

Presentation of **Q3 and 9M 2024**

November 11, 2024

Disclaimer



This presentation has been prepared by the management of AB Novaturas, with its registered office at A. Mickevičiaus g. 27, LT-44245, Kaunas, Lithuania (the “Company” or “Novaturas”).

This presentation does not constitute or form any part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Novaturas, nor shall it or any part thereof or the fact of its distribution form the basis of, or be relied on in connection with, any contract, therefore.

The information and opinions contained herein are provided as at the date of this presentation and are subject to change without notice. Neither the Company nor its affiliates or advisers, representatives are under an obligation to correct, update or keep current the information contained in this presentation or to publicly announce the result of any revision to the information and opinions made herein. Furthermore, neither the delivery of this presentation nor any further discussions of the Company and/or its group with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.

Neither this presentation nor any copy of it nor the information contained in it may be taken or transmitted into the United States, the United Kingdom, Canada, Australia or Japan or distributed, directly or indirectly, in the United States, the United Kingdom, Canada, Australia or Japan or to any resident thereof.

Forward looking statement **disclaimer**



This presentation contains forward looking statements. These statements are based both on assumptions and estimates. Although the Company believes that these future-related statements are realistic, however these also assumes degree of uncertainties, which are inherent to the events of future. Therefore the Company can not and does not guarantee them and hereby also states that actual results could differ from the expected. The Company does not intend or assume any obligation to update any forward looking statement to reflect events or circumstances after the date of these materials.

Executive summary



Income less by 6,6% compared to 9M 2023



EBITDA at - 4.1 mEUR – less by 159% compared to 9M 2023 (6.9 mEUR)



Number of flights delayed over 3 hours down from 8 to 1 compared to the Q4 last year – below 1 % from total flights



Steady growth of customer NPS at 51% compared to 37% Q1 2023, but decreased compared to the same period last year (55% last quarter)



Passenger served 191k - less by 9% compared to 9M 2023



New CFO introduced

Key financials



Quarterly Sales

- 3,6% decrease in revenue compared to the third quarter last year
- 8% decrease in passenger numbers (7k less) compared to Q3 2023

Quarterly EBITDA performance

- EBITDA - 2.6 mEUR 299% less compared to 1.3 mEUR third quarter of the last year.

Gross Profit and Margins

- Gross profit decreased to 3.5 mEUR (Q3 2023 – 7.45 mEur)
- Gross profit margin at 5,7% (Q3 2023 – 11,7%)

Load Factors

- Steady high level load factor of 95%
- High load factor due to flight optimization

Sales Profit Per Passenger

- Maintained profitability per customer despite Q3 challenges however not enough to cover operation expenses

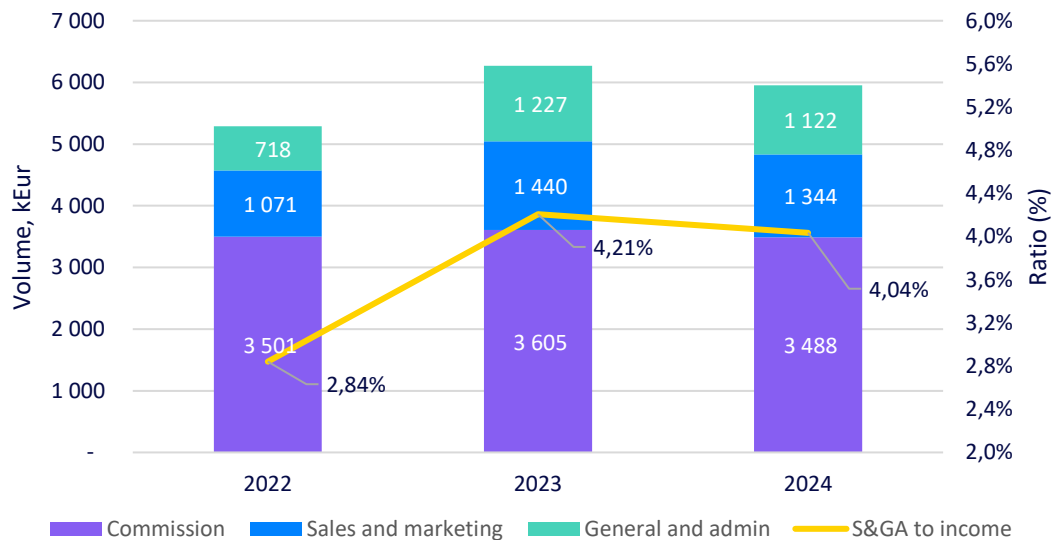
	Q3 2022	Q3 2023	Q3 2024	9M 2022	9M 2023	9M 2024
Sales, k Eur	62 960	63 386	61 104	151 745	163 281	152 425
Gross profit, kEur	7 260	7 447	3 498	14 834	22 681	12 006
EBITDA *, kEUR	1 117	1 285	(2 557)	43	6 952	(4 122)
EBITDA* w/o one offs	1 117	1 285	(2 557)	43	6 952	(4 122)
Net profit, kEUR	1 819	1 513	(2 879)	(218)	5 505	(5 155)
Gross profit margin (%)	11,5	11,7	5,7	9,8	13,9	7,9
EBITDA margin (%)	1,8	2,0	(4,2)	0,0	4,3	(2,7)
Net profit margin (%)	2,9	2,4	(4,7)	(0,1)	3,4	(3,4)
Pax (k)	88	86	79	216	210	192
Load factor (%)	93	96	95	94	95	95
Sales profit**/Pax, (Eur)	43	45	0	29	64	17

* EBITDA = profit before tax + amortisation / depreciation + interest expenses - interest income

**Sales profit = gross profit - commission expenses

Expenses

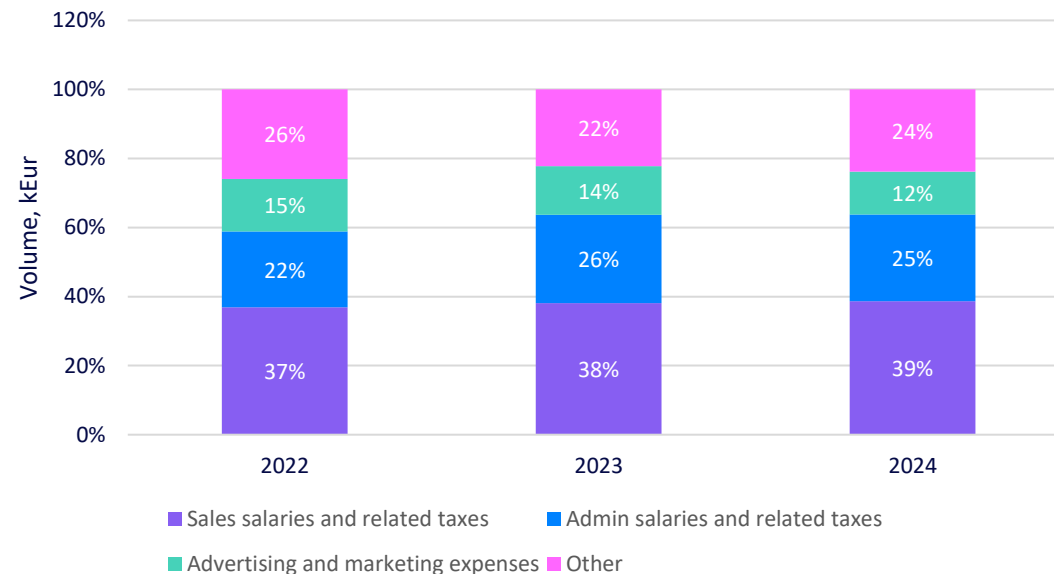
Q3 S&GA expenses (kEUR) | S&GA to income %



Q3 Expense Overview

- S&GA to income % decreased together with lower sales compared to last year, however S&GA structure remains similar.
- Sales, general and administration expenses (excluding commissions) decreased by 7.5% compared to the same quarter last year.

9M: S&GA expense (excl. commission) structure



Marketing Dynamics

- Slight decrease in advertising and marketing expenses occurred to adapt lower sales, however enhanced focus on own channels and market diversity requires steady advertising and marketing expenses.

Markets

Eur'000	9M 2024					
	Consolidated	Intra elim.	AIP	LT	LV	EE
Sales	152 425	(7 212)	24	89 143	33 866	36 604
Cost of sales	(140 419)	4 501	-	(79 596)	(31 014)	(34 310)
Gross profit	12 006	(2 711)	24	9 547	2 852	2 294
Sales and marketing expenses	(12 885)	1 559	(4)	(6 887)	(3 728)	(3 825)
General and admin expenses	(3 340)	1 152	(10)	(2 835)	(736)	(911)
Other operating income	71	-	-	(67)	31	107
Other operating expenses	122	-	-	104	8	10
Profit from operations	(4 026)	-	10	(138)	(1 573)	(2 325)
Finance income	1 005	(470)	-	558	79	838
Finance (expenses)	(2 148)	470	-	(2 063)	(178)	(377)
Profit before tax	(5 169)	-	10	(1 643)	(1 672)	(1 864)
Income tax	14	-	-	14	(1)	-
Net profit	(5 155)	1	10	(1 629)	(1 673)	(1 864)

Income distribution

- Income for 9M 2024 distributes as follows: 56% LT, 21% LV and 23% EE

Gross profits

- Gross profits resulting 9M 2024 as positive: LT - 7.7%, LV - 8.4% and EE - 6.3%

Operating profits

- Operating profit rate resulted for 9M 2024 as negative: LT - 0.2%, LV - 4.6%, EE - 6.4%

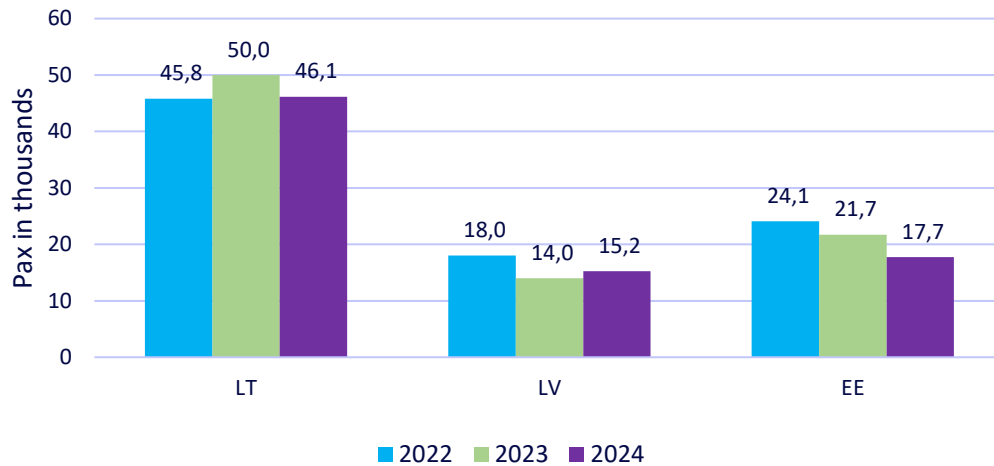
Pax served



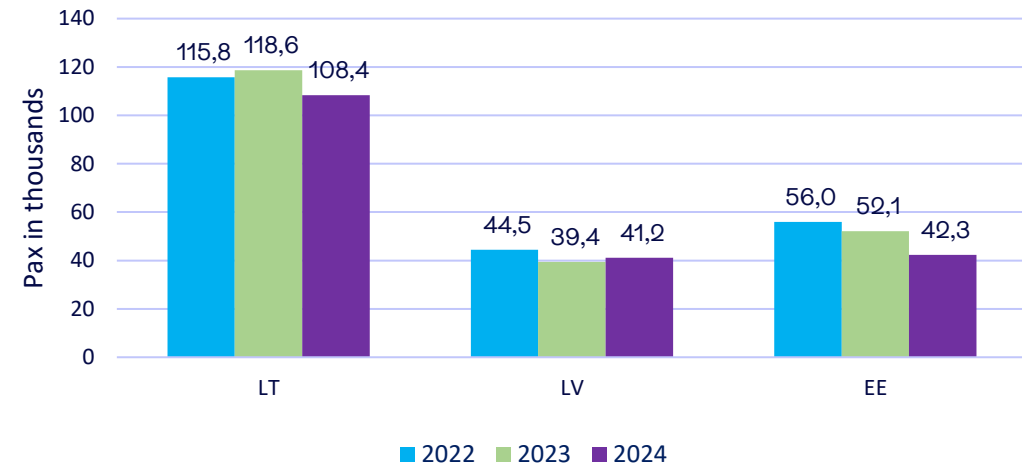
Passenger Trends

- Q3 2024 – decline in Lithuania (46.1k) and Estonia (17.7k), while slight increase in Latvia (15.2k)
- 9M 2024 – decline in Lithuania (108.4k) and Estonia (42.3), while slight increase in Latvia (41.2k)
- Total served 191.8k in 9M 2024 – 9% less compared to 9m 2023 (210.1k).

Pax by countries Q3



Pax by countries 9M



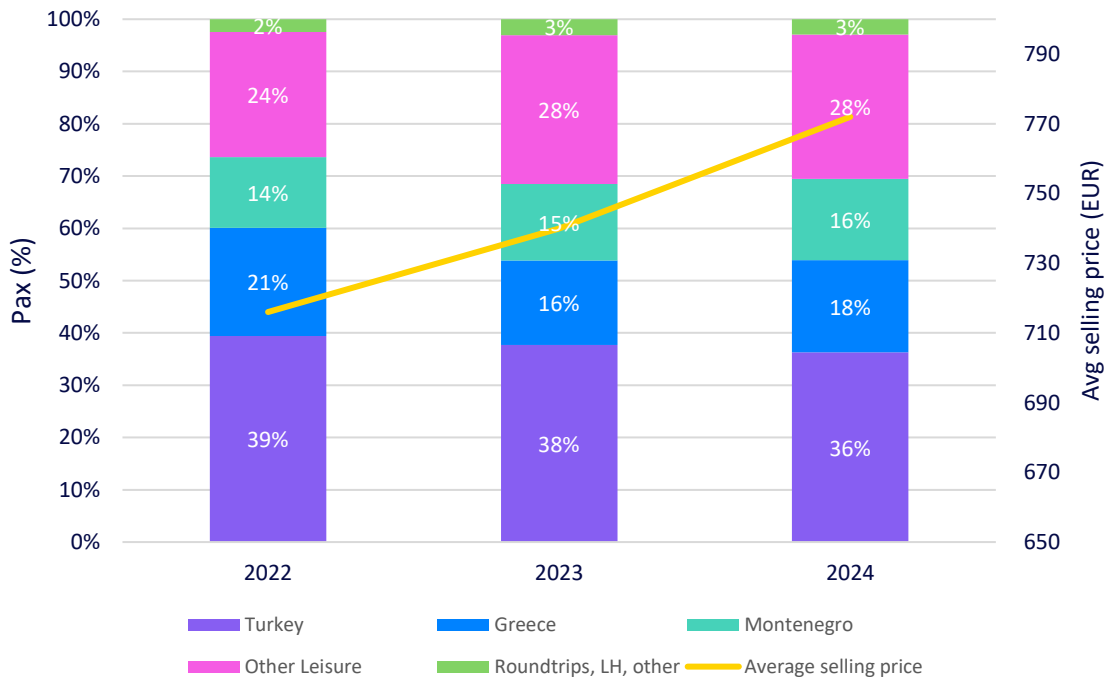
Pax served



Growth in Emerging Markets

- Passenger share for other destinations excluding top 3 the most demanded for summer (Turkey, Greece, Montenegro) including long hauls increased from 26% in Q3 2022 to 31% in Q3 2024.

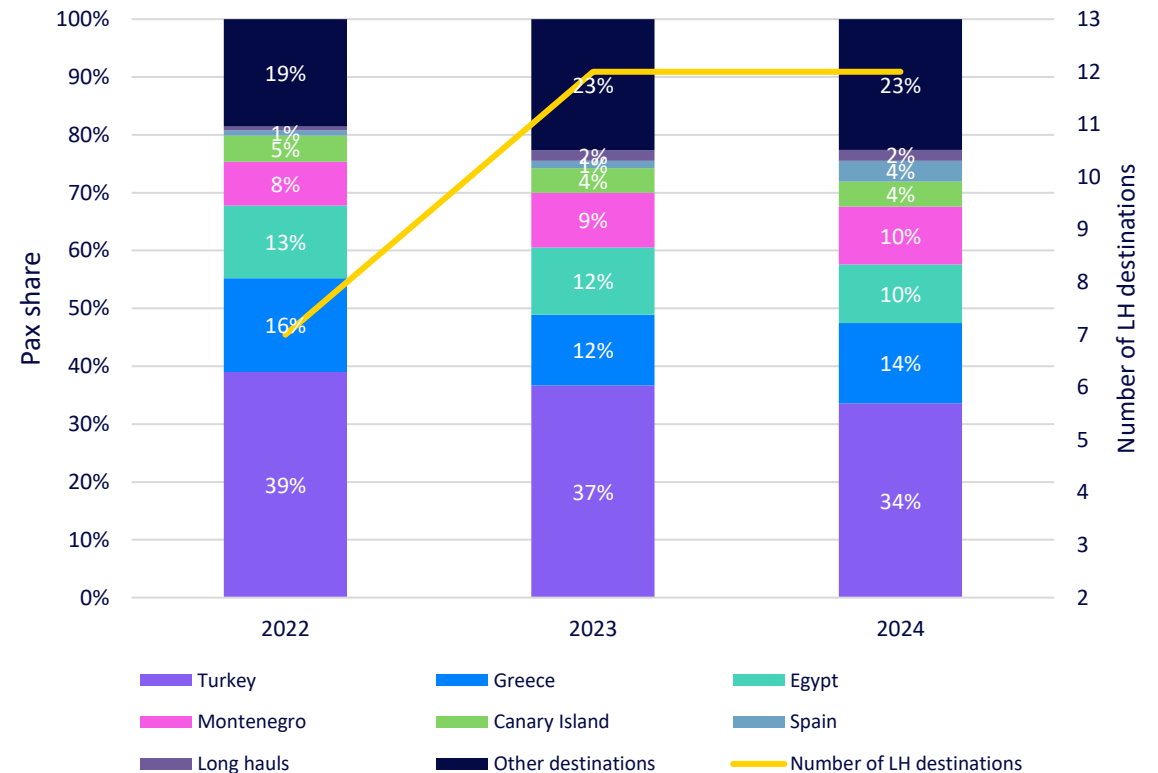
Q3 Pax by destination & average selling price



Market Dynamics

- Reduced dependency on Turkey from 39% in 2022 to 34% in 2024 as well as on Greece from 16% in 2022 to 14% in 2024.
- Number of long hauls destinations remains steady – 12 in

Destinations 9M - continued diversification





Customer

perspective

NPS Growth

- Increase from 37% in 2023 Q1 to 51% in 2024 Q3, however slight decrease compared to Q1 and Q2 of 2024.

Market NPS

- Q3 2024: Lithuania - 50%, Latvia - 62%, Estonia - 47%
- Estonia's Q1 2023 to Q3 2024 growth: 11% to 47%

Top Rated Destinations

- Q3 2024: Burgas, Antalya, Crete (West and East), Montenegro.
- 9M 2024: Crete (West and East), Sharm-El-Sheikh, Antalya, Burgas, Alanya, Tenerife.

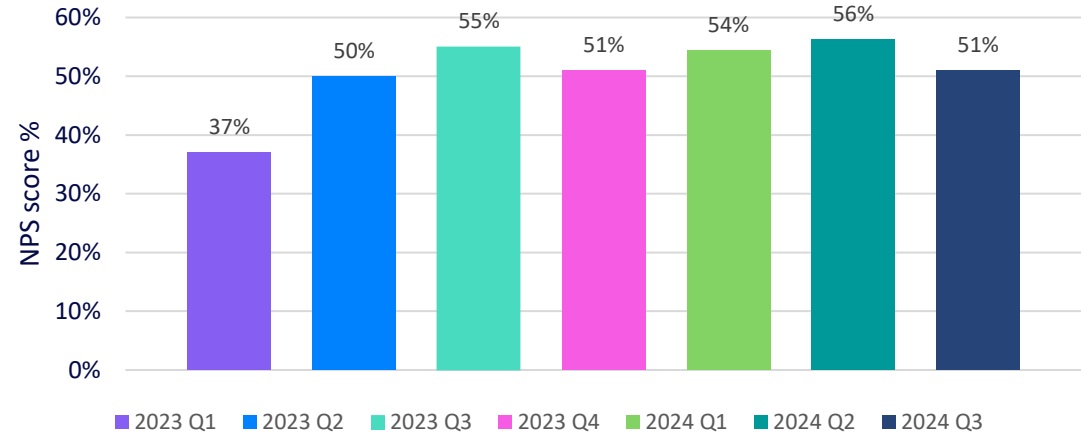
On-Time Flight Performance

- Q3 2024 OTP remains at 77%, the same as in Q4 2023, higher than Q1 and Q2 2024.

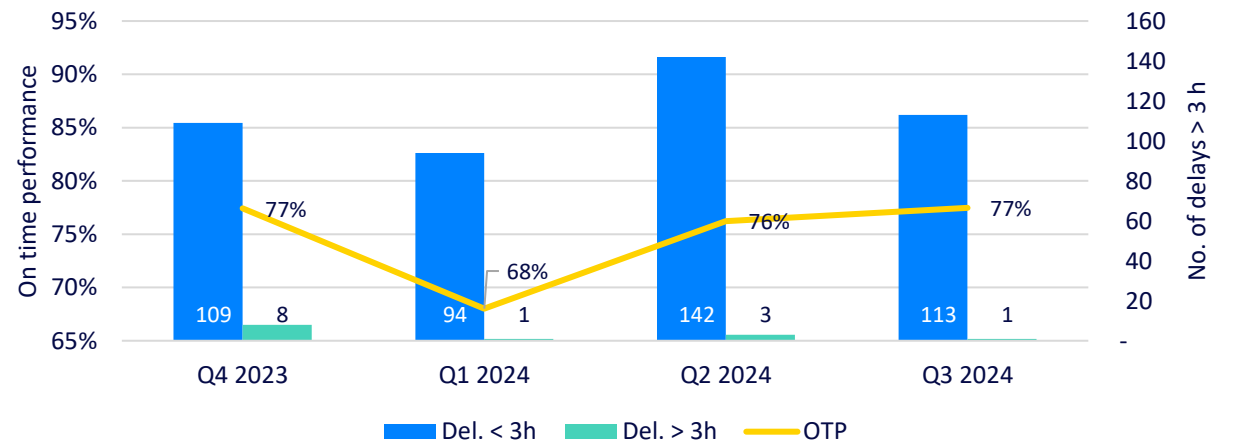
Flight Delays Reduction

- Delays over 3 hours have been reduced from 8 to 1 compared to Q4 2023.

Novaturas net promoter score Q3 2024



Flight accuracy Q3 2024



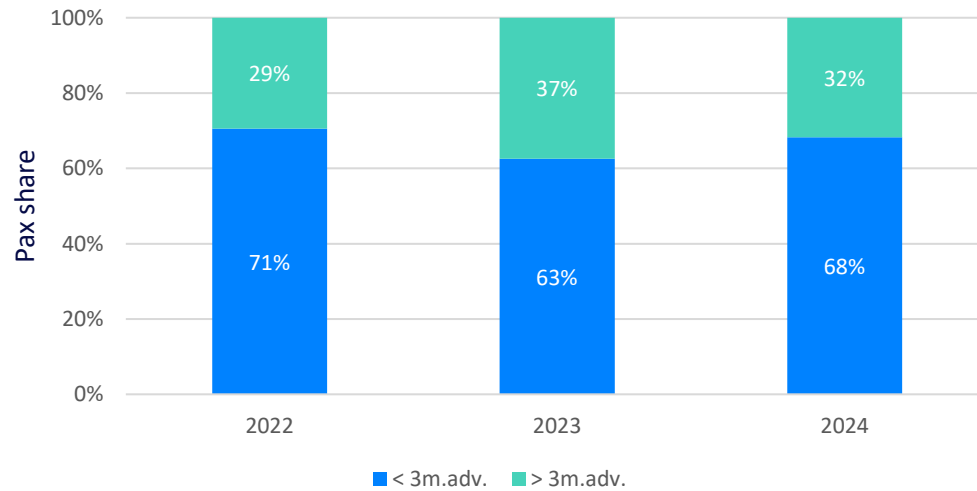


Customer perspective

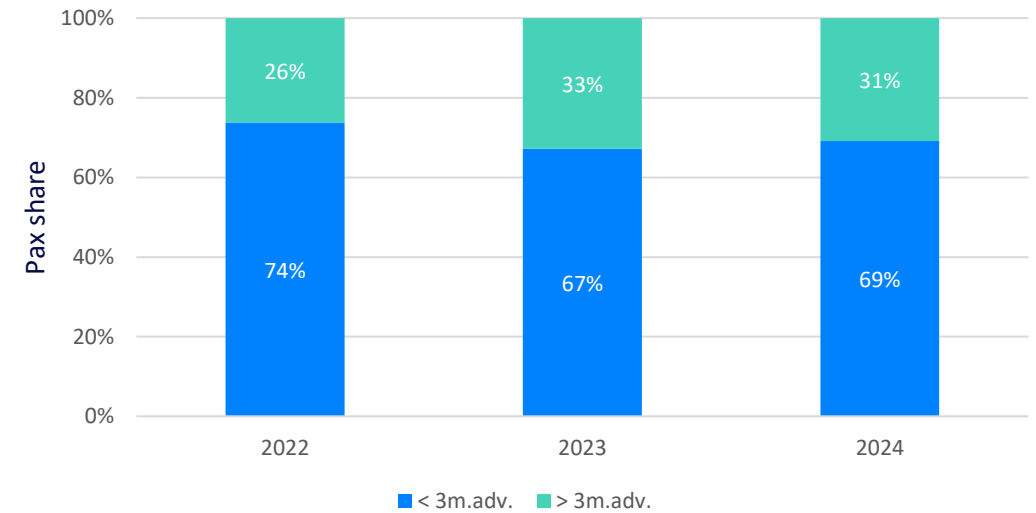
Sales Timing

- Less travels booked earlier than 3 months were executed during Q3 2024 compared to Q3 2023.
- Compared 2024 9M with 2023 9M, earlier travel planning and purchases were noticed less commonly by 2%.

Q3: travel purchase habits



9M: travel purchase habits



Distribution

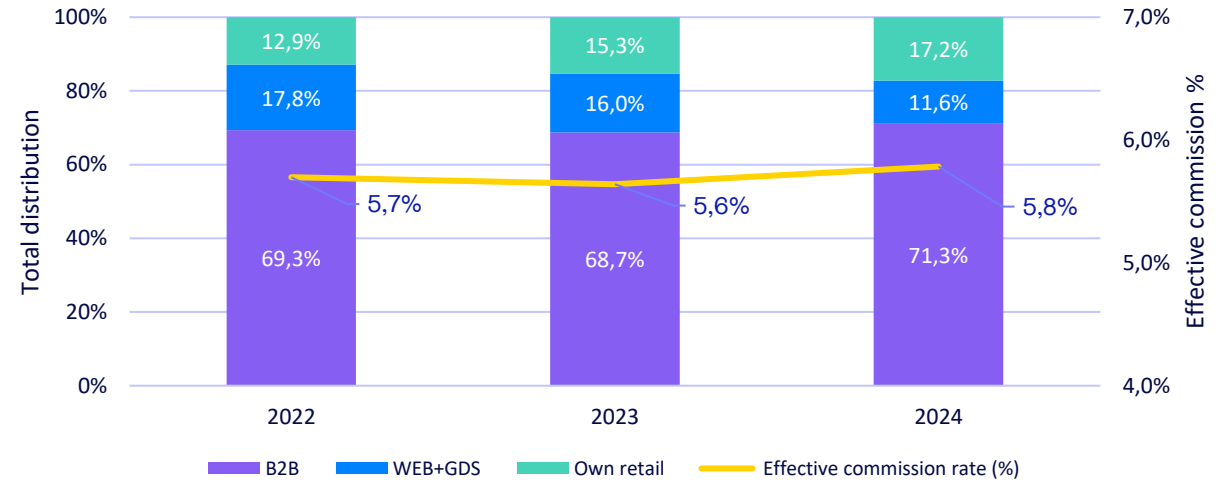
Channel Performance

- B2B - Partner (Travel Agencies) - revenue share increased up to 71.3% in 2024 compared to 69.3% in 2022 therefore effective commission rate increased as well.
- Web+GDS is still under the challenges caused by new web, however increase (by 1.2%) in the share during Q3 2024 noticed.
- Own retail channel revenue share increased up to 17.2% in 2024 compared to 12.9% in 2022.

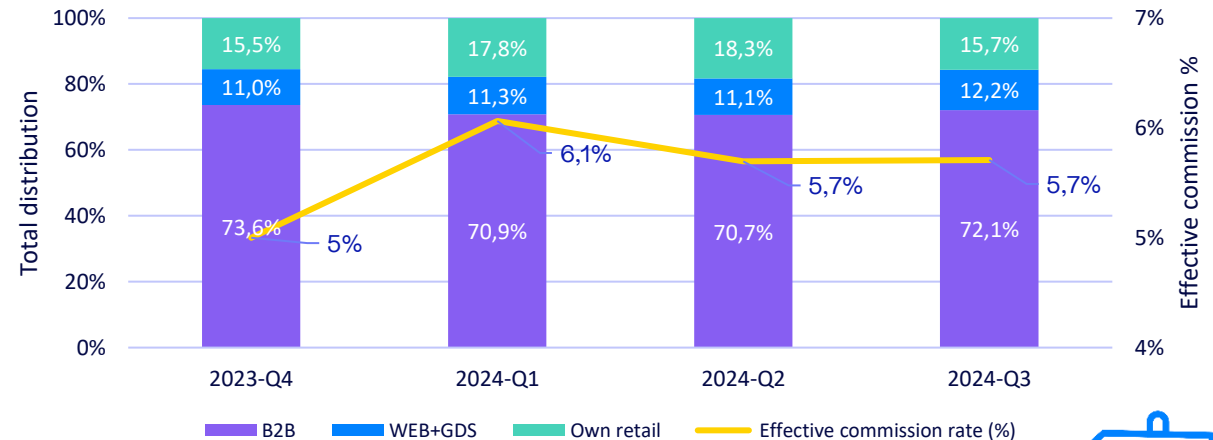
Sales Recovery Challenges

- B2B channel sales increased by 1.4% during Q3 2024, while effective commission rate remained at the same level.
- Web+GDS channel sales increased by 1.1% compared to Q3 2024 and 1.2% compared to Q4 2024.
- Own retail channel sales decreased by 2.6% during Q3 2024

9M: distribution channels and eff. commission rate



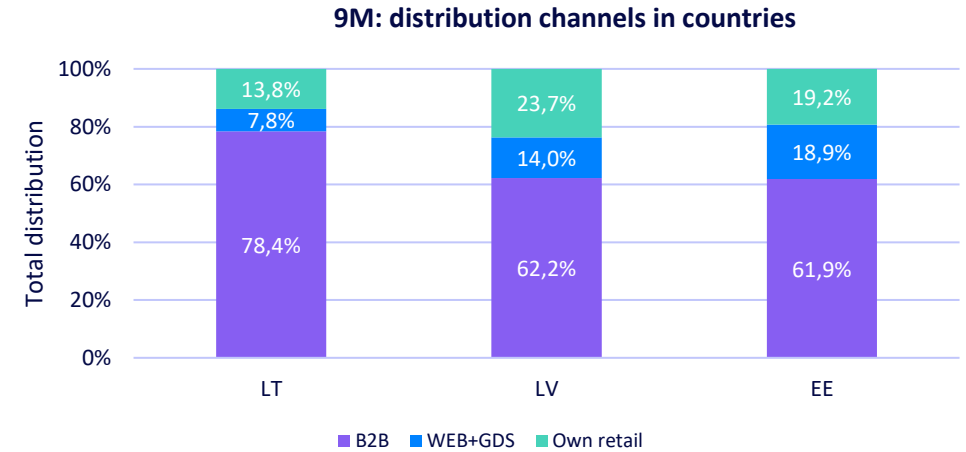
Q3: distribution channels and eff. commission rate



Distribution

Distribution Channels in Countries

- Revenue from partners (travel agencies) constitutes the largest share, with LT having the highest percentage at 78.4%, compared to EE at 61.9% and LV at 62.2%

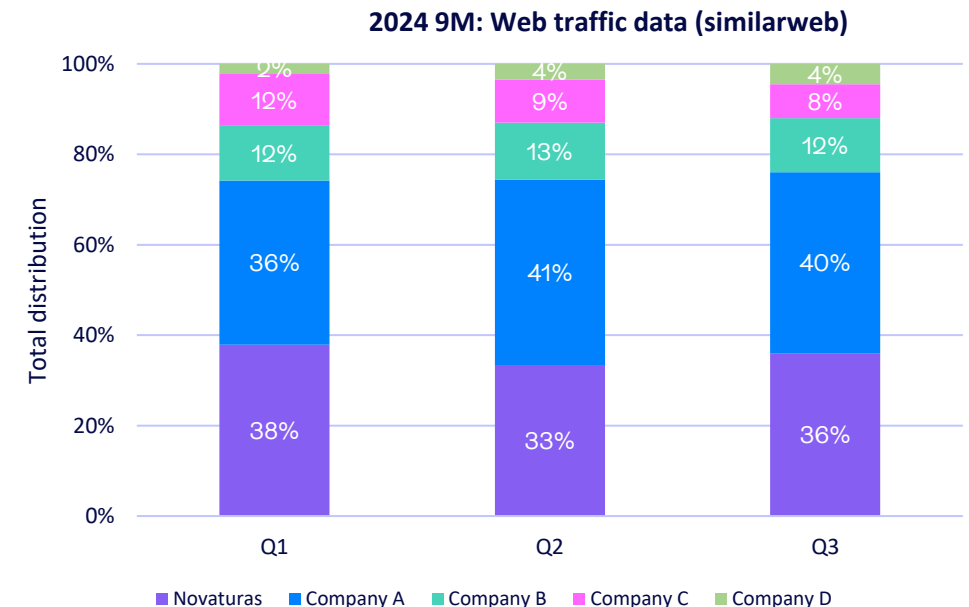


Web Traffic Leadership

- Novaturas lost the strongest position in web traffic during Q2 2024, however managed to regain 3% of total web traffic share in Q3 and strongly stands as one of the leaders with 36% of total web traffic share.

Q3 Developments:

- Performance stability and reliability
- UX improvements
- Performance Analysis



Forward looking statement



220 – 230 k passengers in 2024



180 – 200 mEUR revenue



Expected 2024 EBITDA –4.1 mEUR

Net Profit –5.1 mEUR

Tactical objectives

1. Major WEB Search update
2. AI hotel WEB description
3. AI hotel Pros & Cons feature
4. Hybrid packaging introduction
5. Smart S25 planning
6. Streamline operations
7. Strengthening financial capacity



Q&A



Appendices



Quarterly

effects of IFRS 15 accounting (I)

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

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

Impact

of change in accounting policies (II)

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

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

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

Main ratios



Financial ratios (Eur'000)	9 months			Δ		Third quarter			Δ	
	2024	2023	2022	24/23	23/22	2024	2023	2022	24/23	23/22
Sales	152,425	163,281	151,745	-6.6	+7.6	61,104	63,386	62,960	-3.6	+0.7
Gross profit	12,006	22,681	14,834	-47.1	+52.9	3,498	7,447	7,260	-53.0	+2.6
Operating profit	(4,026)	6,300	823	-163.9	+665.4	(2,393)	1,268	1,975	-288.7	-35.8
EBITDA*	(4,122)	6,952	43	-159.3	+16,055.7	(2,557)	1,285	1,117	-299.0	+15.0
Profit before taxes	(5,169)	6,073	(204)	-185.1	-3,077.3	(2,879)	1,810	1,833	-259.1	-1.3
Net profit for the period	(5,155)	5,505	(218)	-193.6	-2,625.7	(2,879)	1,513	1,819	-290.2	-16.8
Relative indicators										
Number of ordinary registered shares	7,807,000	7,807,000	7,807,000	-	-	7,807,000	7,807,000	7,807,000	-	-
Earnings per share (EUR)	(0.66)	0.71	(0.03)	-1.37	+0.73	(0.37)	0.19	0.23	-0.56	-0.04
Gross profit margin (%)	7.88	13.89	9.78	-6.0 pp	+4.1 pp	5.73	11.75	11.53	-6.0 pp	+0.2 pp
Operating margin (%)	(2.64)	3.86	0.54	-6.5 pp	+3.3 pp	(3.92)	2.00	3.14	-5.9 pp	-1.1 pp
EBITDA margin (%)	(2.70)	4.26	0.03	-7.0 pp	+4.2 pp	(4.18)	2.03	1.77	-6.2 pp	+0.3 pp
Profit before taxes margin (%)	(3.39)	3.72	(0.13)	-7.1 pp	+3.9 pp	(4.71)	2.86	2.91	-7.6 pp	-0.1 pp
Net profit margin for the period (%)	(3.38)	3.37	(0.14)	-6.8 pp	+3.5 pp	(4.71)	2.39	2.89	-7.1 pp	-0.5 pp
Return on assets (ROA) (%)	(8.59)	9.52	(0.37)	-18.1 pp	+9.9 pp	(4.79)	2.62	3.12	-7.4 pp	-0.5 pp
Return on equity (ROE) (%)	(39.88)	28.04	(1.47)	-67.9 pp	+29.5 pp	(22.27)	7.71	12.23	-30.0 pp	-4.5 pp
Debt / equity ratio (%)	81.21	34.81	89.30	+46.4 pp	-54.5 pp	81.21	34.81	89.30	+46.4 pp	-54.5 pp
Equity ratio (%)	21.53	33.95	25.51	-12.4 pp	+8.4 pp	21.53	33.95	25.51	-12.4 pp	+8.4 pp
Actual profit tax rate (%)	0.27	9.35	(6.86)	-9.1 pp	+16.2 pp	4.00	16.39	0.76	-12.4 pp	+15.6 pp
Total liquidity ratio	67.49	79.95	83.07	-12.46	-3.12	67.49	79.95	83.07	-12.46	-3.12

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

Consolidated statements of comprehensive income

Eur'000	9M			Third quarter		
	2024	2023	2022	2024	2023	2022
Sales	152,425	163,281	151,745	61,104	63,386	62,960
Cost of sales	(140,419)	(140,600)	(136,911)	(57,605)	(55,939)	(55,700)
Gross profit	12,006	22,681	14,834	3,498	7,447	7,260
Sales and marketing expenses	(12,885)	(13,368)	(11,769)	(4,831)	(5,045)	(4,572)
General and admin expenses	(3,340)	(3,124)	(2,279)	(1,123)	(1,227)	(718)
Other operating income	71	111	39	17	93	6
Other operating expenses	122	-	(2)	46	-	(1)
Profit from operations	(4,026)	6,300	823	(2,393)	1,268	1,975
Finance income	1,005	1,050	273	601	921	215
Finance (expenses)	(2,148)	(1,277)	(1,300)	(1,087)	(379)	(357)
Profit before tax	(5,169)	6,073	(204)	(2,879)	1,810	1,833
Income tax	14	(568)	(14)	0	(297)	(14)
Net profit	(5,155)	5,505	(218)	(2,879)	1,513	1,819
Other comprehensive income	-	-	-	-	-	-
Change in cash flow hedge	-	-	3	-	-	-
Impact of income tax	-	-	-	-	-	-
Total comprehensive income for the year	(5,155)	5,505	(215)	(2,879)	1,513	1,819
Net profit attributable to:						
The shareholders of the Company	(5,155)	5,505	(218)	(2,879)	1,513	1,819
Non-controlling interests	-	-	-	-	-	-
	(5,155)	5,505	(218)	(2,879)	1,513	1,819
Total comprehensive income attributable to:						
The shareholders of the Company	(5,155)	5,505	(215)	(2,879)	1,513	1,819
Non-controlling interests	-	-	-	-	-	-
	(5,155)	5,505	(215)	(2,879)	1,513	1,819
Earnings per share (EPS) for continuing operations:						
Basic and diluted, profit for the year attributable to ordinary equity holders of the parent (in EUR)	(0.66)	0.71	(0.03)	(0.37)	0.20	0.23



Consolidated balance sheet



	As at 30 September		
	2024	2023	2022
Eur'000			
ASSETS			
Non-current assets			
Goodwill	30,327	30,327	30,327
Intangible assets	788	845	361
Property, plant and equipment	109	129	92
Right-of-use assets	358	278	346
Long term receivables	10	244	129
Deferred income tax asset	526	456	854
Total non-current assets	32,118	32,278	32,109
Current assets			
Inventories	-	-	-
Prepayments and deferred expenses	16,647	10,047	9,599
Trade accounts receivable	2,009	703	267
Prepaid income tax	30	6	-
Other receivables	296	1,019	922
Other current financial assets	850	2,473	2,600
Restricted cash	4,900	200	200
Cash and cash equivalents	3,196	11,108	12,595
Total current assets	27,928	25,556	26,183
Total assets	60,046	57,835	58,292

Eur'000

EQUITY AND LIABILITIES

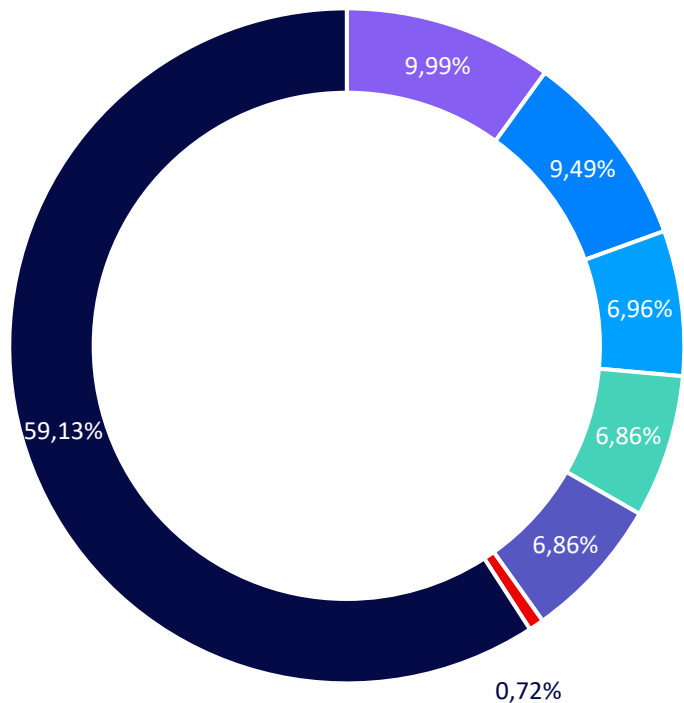
	As at 30 September		
	2024	2023	2021
Share capital	234	234	234
Cash flow hedge reserve	-	0	-
Own shares acquired	(183)	(249)	-
Own shares acquisition reserve	1,250	1,250	-
Legal reserve	29	29	29
Foreign currency translation reserve	145	145	145
Retained earnings	11,451	18,225	14,464
Equity attributable to parent	12,926	19,634	14,872
Non-controlling interests	-	-	-
Total equity	12,926	19,634	14,872
Non-current liabilities			
Non-current borrowings	5,504	6,102	11,694
Deferred tax liability	-	-	-
Non-current lease liabilities	235	133	207
Other non current liabilities	-	-	-
Total non-current liabilities	5,739	6,235	11,901
Current part of non - current borrowings	4,592	843	1,506
Current borrowings	-	-	-
Trade payables	4,525	6,032	7,720
Advances received	25,333	18,852	17,373
Income tax payable	-	152	9
Other current liabilities and accrued ex	6,349	5,785	4,740
Current lease liabilities	166	149	171
Other current financial liabilities	416	152	-
Total current liabilities	41,381	31,965	31,519
Total equity and liabilities	60,046	57,835	58,292

Consolidated cash flow statement

Eur'000	9M			Third quarter		
	2024	2023	2022	2024	2023	2022
Net profit	(5,155)	5,505	(218)	(2,878)	1,513	1,819
Adjustments for non-cash items	1,203	1,623	632	363	752	218
Changes in working capital	8,377	4,791	8,462	7,895	5,826	1,567
Net cash flows from operating activities	4,425	11,919	8,876	5,380	8,091	3,604
Net cash flows from investing activities	(157)	(437)	(293)	(36)	(136)	(100)
Loans received	4,800	4,000	5,000	-	-	5,000
Loans repaid	(3,386)	(5,894)	(6,126)	(1,180)	(5,239)	(5,353)
Interest paid	(933)	(715)	(581)	(287)	(193)	(204)
Lease paid	-	(86)	-	-	(86)	-
Shares buyback	-	(249)	-	-	(249)	-
Dividends paid	-	-	-	-	-	-
Net cash flows from financing activities	481	(2,944)	(1,707)	(1,467)	(5,767)	(557)
Net change in cash flows	4,749	8,538	6,876	3,877	2,188	2,947
Cash & equivalents at beginning of period	3,347	2,770	5,919	4,219	9,120	9,848
Cash & equivalents at close of period	8,096	11,308	12,795	8,096	11,308	12,795



Shareholders structure



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



Company information

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

Novaturas group PLC

Registered address:

Mickevičiaus str. 27, LT-44245 Kaunas, Lithuania

www.novaturasgroup.com

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

Stock Listing:

Warsaw Stock Exchange
Nasdaq Vilnius Stock Exchange

Contact information:

Darius Undzenas
CFO
mob. +370 678 05749
darius.undzenas@novaturas.lt



