



Presentation of 9M 2022: Strong comeback after challenging Q2

17 November 2022

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Key financials & significant events

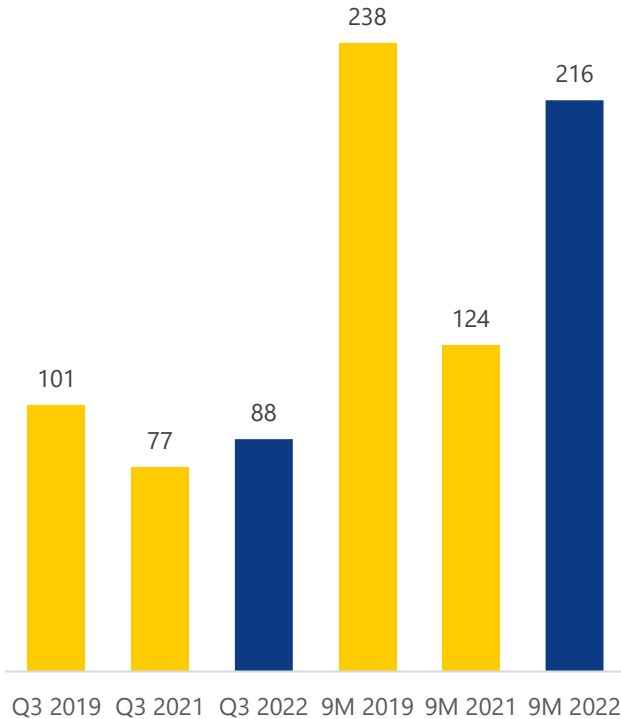
	Q3 2019	Q3 2021	Q3 2022	9M 2019	9M 2021	9M 2022
Sales, k EUR	56 311	45 615	63 660	139 571	74 729	155 307
Gross profit, k EUR	6 098	3 341	7 421	16 158	8 505	15 275
EBITDA, k EUR	1 287	190	2 107	3 015	1 980	1 357
Net profit, k EUR	904	-24	1 936	1 341	1 096	276
Gross profit margin	10.8%	7.3%	11.7%	11.6%	11.4%	9.8%
EBITDA margin	2.3%	0.4%	3.3%	2.2%	2.6%	0.9%
Net profit margin	1.8%	-0.1%	3.0%	1.7%	1.5%	0.2%
Pax, k	101	77	88	234	124	216
Load factor	97%	92%	92%	97%	92%	94%
Sales profit, EUR/PAX	31	11	41	37	35	31

- In 2022 Novaturas continues its gradual recovery. In Q3 sales has reached EUR 63.7 m and is almost 50% higher than in 2021 and exceeded 2019 results by 13%.
- The company has served more than 88 k travelers – 10k more than in 2021 and is above the guideline for Q3 (>75k travelers).
- Proactive actions of program optimization based on the customer demand, improvement of punctuality of flights in Estonia, increase of average selling price and timely reaction to jet fuel price fluctuations allowed strongly recover after challenging H1: Q3 EBITDA has reached EUR 2.1m and is more than 10x higher than in 2021 and exceeded 2019 results by 63%.
- As a result Novaturas profitability returned to positive and for 9 months of 2022 EBITDA amounted to EUR 1.4m
- In October, Novaturas launched early bookings for the 2023 summer season. Wide destination selection, lowest price guarantee (unique in the market) and exceptional extra services offering during the early booking period allowed to generate 2x more bookings at current stage than in the same period in 2021.

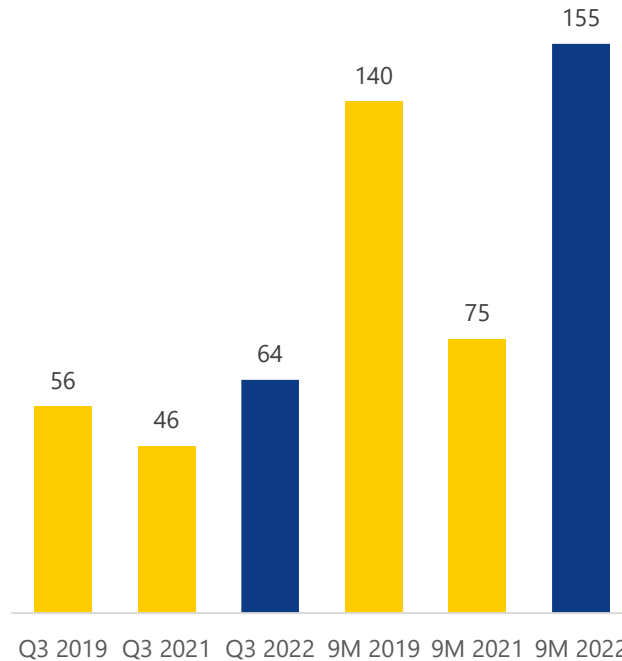
9M 2022 Revenues & seat supply

In terms of generated revenues, we have exceeded pre-pandemic 2019 results by 11.3%. The number of travelers served is lower by 9.1% if compared with the same period in 2019. The results of revenues are influenced by gradually recovered tourism sector demand and increased sales price of organized holiday package by 20% compared to Q3 of last year due to higher fuel prices and accommodation services in destinations.

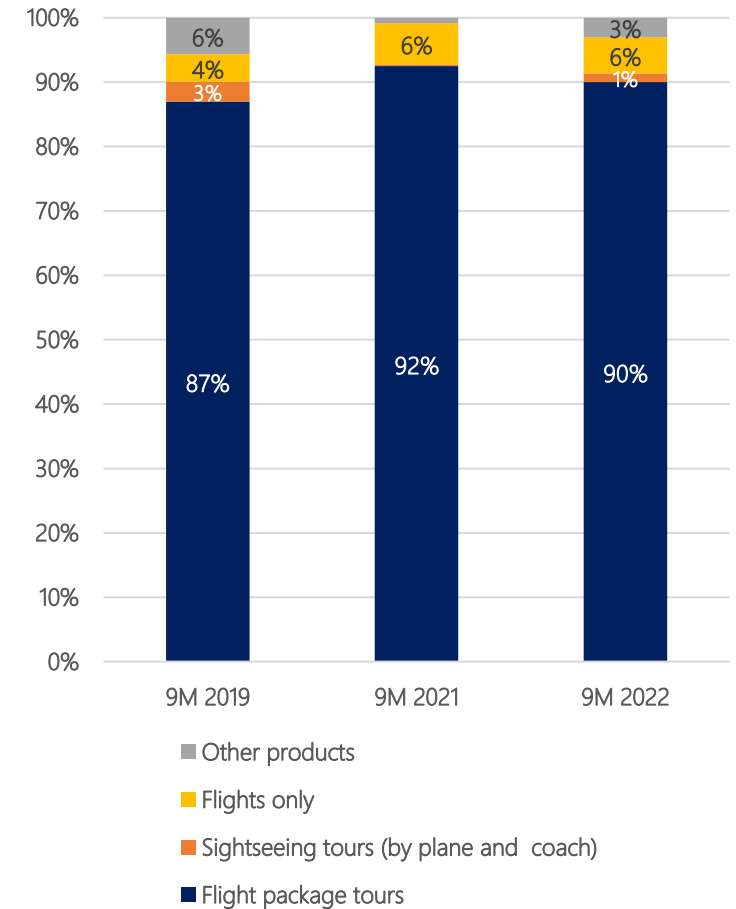
Number of PAX sold (k)



Revenue (EUR m)

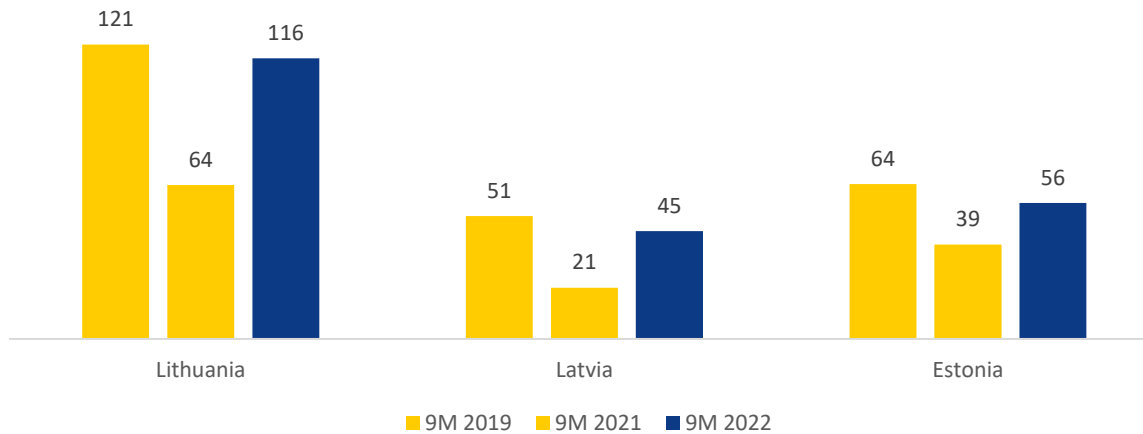
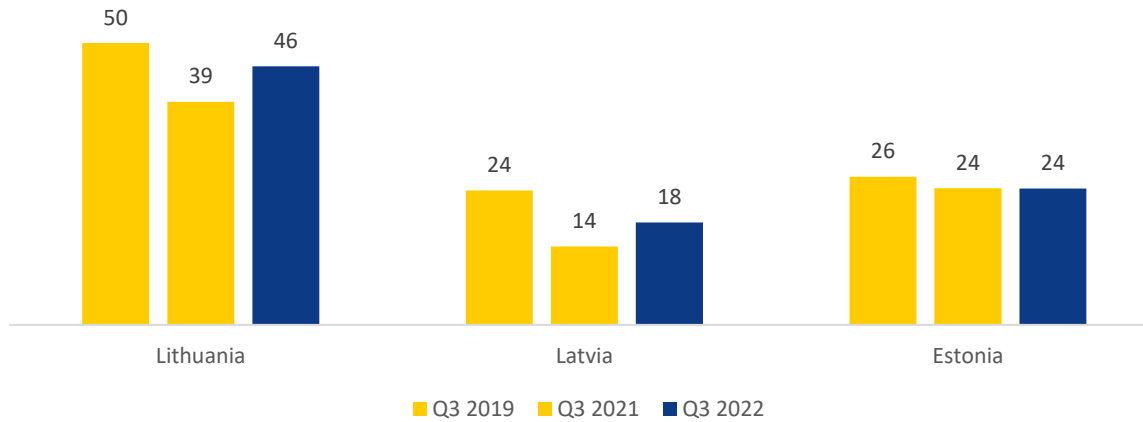


Sales by product category
(% share in revenue)



9M 2022 Number of travelers

Number of PAX sold by country (k)



In 9M of 2022, total number of travelers served by Novaturas grew by 75% y/y. Despite rapid annual growth, number of travelers served is still slightly lower if compared with the same period in 2019.

In 2022 Q3, 4 main tour operators were active in Baltic market: Novaturas, Tez tour, Coral travel and Join UP. Tour operator from Ukraine Join UP! has entered the Baltic market in April 2022 and has been gradually increasing its capacity, yet it has significant lower number of destinations and is still in market entrance mode.

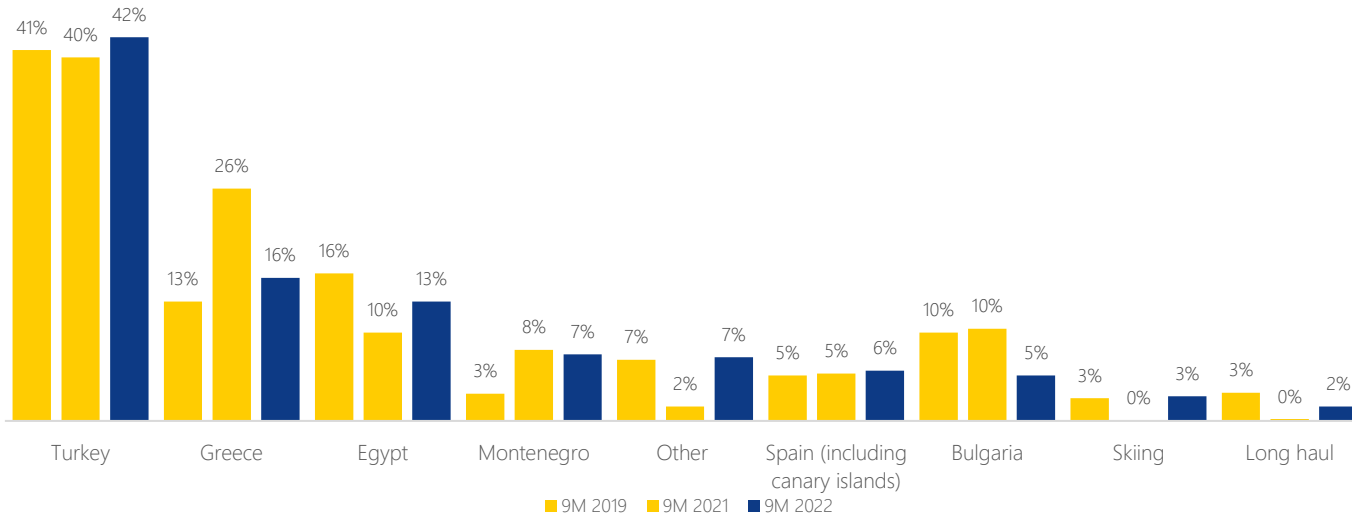


216 k

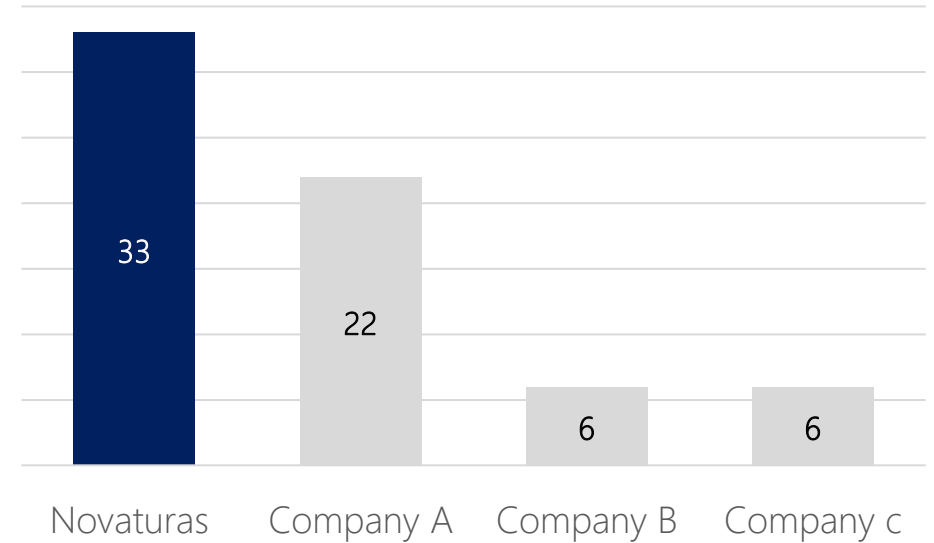
total PAX sold during 9M 2022
 (+75% vs y/2021)
 (-9.1% vs y/2019)

9M 2022 Top destinations

Sales of flight package tours by destinations
(% share in charter travel revenue)



Novaturas – tour operator with the widest destination portfolio
(number of destination countries)



Diversified product & destination portfolio allows the company to be well positioned to withstand any changes in demand for various destinations and other consumer preferences.

Turkey keeps its popularity as one of the best value for money destination.

Wide customer base thanks to well-balanced distribution

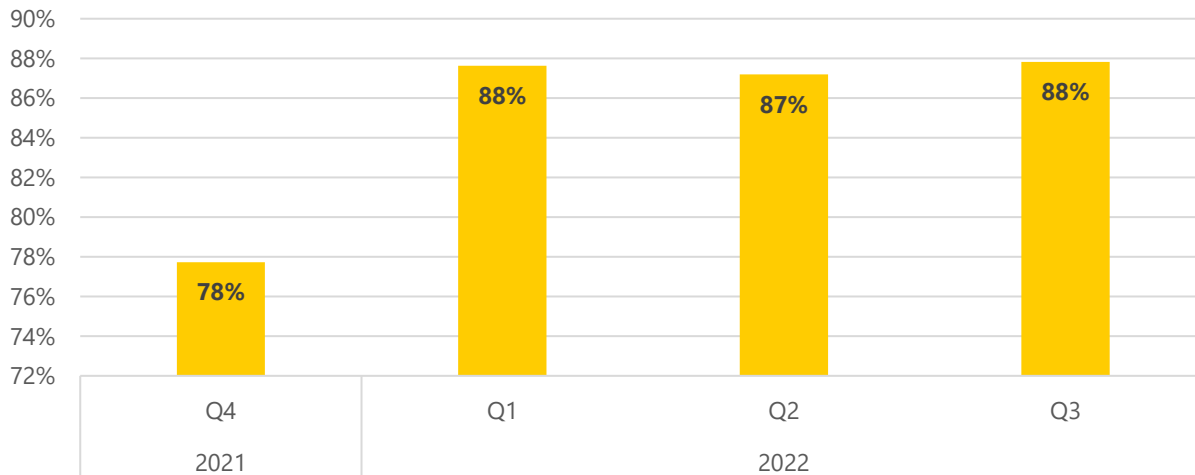
Novaturas uses various channels to sell its products on different markets, making its distribution more efficient while reaching wider customer base and using market opportunities, following consumer preferences.

The main sales channel remains travel agencies with 69% of share but at the same time we keep growing our direct sales based on especially good results in Latvia. One of the biggest travel agency in Latvia is leaving the market and their share is redistributed to other sales channels and our direct sales.

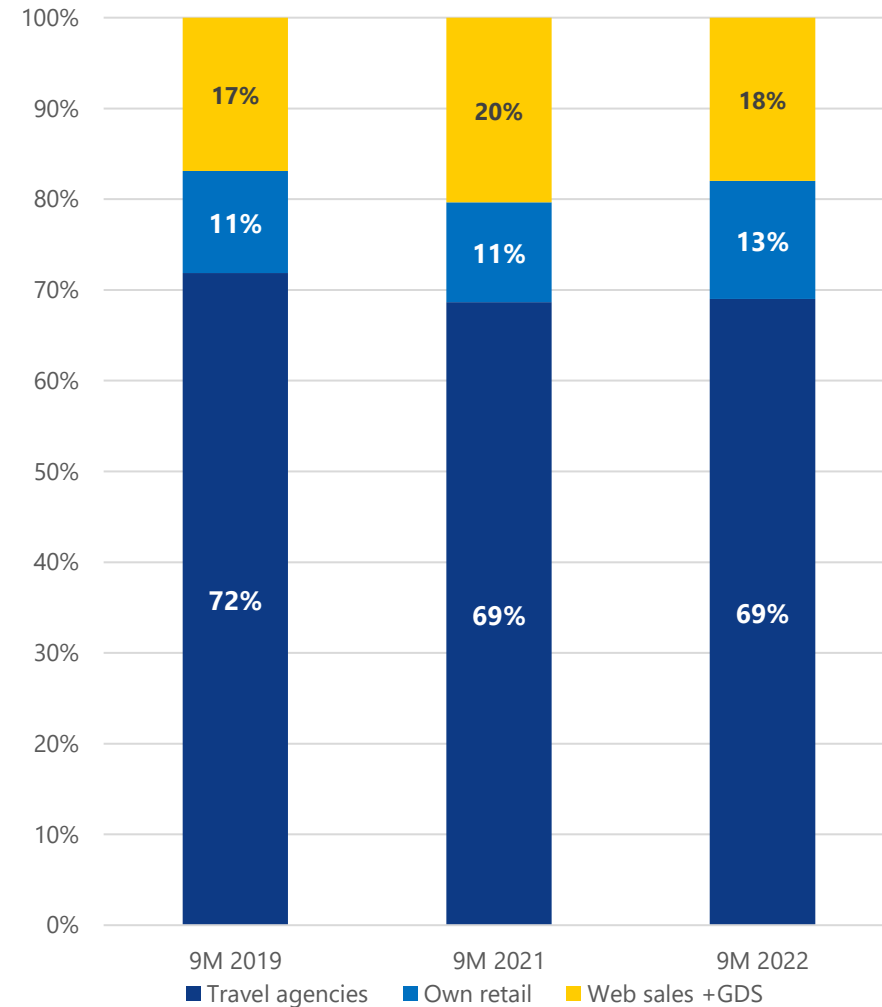
Net promoter score of own retail remains high and is close to 90%.

We are continuing to develop IT systems to improve existing ones for convenient usage for our main partners – travel agencies.

Own retail net promoter score

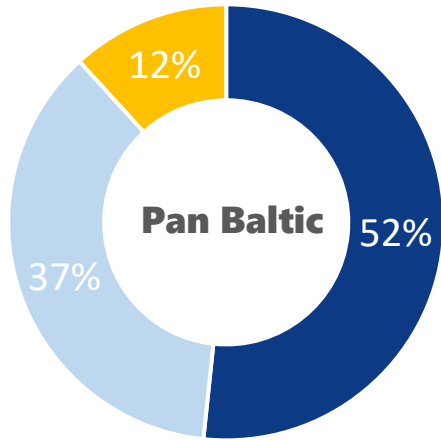


Novaturas sales by distribution channels

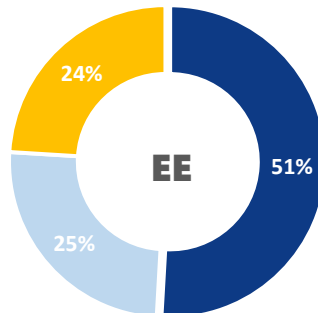
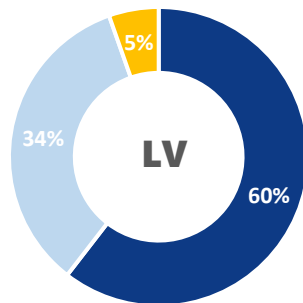
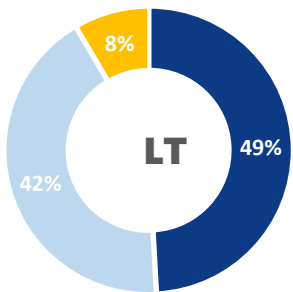


E-commerce

Web traffic share of the biggest tour operators' in the Baltics, Q3 2022



■ Novaturas ■ Company A ■ Company A



Novaturas is No 1 brand of choice based on the recent share of web traffic in all Baltic countries.

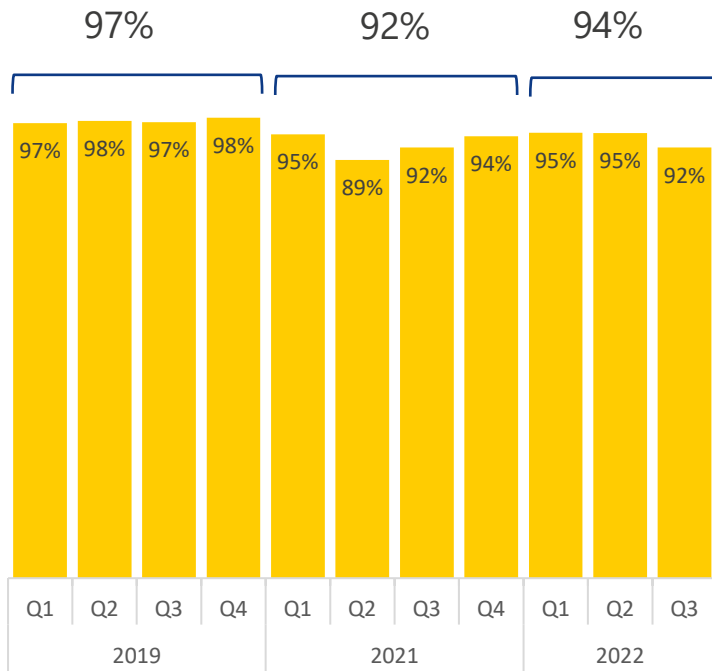
The group constantly develops its e-commerce channel and manages one of the biggest online shops in the Baltics.

During 9M of 2022, the company's websites have been visited by 3.0m unique visitors - 60% more than in 9M 2021 (1.9m unique visitors).

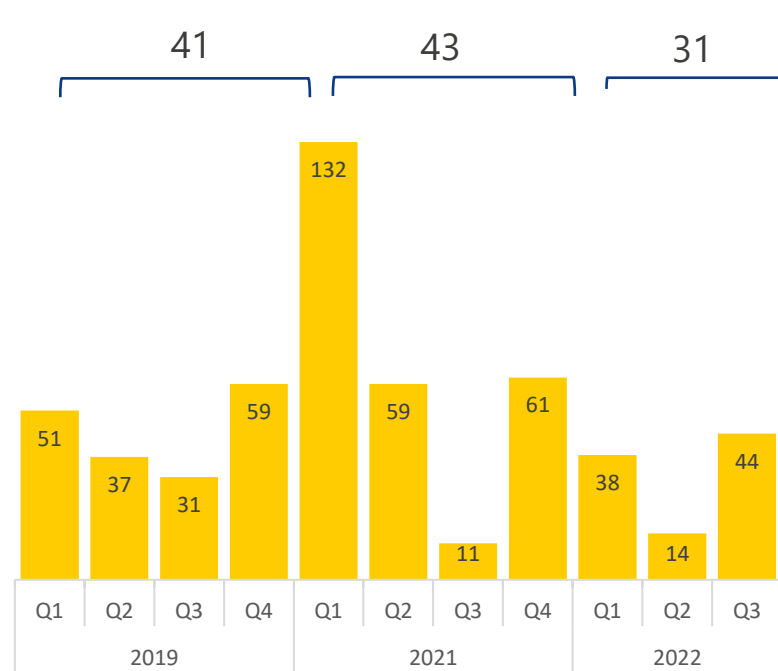
Efficiency and productivity ratios

Proactive actions of program optimization based on the customer demand and timely reaction to jet fuel price fluctuations resulted in three times higher sales profit per pax in Q3 compared to previous quarter. Global inflation, increased prices for the services and products have also influenced average package prices.

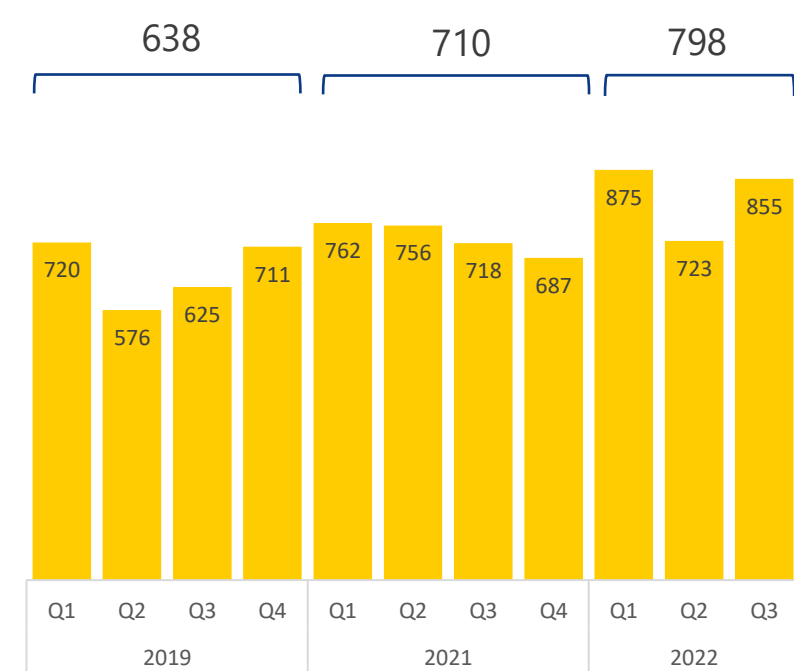
Load factor (%)



Sales profit per PAX* (EUR)



Average package tour price (EUR)



*Sales profit = gross profit less commission expenses

Operating expenses under control

Operating expenses (excl. commissions) totaled EUR 5.4m and were by 10% lower than the same period in 2019.

Despite the soaring inflation figures in all Baltic countries, operational efficiency enables Novaturas to serve higher number of clients, while maintaining or decreasing general and administrative expenses. The same is applicable to sales and marketing activities which are back on pre-pandemic 2019 levels of approx. EUR 3m.

Operating expenses (EUR 000s)	Q3 2019	Q3 2021	Q3 2022	9M 2019	9M 2 021	9M 2022
Total operating expenses	-1 938	-1 227	-1 789	-6 005	-3 196	-5 404
Sales and marketing (excl. commissions)	-1021	-751	-718	-2 993	-1750	-3 125
General and administrative	-917	-476	-1071	-3 012	-1446	-2 279
Operating expenses, %	-3.4%	-2.7%	-2.8%	-4.3%	-4.3%	-3.5%
Sales and marketing (excl. commissions)	-1.8%	-1.6%	-1.1%	-2.1%	-2.3%	-2.0%
General and administrative	-1.6%	-1.0%	-1.7%	-2.2%	-1.9%	-1.5%



EUR 5.4 m

9M 2022 Operating expenses
(-10% y/2019)

Forward looking statement for Q3, 2022



Volume

Targeting average monthly volumes exceeding 15k pax for Q4



Gross profit

Targeting significantly higher H2 gross profitability in comparison with H1



EBITDA

Targeting significantly positive EBITDA for H2 without further estimation due to high uncertainty in the market

Planned Q4 flight operation:

- The company has reviewed capacity levels for H2 considering competition with the intention to improve profitability.
- Also in LV and EE we are additionally consolidating our winter program with other tour operator.
- The 2023 summer holiday season program will be balanced, well strategically thought-out and similar in scope to the 2022 summer program.
- Accelerated digital transformation program is underway.
- Net profit expected to be positive and higher than Q4 2022

Appendices

Main ratios

Financial ratios (EUR 000s)	Q3 2022	Q3 2021	Q3 2020	22/21 change %	21/20 change %	9M 2022	9M 2021	9M 2020	22/21 change %	21/20 change %
Revenue	63,660	45,615	7,078	+39.6	+544.5	155,037	74,729	30,554	+107.8	+144.6
Gross profit	7,421	3,341	768	+122.1	+335.0	15,275	8,505	3,429	+79.6	+148.0
EBITDA	2,107	190	(741)	+1,008.9	-	1,357	1,980	(1,581)	-31.5	-
Operating profit (EBIT)	2,092	149	(802)	+1,304.0	-	1,317	1,856	(1,770)	-29.0	-
Profit before tax	1,950	81	(1,639)	+2,307.4	-	290	1,111	(4,115)	-73.9	-
Net profit	1,936	(24)	(1,450)	-	-	279	1,096	(3,694)	-74.8	-
Relative indicators	Q3 2022	Q3 2021	Q3 2020	22/21 change	21/20 change	9M 2022	9M 2021	9M 2020	22/21 change	21/20 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⁾	0.25	0.0	-0.19	+0.25	+0.19	0.04	0.14	-0.47	-0.10	+0.61
Gross profit margin (%)	11.7	7.3	10.9	+4.4pp	-3.6pp	9.8	11.4	11.2	-1.6pp	+0.2pp
EBITDA margin (%)	3.3	0.4	-10.5	+2.9pp	+10.9pp	0.9	2.6	-5.2	-1.7pp	+7.8pp
Operating profit (EBIT) margin (%)	3.3	0.3	-11.3	+3.0pp	+11.6pp	0.8	2.5	-5.8	-1.7pp	+8.3pp
Profit before taxes margin (%)	3.1	0.2	-23.2	+2.9pp	+23.4pp	0.2	1.5	-13.5	-1.3pp	+15.0pp
Net profit margin (%)	3.0	-0.1	-20.5	+3.1pp	+20.4pp	0.2	1.5	-12.1	-1.3pp	+13.6pp
Return on assets (ROA) (%)	3.5	0.0	-2.9	+3.5pp	+2.9pp	0.5	2.1	-7.0	-1.5pp	+9.1pp
Return on equity (ROE) (%)	12.6	-0.16	-9.4	+12.76pp	+9.24pp	1.8	7.2	-23.9	-5.4pp	-0.8pp
Debt to equity ratio (%)	85.9	132.5	106.0	-46.6pp	+26.5pp	85.9	132.5	106.0	-46.6pp	+26.5pp
Equity ratio (%)	27.8	27.0	30.7	+0.8pp	-3.7pp	27.8	27.0	30.7	+0.8pp	-3.6pp
Effective tax rate (%)	0.7	129.6	11.5	-128.9pp	+118.1pp	4.8	1.4	10.2	-128.9pp	+8.8pp
Current ratio	0.83	0.98	0.78	-0.15	+0.20	0.83	0.98	0.78	-0.15	+0.20

Consolidated statements of comprehensive income

EUR 000s	Q3 2022	Q3 2021	Q3 2020	22/21 change %	21/20 change %	9M 2022	9M 2021	9M 2020	22/21 change %	21/20 change %
Sales	63,660	46,300	7,078	+37.5	+544.5	155,307	75,414	30,554	+105.9	+144.6
Cost of sales	(56,239)	(42,274)	(6,310)	+33.0	+570.0	(140,032)	(66,224)	(27,125)	+111.5	+144.1
Gross profit	7,421	4,026	768	+84.3	+424.2	15,275	9,190	3,429	+66.2	+148.0
Operating (expenses)	(5,334)	(3,747)	(1,575)	+42.35	+58.0	(13,995)	(7,333)	(5,199)	+90.85	+41.05
Other operating income	6	-	5	-	-	39	-	1	+100.0	+99.85
Other operating (expenses)	(1)	(130)	-	-99.2	-	(2)	(1)	(1)	+100.0	-
Profit from operations	2 092	149	(802)	+1,304	-	1,317	1,856	(1,770)	-29.0	-
Finance income	215	123	48	+808.3	+808.3	273	89	580	+206.7	+23.4
Finance (expenses)	(357)	(191)	(885)	-43.1	-43.1	(1,300)	(834)	(2,925)	+55.9	-50.1
Profit before tax	1,950	81	(1,639)	2,307.4	-	290	1,111	(4,115)	-73.9	-
Income tax (expense)	(14)	(105)	189	-86.7	-	(14)	(15)	421	-6.7	-
Net profit	1,936	(24)	(1,450)	-	-98.3	276	1,096	(3,694)	-74.8	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods										
Result of changes in cash flow hedge reserve	-	13	467	-100.0	-97.2	3	482	(1,188)	-99.4	-
Impact of income tax	-	(2)	(69)	-100.0	-	-	(72)	179	-100.0	-
Total comprehensive income for the year	-	(13)	(1,052)	-100.0	-98.8	279	1,506	(4,703)	-81.5	-
Earnings per share ¹⁾	0.25	0.00	-0.19	-	-	0.25	0.14	-0.47	-	-

Consolidated balance sheet

(EUR 000s)	30 Sep 2022	30 Sep 2021	30 Sep 2020
ASSETS			
Non-current assets			
Goodwill	30,327	30,327	30,327
Other intangible assets	361	98	115
Property, plant and equipment	92	78	122
Right of use assets	346	219	219
Long term receivables	129	48	23
Deferred income tax asset	854	868	954
Total non-current assets	32,109	31,638	31,760
Current assets			
Inventories	-	2	2
Prepayments and deferred expenses	6,531	3,455	7,837
Trade accounts receivable	267	269	144
Prepaid income tax	-	70	70
Other receivables	922	195	184
Other current financial assets	-	-	-
Restricted cash	2,600	2,200	2,300
Cash and cash equivalents	12,795	15,597	3,065
Total current assets	23,115	21,788	13,602
Total assets	55,224	53,426	45,362

(EUR 000s)	30 Sep 2022	30 Sep 2021	30 Sep 2020
EQUITY AND LIABILITIES			
Equity			
Share capital	234	234	234
Cash flow hedge reserve	-	(11)	(421)
Legal reserve	29	29	29
Foreign currency translation reserve	145	145	145
Retained earnings	14,958	14,870	13,774
Equity attributable to equity holders of the parent	15,366	15,267	13,761
Liabilities			
Non-current borrowings	11,694	15,824	11,055
Deferred income tax liabilities	-	-	-
Other non-current liabilities	-	-	-
Lease liabilities	207	83	83
Total non-current liabilities	11,901	15,907	11,138
Current liabilities			
Current portion of non-current borrowings	1,506	1,360	3,061
Overdraft	-	-	2,737
Trade payables	7,720	6,634	1,961
Advances received	17,373	13,075	10,876
Income tax payable	9	-	7
Other current liabilities and accrued expenses	1,178	1,024	1,178
Lease liabilities	171	148	148
Other current financial liabilities	-	11	495
Total current liabilities	27,957	22,252	20,463
Total equity and liabilities	55,224	53,426	45,362

Consolidated cash flow statement

(EUR 000s)	9M 2022	9M 2021	9M 2020
Net profit	276	1,096	(3,694)
Adjustments for non-cash items	601	1,363	(227)
Changes in working capital	12,065	10,534	(4,113)
Net cash flows from / (to) operating activities	12,942	12,993	(8,034)
Net cash flows from / (to) investing activities	(292)	(63)	(14)
Loans received	-	15,082	14,997
(Repayment) of loans	(2,605)	(11,707)	(4,450)
Interest (paid)	(569)	(829)	(594)
Dividends (paid)	-	-	-
Net cash flows from / (to) financing activities	(3,174)	2,546	9,953
Net increase (decrease) in cash flows	9,476	15,476	1,905
Cash and cash equivalents at the beginning of the year	5,919	5,365	6,854
Cash and cash equivalents at the end of the period	15,395	20,841	8,759

Novaturas – No. 1 tour operator in the Baltics

20+ years
experience in
tourism

30+ destinations
worldwide

100+ roundtrips
in Europe

200 employees
in Lithuania,
Latvia and
Estonia

216k PAX
in H1 2022

EUR 153m
turnover
in 9M 2022



Top executives

Novaturas TOP executives are the team of experienced professionals. They have extensive know-how, years of experience in their field of expertise and an in-depth knowledge of the Group's offering, which ensures effective implementation of our strategy.



Vitalij Rakovski, CEO

- Joined the Company in 2022.
- He has accumulated almost 15 years of experience in business development, M&A, investment management and as a C level executive in advisory, utility and retail sectors.



Ieva Galvydienė, CCO

- Joined the Company in 2006.
- Responsible for pricing and capacity management on the Group level with more than 15 years of experience.



Arūnas Žilys, CFO

- Joined the Company in 2022.
- Has accumulated many years of experience in attracting investment and financial management, developing strategic projects and organizations.



Albert Zinevič, CSO

- Joined the Company in 2021
- Has accumulated more than 10 years of experience in sales and marketing in hospitality industry.

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.



Rytis Šumakaris

Member of the Board

- Co-founder of Novaturas UAB in 2001.
- During the 18 years within the company Rytis has contributed significantly to building "Novaturas" business, expansion in the Baltics, securing leading positions in all three markets



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 Euroapothea, VST, Swedbank.

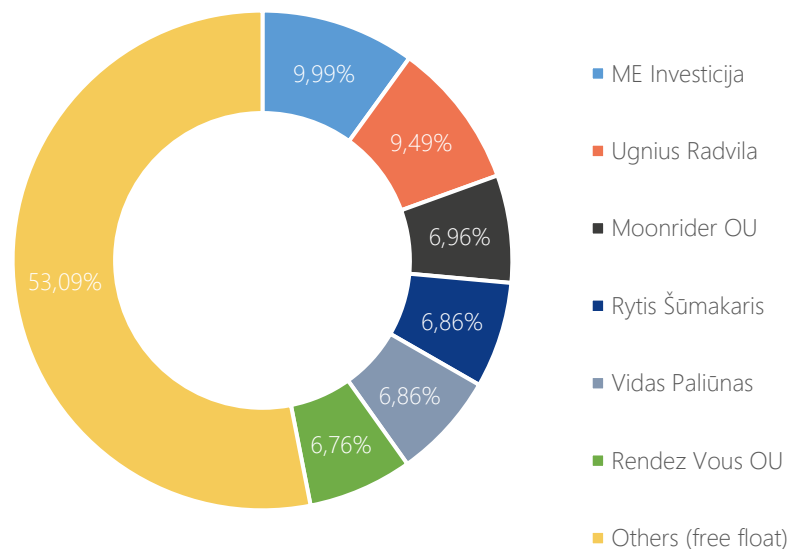


Virginijus Lepeška

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 Girtaka.

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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