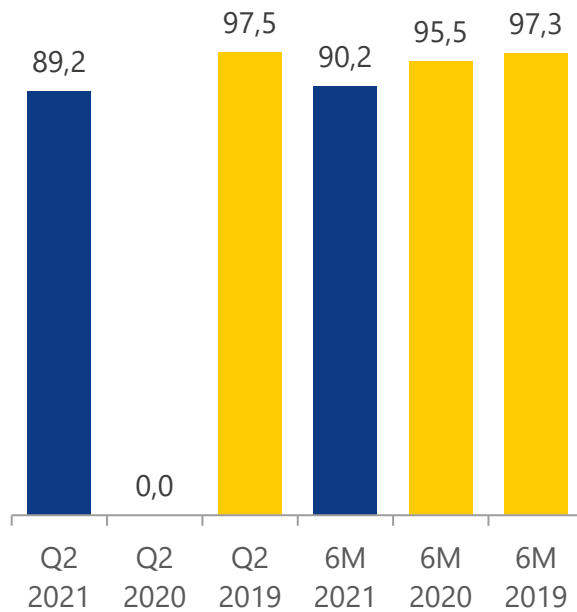
Net profit (EUR m)



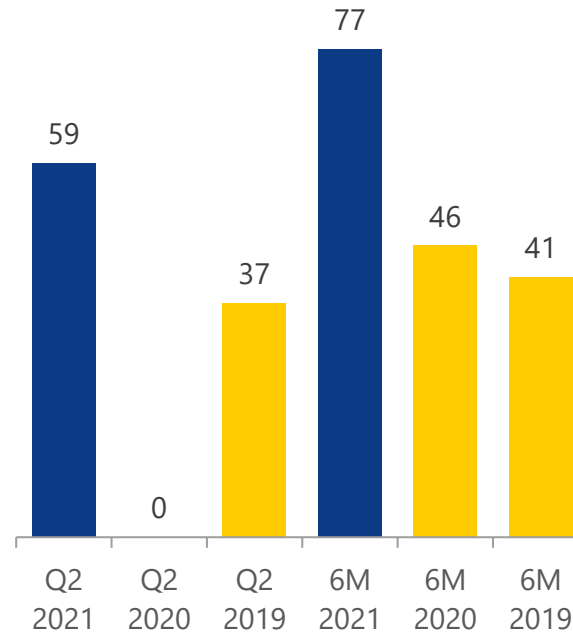
Efficiency and productivity ratios

Combination of effective business decisions made translated into favorable efficiency and productivity ratios. We took the leadership in opening holiday destinations progressively and the risk paid off in terms of grown profit per pax ratio.

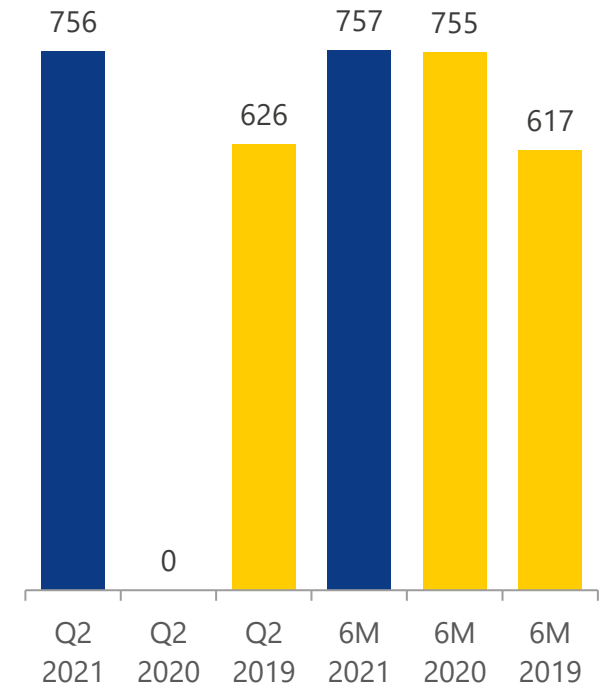
Load factor
(%)



Profit per PAX
(EUR)



Average package tour price
(EUR)



Operating expenses under control

Operating expenses totaled EUR 3.6 m and were by 1% lower than in the same period in 2020. Excluding the impact of commissions and one-off expenses, operating costs decreased by 17% from the same period a year earlier. Strict operating expenses control benefited in favor of 6M profitability ratios.

Operating expenses (EUR 000s)	Q2 2021	Q2 2020	Q2 2019	Change %, 21/20	Change %, 20/19	6M 2021	6M 2020	6M 2019	Change %, 21/20	Change %, 20/19
Sales and marketing (excl. commissions)	626	353	972	+77,3%	-63.7%	999	1,241	1,972	-19,5%	-37,1%
General and administrative (excl. one-offs)	507	443	956	+14,4%	-53.7%	879	1,113	1,951	-21,0%	-42,9%
Total operating expenses (excl. commissions and one-offs)	1,133	796	1,928	+42,3%	-58.7%	1,878	2,354	3,923	-20,2%	-40,0%
Commissions	1,338	13	2,916	-	-99.6%	1,617	1,213	4,394	+33,3%	-72,4%
One-off expenses	70	26	64	169,2%	-59.4%	91	57	144	+59,6%	-60,4%
Total operating expenses	2,541	835	4,908	+204,3%	-83.0%	3,586	3,624	8,461	-1%	-57,2%



EUR 3.6 m

6M 2021 Operating expenses
(-1% y/2020)

6M 2021 Operating expenses
(-58% y/2019)

Appendices

Main ratios

Financial ratios (EUR 000s)	Q2 2021	Q2 2020	Q2 2019	21/20 change %	20/19 change %	H1 2021	H1 2020	H1 2019	21/20 change %	20/19 change %
Revenue	23,543	126	54,454	+18 854.9	-99.8	29,114	23,476	83,260	+24.0	-71.8
Gross profit	3,547	126	6,501	+2 715.1	-98.1	5,164	2,661	10,060	+94.1	-73.5
EBITDA	1,175	(650)	1,645	-	-	1,790	(840)	1,728	-	-
Operating profit (EBIT)	1,135	(714)	1,593	-	-	1,707	(968)	1,598	-	-
Profit before tax	883	(2,067)	1,441	-	-	1,030	(2,476)	1,279	-	-
Net profit	929	(1,891)	585	-	-	1,120	(2,244)	437	-	-
Relative indicators	Q2 2021	Q2 2020	Q2 2019	21/20 change	20/19 change	H1 2021	H1 2020	H1 2019	21/20 change	20/19 change
Number of shares ¹⁾	7,807,000	7,807,000	7,807,000	-	-	7,807,000	7,807,000	7,807,000	-	-
Earnings per share (EUR) ¹⁾	0.12	-0.24	0.07	+0.36	-0.31	0.14	-0.29	0.06	+0.43	-0.35
Gross profit margin (%)	15.1	-	11.9	-	-	17.7	11.3	12.1	+6.4 pp	-0.8 pp
EBITDA margin (%)	5.0	-	3.0	-	-	6.1	-3.6	2.1	+9.7 pp	-5.7 pp
Operating profit (EBIT) margin (%)	4.8	-	2.9	-	-	5.9	-4.1	1.9	-10.0 pp	-6.0 pp
Profit before taxes margin (%)	3.8	-	2.6	-	-	3.5	-10.5	1.5	-14.0 pp	-12.0 pp
Net profit margin (%)	3.9	-	1.1	-	-	3.8	-9.6	0.5	+13.4 pp	-10.1 pp
Return on assets (ROA) (%)	1.6	-3.6	1.1	+5.2 pp	-4.7 pp	2.2	-4.2	0.8	6.3 pp	-5.0 pp
Return on equity (ROE) (%)	6.08	-11.46	3.69	+17.54 pp	-15.15 pp	7.33	-13.60	2.76	+20.93 pp	-16.36 pp
Debt to equity ratio (%)	146.6	79.6	47.4	+67.1 pp	32.2 pp	146.6	79.6	47.4	67.1 pp	-32.2 pp
Equity ratio (%)	26.4	31.3	30.8	-4.9 pp	0.5 pp	26.4	31.3	30.8	-4.9 pp	0.5 pp
Effective tax rate (%)	-5.2	-	59.4	-	-	-8.7	-	65.8	-	-
Current ratio	1.23	0.77	0.77	+0.46	-0.05	1.23	0.77	0.72	+0.5	-0.05

Consolidated statements of comprehensive income

EUR 000s	Q2 2021	Q2 2020	Q2 2019	21/20 change %	20/19 change %	H1 2021	H1 2020	H1 2019	21/20 change %	20/19 change %
Sales	23,543	126	54,454	-	-99.8	29,114	23,476	83,260	+24.0	-71.8
Cost of sales	(19,996)	-	(47,827)	-	-	(23,950)	(20,815)	(73,200)	+15.1	-71.6
Gross profit	3,547	126	6,501	-	-98.1	5,164	2,661	10,060	+94.1	-73.5
Operating (expenses)	(2,541)	(835)	(4,908)	-	-83.0	(3,586)	(3,624)	(8,461)	-1.0	-57.2
Other operating income	130	-	-	-	-	130	-	1	-	-
Other operating (expenses)	(1)	-	-	-	-	(1)	(5)	(2)	-	150.0
Profit from operations	(1,135)	(714)	1,593	-	-	1,707	(968)	1,598	-	-
Finance income	68	423	160	-83.9	-	280	532	270	-47.4	97.0
Finance (expenses)	(320)	(1,776)	(312)	-82.0	-	(957)	(2,040)	(589)	-53.1	246.3
Profit before tax	883	(2,067)	1,441	-	-	(1,030)	(2,476)	1,279	-	-
Income tax (expense)	46	176	(856)	-73.9	-	90	232	(842)	61.2	-
Net profit	929	(1,891)	585	-	-	(1,120)	(2,244)	437	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods										
Result of changes in cash flow hedge reserve	20	1,350	99	-	-	469	(1,655)	1,225	-	-
Impact of income tax	(3)	(203)	(15)	-	-	(70)	248	(184)	-	-
Total comprehensive income for the year	946	(744)	669	-	-	1,519	(3,651)	1,478	-	-
Earnings per share ¹⁾	0.12	-0.24	0.07	-	-	0.14	-0.29	0.06	-	-

Consolidated balance sheet

(EUR 000s)	30 June 2021	30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Goodwill	30,327	30,327	30,327
Other intangible assets	102	172	347
Property, plant and equipment	93	157	260
Right of use assets	219	562	-
Long term receivables	211	218	62
Deferred income tax asset	980	461	7
Total non-current assets	31,932	31,897	31,003
Current assets			
Inventories	2	3	4
Prepayments and deferred expenses	5,002	12,610	11,178
Trade accounts receivable	362	497	549
Prepaid income tax	70	70	233
Other receivables	286	647	2,632
Other current financial assets	200	-	-
Restricted cash	2,000	3,200	3,200
Cash and cash equivalents	17,937	3,719	2,585
Total current assets	25,859	20,746	20,381
Total assets	57,791	52,643	51,384

(EUR 000s)	30 June 2021	30 June 2020	30 June 2019
EQUITY AND LIABILITIES			
Equity			
Share capital	234	234	234
Cash flow hedge reserve	(22)	(1,185)	(310)
Legal reserve	29	29	29
Foreign currency translation reserve	145	145	145
Retained earnings	14,894	17,280	15,747
Equity attributable to equity holders of the parent	15,280	16,503	15,845
Liabilities			
Non-current borrowings	21,348	7,070	6,000
Deferred income tax liabilities	-	-	3,114
Other non-current liabilities	-	-	-
Lease liabilities	83	360	-
Total non-current liabilities	21,431	7,430	9,114
Current liabilities			
Current portion of non-current borrowings	1,057	500	1,500
Overdraft	-	5,561	-
Trade payables	2,956	2,278	4,998
Advances received	15,201	17,276	18,928
Income tax payable	6	976	98
Other current liabilities and accrued expenses	1,688	509	534
Lease liabilities	149	216	-
Other current financial liabilities	23	1,394	367
Total current liabilities	21,080	28,710	26,425
Total equity and liabilities	57,791	52,643	51,384

Consolidated cash flow statement

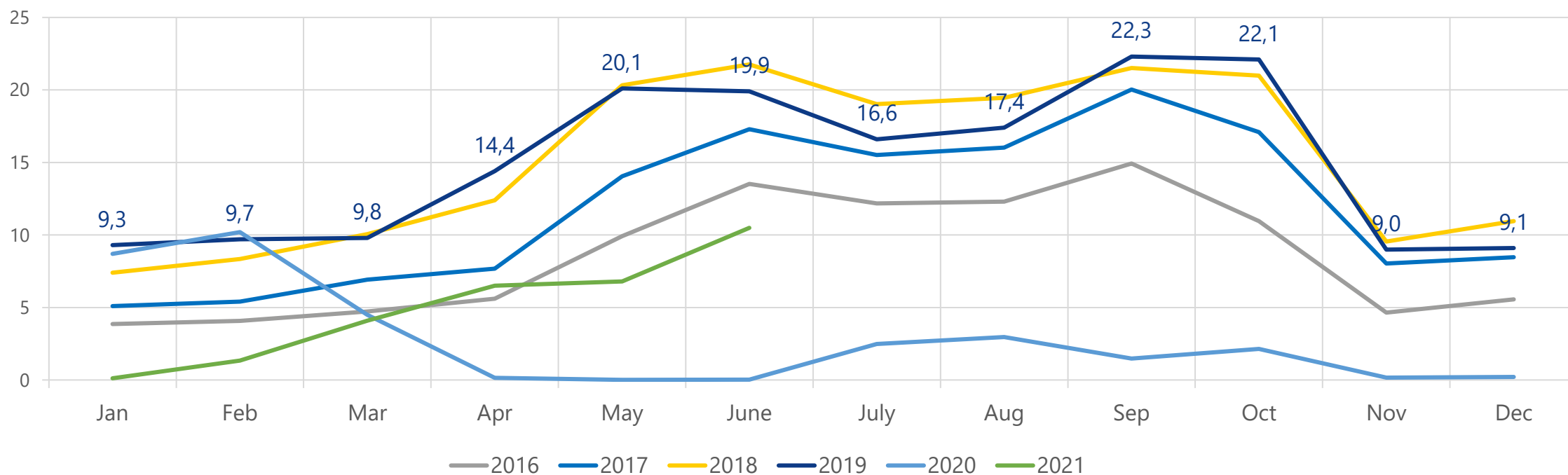
(EUR 000s)	6M 2021	6M 2020	6M 2019
Net profit	1,120	(2,244)	437
Adjustments for non-cash items	994	(888)	1,946
Changes in working capital	7,432	(3,542)	(481)
Net cash flows from / (to) operating activities	9,546	(6,674)	1,902
Net cash flows from / (to) investing activities	(43)	(1)	(56)
Loans received	10,948	9,570	8,000
(Repayment) of loans	(5,397)	(2,439)	(8,500)
Interest (paid)	(482)	(391)	(264)
Dividends (paid)	-	-	-
Net cash flows from / (to) financing activities	5,069	6,740	(764)
Net increase (decrease) in cash flows	14,572	65	1,082
Cash and cash equivalents at the beginning of the year	5,365	6,854	4,703
Cash and cash equivalents at the end of the period	19,937	6,919	5,785

Seasonality of Novaturas business with strong shoulder season

Novaturas operates in a sector which is subject to seasonality. It is characterized by higher demand for the Group's products and services during the summer season, i.e. in the second and third quarters of the year, and lower demand in the remaining periods.

In case of Novaturas the high season is very long (May to October). We also have a strong shoulder season, therefore our monthly and quarterly revenues distribution is better balanced throughout the year.

Monthly revenue (EUR m)



Top executives

Novaturas managers have been with the Company for many years. They have extensive know-how, years of experience in the tourism market and an in-depth knowledge of the Group's offering, which ensures effective implementation of the Group's strategy.



Audronė Keinytė, CEO

- With the Company for 15 years (since 2006)
- CEO since January 2019, earlier in charge of product development and purchasing on the Group level
- Has strong commercial background as well as deep knowledge of tourism products and the industry itself



Tomas Staškūnas, CFO

- With the Company for 12 years (since 2009)
- Has experience as CFO and CEO in companies specialized in consumer goods



Ieva Galvydienė, CCO

- With the Company for 15 years (since 2006)
- Responsible for sales and distribution on the Group level with special focus on Lithuania operations

The Board



Vidas Paliūnas

Member of the Board

- Co-founder of Novaturas UAB in 1999.
- 1999-2009 General Manager of the Company.
- 2009-2018 member of Novaturas' management board (functioning like a supervisory body in the period).



Ugnius Radvila

Member of the Board

- Co-founder of Novaturas UAB in 1999.
- 1999-2011 supervisor of sightseeing product department of the Company.
- Since 2011 consultant to the Company.



Janek Pohla

Member of the Board

- Founder and board member of Tahe Outdoors.
- Member of the board of the Estonian Chamber of Commerce and Industry.



Andrius Jurkonis

Independent member of the Board

- Certified financial analyst and manager of investment fund Axia Capital Fund
- He has accumulated many years of experience in management positions at Euroapotheica, VST, Swedbank.

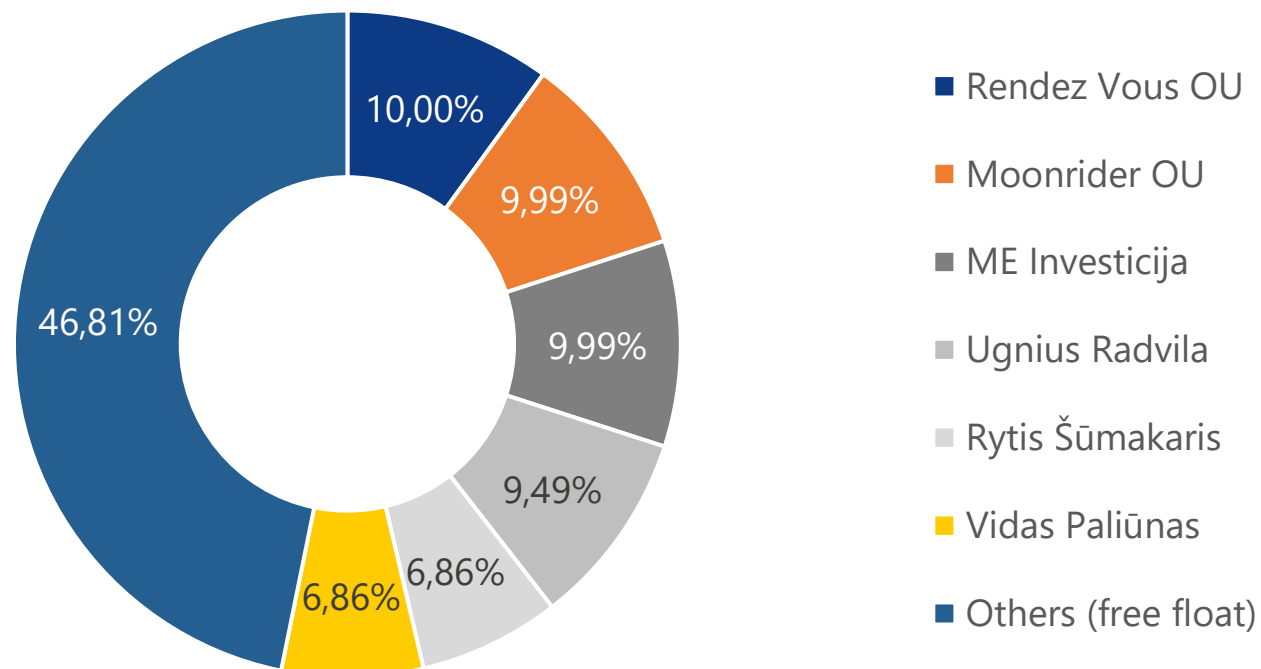


Virginijus Lepeška

Chairman of the Board
Independent member

- Chairman of the Board and Consultant of the management consulting and training company OVC Consulting.
- Has accumulated extensive experience in organizational consulting, corporate governance, strategic management.

Shareholder structure



- 1) ME Investicija is an investment company that manages one of the largest European transport services group Girteka
- 2) "Rendez Vous" OU, CEO Janek Pohla is the founder and member of the management board at „Tahe Outdoors". „Tahe Outdoors" has been a successful manufacturer and distributor of water sports equipment for more than 25 years and is one of the leaders in the field in Europe.
- 3) "Moonrider" OU related with Estonian investment company Go Group, which operates in the fields of tourism, transport, real estate and engineering.

Company information

Novaturas group PLC

Registered address:

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www.novaturasgroup.com

Registered under number 135567698 in Lithuania

Company established: 1999 12 16

Stock Listing:

Warsaw Stock Exchange

Nasdaq Vilnius Stock Exchange

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