

All about the weather

The Q1 report was solid beating our estimates and resulting in estimate upgrades. The crop outlook is positive on the back of higher grain prices. However, as we learned last year, things can change very fast if the summer weather turns unfavorable.

Solid Q1 report

The Q1/22 Group gross profit was 23% or EUR 1.1m above our forecast (EUR 5.7m vs. est. EUR 4.6m). The outperformance was driven by the crop segment which came in EUR 1.7m higher than estimated, while the Mushroom and FMCG segments were below forecast (somewhat offset by better than expected result from the Dairy segment).

Weather determines the year

Favorable weather and high grain prices lead to a Q1/22 Fair value gain of biological assets of EUR 3.5m (excl. the EUR 2.3m already reported in 2021), which was the main reason for the crop segment's positive EUR 1.1m Gross profit deviation. The wheat price is up 10-15% in Q2/22 vs. Q1/22 leading to a positive outlook, assuming the summer weather is normal until the Aug. harvest.

Base case FV raised

We raise our Gross profit estimate by 19% this year, 9% in 2023, and 6% in 2024. Accordingly, our Base case Fair value is raised to EUR 0.59/shr. (prev. 0.55). We are encouraged by the Q1/22 report. Favorable Jun-Aug weather could trigger a positive share price reaction.

Key figures (MEUR)

	2020	2021	2022E	2023E	2024E
Net sales	83.1	71.7	83.4	89.5	95.7
Net sales growth	13.7%	-13.7%	16.3%	7.3%	7.0%
EBITDA	20.8	9.1	26.9	28.5	28.0
EBITDA margin	25.0%	12.7%	32.2%	31.8%	29.3%
EBIT	6.9	-9.8	9.8	10.9	10.9
EBIT margin	8.3%	-13.7%	11.7%	12.1%	11.4%
EV/Sales	2.3	3.0	2.7	2.4	2.2
EV/EBITDA	9.3	23.5	8.3	7.6	7.6
EV/EBIT	28.0	-21.8	22.9	19.8	19.6
P/E adj.	57.0	-7.3	38.8	27.6	25.9
P/BV	1.1	1.4	1.3	1.3	1.2
EPS adj.	0.01	-0.07	0.01	0.02	0.02
EPS growth adj.	nm	nm	nm	40.60%	6.69%
Div. per share	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%

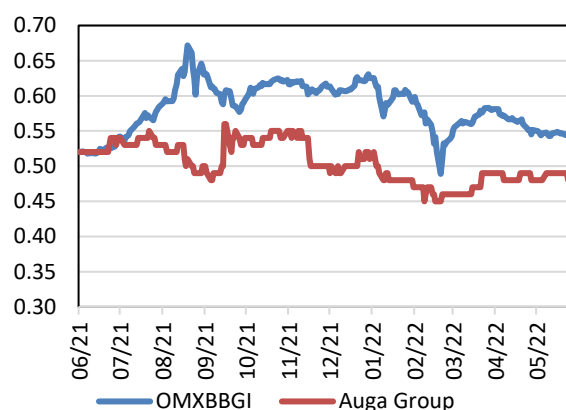
Source: Company data, Enlight Research estimates

Fair value range (EUR)

Bull (term. EBIT marg. 9%)	0.75
Base (term. EBIT marg. 8%)	0.59
Bear (term. EBIT marg. 7%)	0.43

Key Data

Price (EUR)	0.47
Ticker	AUG1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	109
Net debt (EURm)	96
Shares (m)	227
Free float	45%



Price range

52-week high	0.56
52-week low	0.45

Analyst

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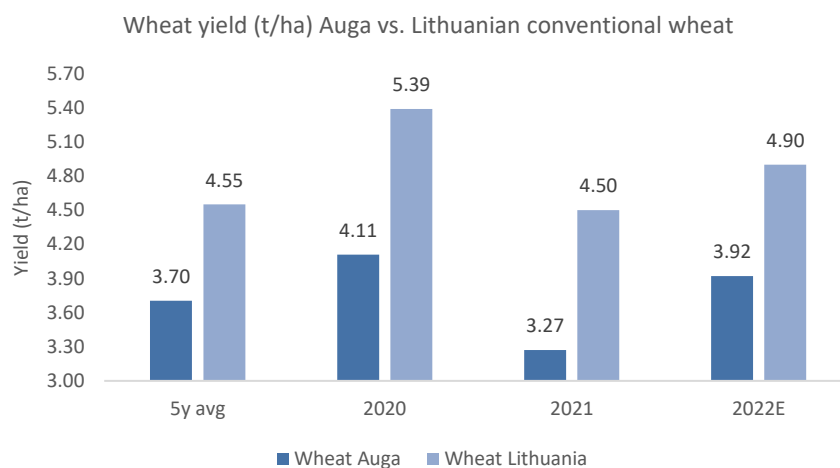
Coverage frequency

4x per year

Key takeaways

Weather implies significant yield recovery from low levels

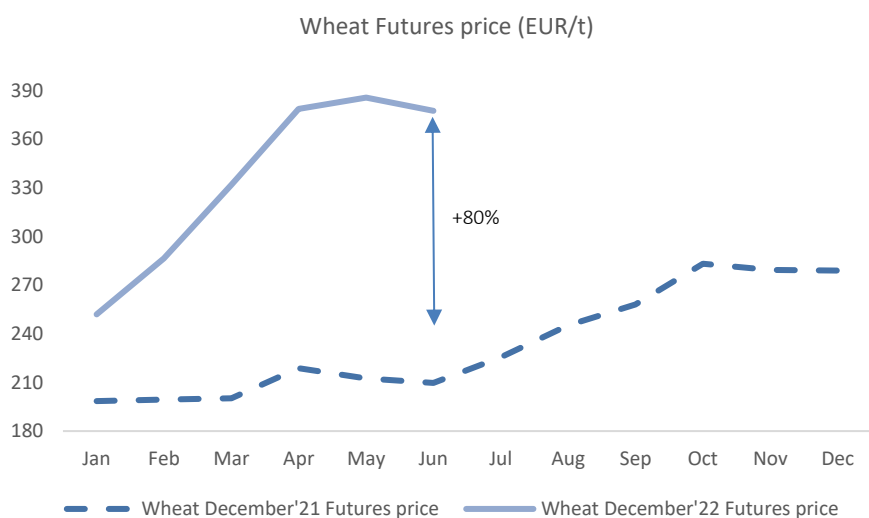
Last year, the weather was favourable at the release of the Q1/21 report but had turned to unfavourable at the release of the Q2/21 report (due to the hottest Lithuanian summer since 1961 affecting the grain quality). This year, the weather is again favourable at the release of the Q1/22 report and although we cannot rule out that it turns unfavourable during the summer, our Base case scenario is that it stays favourable. Hence, we forecast a 2022 yield increase of 20% for the most important crop, wheat, this year to 3.92t/ha (3.27t/ha). For the second most important crop, legumes, we forecast a 100% yield increase to 2.18t/ha (1.09t/ha), while the yield increase for other cash crops is estimated at 25% to 7.10t/ha (5.68t/ha). We realize our estimated 2022 yield increases are substantial but highlight that they are coming from low 2021 drought levels. Our estimated 2022 yields are still below the “normal” 2020 yields. Our yield improvement assumption is supported by the EU Crop Monitoring report published in May which estimates the yield for conventional wheat to increase by 9% to 4.9t/ha (4.5t/ha). Our higher 2022 estimated yield growth for Auga vs. the conventional wheat is because Auga suffers more in unfavourable weather as it cannot use plant protection/growth promoters (not allowed in organic farming). To summarize, if weather stays normal during the summer, the crop yield should pick up significantly as last year was a drought year.



Source: Company report, EU Crop Monitoring report, (estimate wheat LT), Enlight Research (estimate wheat AUG).

Wheat price support positive Crop segment outlook

The price for conventional wheat with delivery in December this year is currently trading at 380 eur/t which implies a y-on-y increase of about 80% (Dec. 2021 futures price was 210 eur/t this time last year). The wheat price increase is visible in Auga’s contracted harvest this year. At the end of Q1/22, Auga had contracted 39% of this year’s forecast harvest of which half were higher priced non long-term agreements with approximately 50% higher prices y-on-y i.e., around 20% of this year’s harvest has already been contracted at 50% higher prices. Furthermore, given that grain prices have continued to rise, the value of the non-contracted harvest should have increased.



Source: Euronext

Crop segment outlook updated

Key components	Outlook
Price	In our last report, we mentioned that first crop contracts done in 2022 were done at 25-33% higher prices than in 2021. In Q1/22 webinar management indicated 50% higher prices for contracted non long-term agreements. We believe key crops like wheat, could see at least a 30% price increase in 2022, potentially reaching an average price of 325eur/t (241 eur/t last year price).
Yield	Seeding for this year’s harvest was done on time. Winter provided with snow which protect plants from frost. Spring had moderate weather for crops. We believe condition of crops are satisfactory and will stay so if the summer weather is normal.
Costs	Costs are under control as the main crop – Wheat had identical cost/ha in Q1/22 compared to Q1/21. We expect costs to rise in 2022, but the increase would be offset by higher grain prices.
Contracted harvest	As of end of May 2022, 39% (Feb 2022 report, 28%) of forecasted 2022 harvest was contracted of which ~50% (Feb 2022 report, 26%) were higher priced non long-term multi-year contracts.

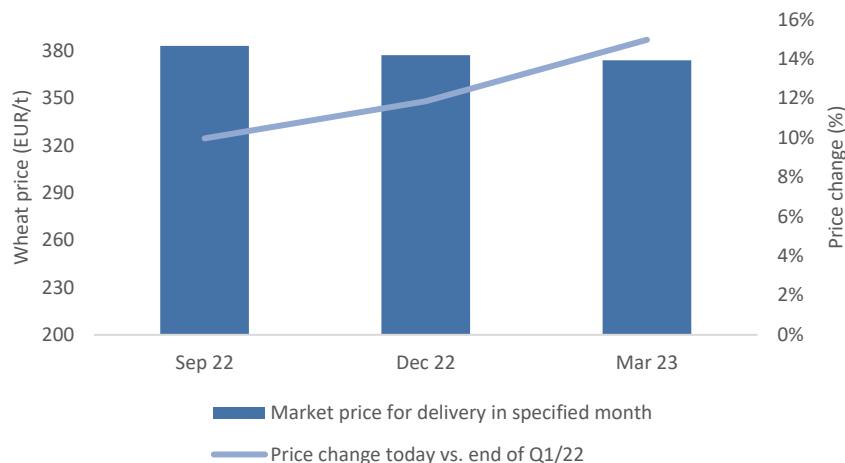
Source: Company report, Company presentation, Enlight Research

Grain prices indicate additional fair value gains

The reported Q1/22 fair value gain on biological assets of EUR 3.5m (excluding the EUR 2.3m reported in 2021) is mainly based on the wheat market prices in Q1/22. In Q2/22, the wheat price has increased by about 10-15% compared to Q1/22. According to our estimates, the continued increase in wheat prices means there is potential for an additional EUR 5.4m positive fair value adjustment by the end of this year. This means our total fair value gain from biological assets in 2022 is estimated at EUR 8.9m (excluding already reported EUR 2.3m in 2021) compared to negative EUR 3.2m in 2021. Worth noting is that our fair value calculations assume normal summer weather i.e., not a repeat of last year’s unfavourable weather with record

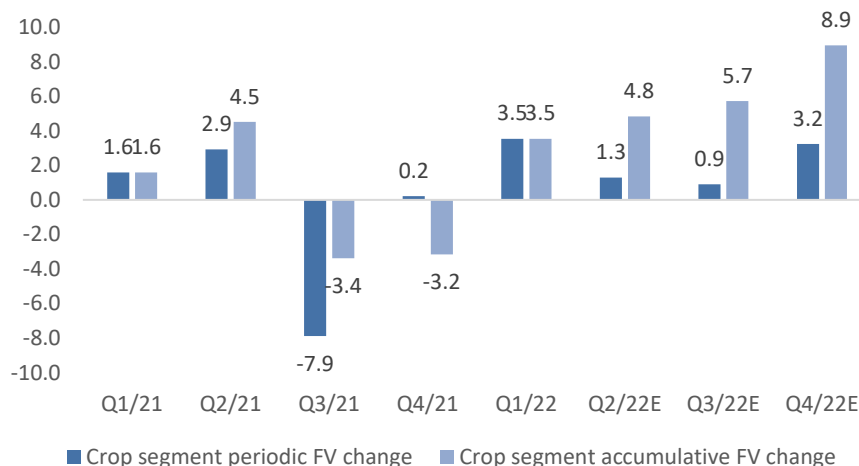
heat, which caused a negative fair value adjustment. Naturally, we do not know the actual summer weather and its effect on crops until after the summer.

Current Milling Wheat prices (EUR/ton) & Change vs. Q1/22



Source: Euronext

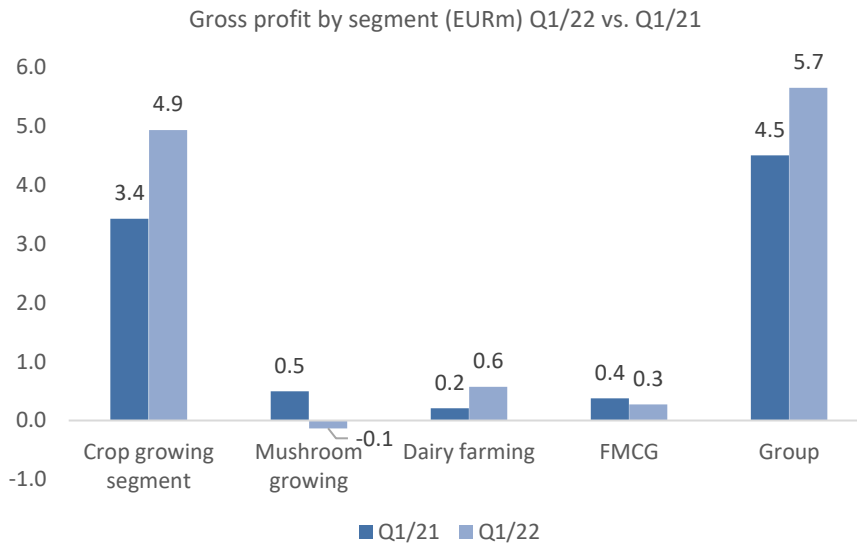
Crop segment periodic and accumulative FV gain (loss) EURm



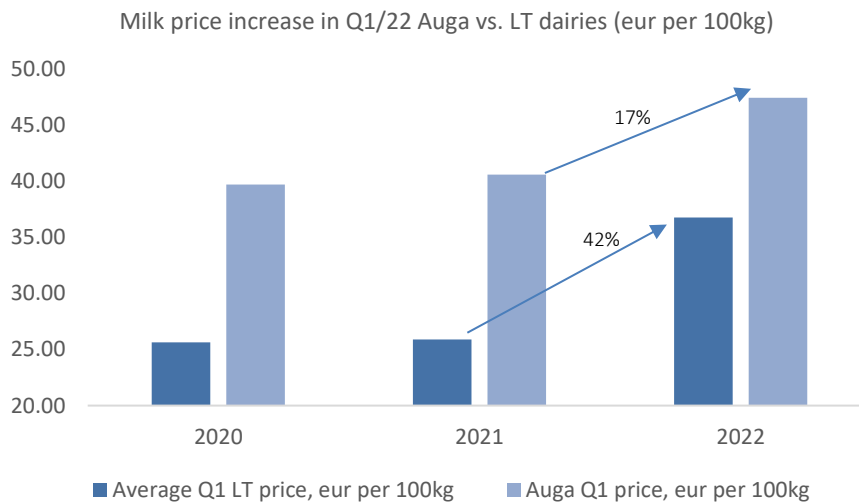
Source: Company report, FV gain adjusted for already taken gain in previous period

Dairy segment outperforms

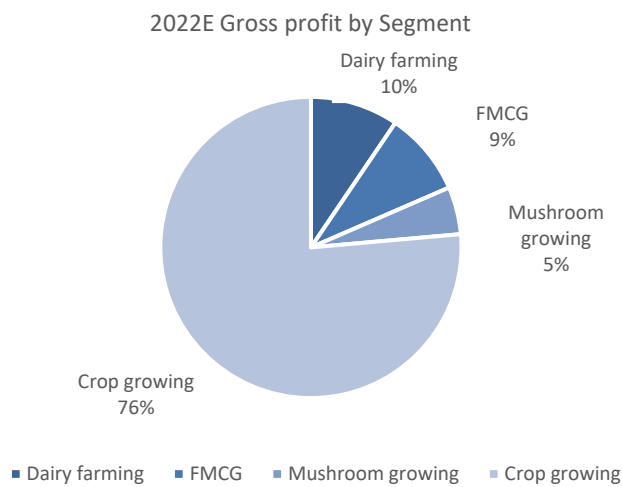
Compared to Q1 last year, the Dairy segment tripled its Gross profit in Q1/22 to EUR 0.6m (EUR 0.2m above estimate), making it the second biggest contributor to the Group’s gross profit. The strong performance was driven by higher raw milk prices. In Q1/22, Auga’s raw milk selling price increased by 17% y-on-y, and we believe there could be further price increases in Q2/22 as the Lithuanian raw milk selling price increased by 42% y-on-y in Q1/22 (organic price is lagging). We raise our Dairy segment gross profit estimate for 2022 from EUR 1.2m to EUR 2.0m. Worth noting is that we assume a similar Q2/22 organic raw milk selling price as in Q1/22 i.e., if the prices go up, there could be upside to our estimates. Following the strong quarter, we forecast the Dairy segment’s contribution to the Group’s full-year 2022 Gross profit to be on par with the FMCG segment, which is encouraging.



Source: Company reports, Enlight Research (estimates)



Source: Company reports, Enlight Research (estimates), clal.it



Source: Company reports, Enlight Research (estimates)

Valuation

DCF valuation

We raise our Base case DCF based Fair value to EUR 0.59 (0.55) per share, indicating around 20% upside. The main reason for the raised Fair value is higher estimates for the Crop and the Dairy segment. Our Bear and Bull case indicate Fair values of EUR 0.43 and EUR 0.75, respectively. The difference between our three scenarios is the EBIT margin, which is 8% in our Base case, while it is 7% in our Bear case and 9% in our Bull case.

DCF Valuation Scenarios	Bear	Base	Bull
WACC	4.9%	4.9%	4.9%
Terminal sales growth	3.0%	3.0%	3.0%
Terminal EBIT margin	7.0%	8.0%	9.0%
Fair Value per share	0.43	0.59	0.75
Upside/Downside (last price)	-10%	23%	56%

Source: Enlight Research, Based on share price EUR 0.48

Peer valuation

In our view, Auga's 2021 multiples are not relevant due to the exceptionally poor Lithuanian harvest. We also deem the 2022E multiples irrelevant for Kernel, Agroton, and Astarta as they have more than 50% exposure to Ukraine. Therefore, we exclude them from our peer table (these shares have lost 15-40% since the outbreak of the Russia – Ukraine war). Based on 2022E EV/EBITDA Auga is trading at a premium to the peer group (8.4x vs. 6.2x peer average). We believe Auga deserves a premium vs. peers due to its focus on organic food and its vertically integrated "from farm to fork" business (FMCG). Historically, Auga has also traded at a premium to peers.

Auga peer valuation

Company	Ticker	Ccy	Price (last)	Mcap (m)	EV/Sales 2021	EV/Sales 2022E	EV/Sales 2023E	EV/Sales 2024E	EV/EBITDA 2021	EV/EBITDA 2022E	EV/EBITDA 2023E	EV/EBITDA 2024E
FirstFarms A/S	FFARMS	DKK	80.40	608	2.7	2.7	2.7	2.5	8.8	10.0	8.3	7.7
Linus Agro	LNA1L	EUR	1.07	90	0.5	0.3	0.3	0.3	15.1	5.6	6.5	5.8
Kernel	KER	USD	4.86	376	0.2	0.2	0.2	0.2	1.2	1.4	1.9	2.2
Orior AG	ORON	CHF	75.90	496	1.0	1.0	1.0	0.9	9.9	9.8	9.4	9.0
Fodelia	FODA	EUR	5.70	42	1.6	1.3	1.1	1.0	22.5	14.3	9.9	8.2
Podravka D.D.	PODR	HRK	582	4086	1.0	1.0	0.9	0.9	7.7	8.5	7.8	7.1
Agroton Public	AGT	USD	0.89	19	0.2	0.2	0.2	0.2	0.4	1.5	1.3	1.3
ASTARTA Hold.	AST	EUR	4.56	111	0.5	0.5	0.5	0.5	1.3	1.9	2.2	2.1
Adecoagro	AGRO	USD	9.27	1,017	1.5	1.2	1.2	1.2	3.7	3.2	3.2	3.6
Bonduelle	BON	EUR	16.02	515	0.4	0.4	0.4	0.4	5.8	5.9	5.6	5.2
Average					1.0	0.9	0.8	0.7	7.6	6.2	5.6	5.2
Auga Group	AUG1L	EUR	0.49	110	3.0	2.7	2.4	2.3	23.5	8.4	7.6	7.7

Source: Enlight Research (Auga), MarketScreener, Prices as of 16 June 2022

Q1/22 report deviations

Deviation by segment

The Q1/22 Crop growing segment sales came in 23.0% or EUR 1.0m above our estimate (EUR 5.1m vs. 4.1m). The Q1/22 Mushroom segment sales of EUR 7.0m was EUR 0.4m below estimate, while the Dairy segment came in EUR 0.6m higher than expected sales. The FMCG segment Q1/22 sales was EUR 23.6%, or 0.4m below estimate as clients continue to put larger but fewer orders making a given quarter hard to predict.

The Q1/22 Crop growing segment Gross profit was 52% or EUR 1.7m above our forecast (EUR 4.9m vs. estimate of EUR 3.3m). The main reason for the positive deviation was a EUR 2.3m higher positive effect from the Fair value adjustment of biological assets. The Q1/22 Gross profit for the Mushroom segment and the FMCG segment was EUR 0.6m and EUR 0.2m, respectively below our forecast. On the positive side, the Dairy segment posted a Q1/22 Gross profit of EUR 0.6m which was 37% or EUR 0.2m above estimate

Sales by Segment (EURm)	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	%
Crop growing	4.1	5.1	1.0	23.0%
Mushroom growing	7.4	7.0	-0.4	-5.7%
Dairy farming	3.5	4.0	0.6	16.3%
End-Consumer packaged goods	1.8	1.4	-0.4	-23.6%
Group sales	16.9	17.6	0.7	3.9%

Sales growth	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	Bps
Crop growing	-45.0%	-32.4%	nm	1263
Mushroom growing	2.5%	-3.4%	nm	-588
Dairy farming	6.0%	23.3%	nm	1731
End-Consumer packaged goods	30.0%	-0.6%	nm	-3064
Group sales growth	-13.3%	-9.9%	nm	337

Gross profit by Segment (EURm)	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	%
Crop growing	3.3	4.9	1.683	51.7%
Mushroom growing	0.4	-0.1	-0.561	-130.8%
Dairy farming	0.4	0.6	0.156	37.2%
End-Consumer packaged goods	0.5	0.3	-0.208	-43.3%
Group gross profit	4.6	5.7	1.070	23.4%

Gross margin by Segment	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	Bps
Crop growing	78.6%	97.0%	na	1837
Mushroom growing	5.8%	-1.9%	na	-765
Dairy farming	12.0%	14.2%	na	216
End-Consumer packaged goods	26.0%	19.3%	na	-671
Group gross margin	27.1%	32.2%	na	508

Source: Company reports (outcome), Enlight Research (estimate)

Group deviation

The Q1/22 Group revenues was 3.9% or EUR 0.7m above our estimate. The Q1/22 Group Gross profit was 23% or EUR 1.1m above forecast, mainly because of a higher than expected FV gain on crops (EUR 2.9m vs. EUR 0.7m estimate). The positive deviation in euro terms followed down to the Operating profit and the Net profit line as other costs were in-line with expectations.

P&L (EURm)	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	%
Revenues	16.9	17.6	0.7	3.9%
Cost of sales	-13.1	-14.8	-1.7	13.1%
Gain(loss) FV Bio. assets & Agri. Produce	0.7	2.9	2.1	288.4%
Gross profit	4.6	5.7	1.1	23.4%
Operating expenses	-2.8	-2.9	-0.1	5.4%
Other income	0.1	0.2	0.0	28.1%
Operating profit	1.9	2.9	1.0	49.7%
Finance cost	-1.8	-1.7	0.1	-4.1%
Share of associates	0.0	0.0	0.0	
Pre-tax Profit	0.2	1.2	1.0	579.0%
Income tax	0.0	0.0	0.0	-100.0%
Non-controlling interest	0.0	0.0	0.0	
Net profit	0.2	1.2	1.1	704.1%
Depreciation, Amortization, Impairment	4.5	3.8	-0.7	-15.0%
EBITDA	6.4	6.7	0.3	4.4%

Growth	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	Bps
Sales	-13.3%	-9.9%	2.7%	337

Margins	Q1/22	Q1/22	Difference	
	Estimate	Outcome	EURm	Bps
EBITDA margin	38.0%	38.2%	nm	18
Gross margin	27.1%	32.2%	nm	508
Operating margin	11.4%	16.4%	nm	503
Pre-tax Profit margin	1.1%	6.9%	nm	582
Net margin	0.9%	6.9%	nm	602

Source: Company reports (outcome), Enlight Research (estimate)

Estimate changes

Our Sales estimates for 2022-24 are revised slightly upward by around 2% or EUR 1.7m each year because of high grain and milk prices. Our 2022 Gross profit estimate is increased by 19.1% or EUR 3.4m to EUR 21.5m, which assumes favourable summer weather. Our 2022 EBIT is increased by EUR 3.2m to EUR 9.8m mainly on the back of expected Fair value gains. Our 2022 EPS forecast is increased from zero to EUR 0.012 due to the turnaround for the crop segment. Our 2023 EPS estimate is raised by EUR 0.007 to EUR 0.017, while our 2024 EPS is raised by EUR 0.005 to EUR 0.019.

Group estimate changes

Sales (EURm)	2022E	2023E	2024E
Old estimate	81.8	87.8	94.0
New estimate	83.4	89.5	95.7
Change	1.7	1.7	1.7
Change (pct)	2.0%	1.9%	1.8%

Gross profit (EURm)	2022E	2023E	2024E
Old estimate	18.0	21.0	22.4
New estimate	21.5	22.9	23.8
Change	3.4	1.9	1.4
Change (pct)	19.1%	9.0%	6.2%

EBIT (EURm)	2022E	2023E	2024E
Old estimate	6.6	9.2	9.8
New estimate	9.8	10.9	10.9
Change	3.2	1.7	1.2
Change (pct)	48.6%	18.1%	11.9%

EPS (EUR)	2022E	2023E	2024E
Old estimate	0.000	0.011	0.014
New estimate	0.012	0.017	0.019
Change	0.012	0.007	0.005
Change (pct)	6994.4%	60.9%	37.1%

Dividend (EUR)	2022E	2023E	2024E
Old estimate	0.00	0.00	0.00
New estimate	0.00	0.00	0.00
Change	0.00	0.00	0.00
Change (pct)	na	na	na

Source: Enlight Research

Risk factors

Below is a list of risk factors that we believe are important to highlight given the current environment. It should not be regarded as a complete list of risk factors. Additional risk factors can be found in the listing prospectus and annual reports.

Russia – Ukraine war

Auga has limited exposure to Russia, Ukraine, and Belarus (less than 0.5% of sales in 2021). The sales of mushroom compost to Russia was stopped already in Q4/20 (before the Russia – Ukraine war) due to covid restrictions.

COVID-19

A slower than expected recovery from the pandemic would delay the recovery of the HORECA sector. Furthermore, it could hamper the production capacity due to COVID-19 related illnesses among personnel.

Weather

The risk of adverse meteorological conditions may significantly affect the yield of agricultural products and thereby negatively affect the financial result.

Quality of harvest

In addition to the harvest yield, the quality of the harvest is important as lower quality usually means lower prices. For example, if the share of feed wheat exceeds 50%, then our forecast is most likely too optimistic under our Base and Bull case scenarios.

Demand

A prolonged economic downturn could affect the prices and hence demand for organic food products, which most likely would affect the company's result.

EU subsidies

The Group receives significant income from EU subsidies and if these were to be lowered or taken away, the result of the group would be negatively affected. Given EU's Fork to Farm Strategy, the subsidy risk has decreased in our view.

Livestock

The risk of a severe animal disease is not factored into our estimates. If one of Auga's dairy farms is hit by a severe animal disease, our dairy segment estimates, will most likely have to be adjusted downwards.

Income Statement	2020	2021	2022E	2023E	2024E
Net sales	83	72	83	89	96
Total operating costs	-62	-63	-57	-61	-68
EBITDA	21	9	27	28	28
Depr. & Amort.	-14	-19	-17	-18	-17
One-off EBIT items	0	0	0	0	0
EBIT	7	-10	10	11	11
Financial net	-6	-6	-7	-6	-6
Pre-tax profit	1	-16	3	5	5
Taxes	0	1	0	-1	-1
Minority interest	0	0	0	0	0
Other items	0	0	0	0	0
Net profit	2	-15	3	4	4

Balance Sheet	2020	2021	2022E	2023E	2024E
Cash and cash equivalent	3	2	3	3	3
Receivables	16	11	18	19	20
Inventories	30	24	38	40	43
Other current assets	17	20	20	20	20
Total current assets	66	57	78	82	86
Tangible assets	97	100	98	95	93
Goodwill & intangible assets	5	6	6	6	7
Lease & Investment properties	36	39	43	47	51
Long-term Investments	0	0	0	0	0
Associated companies	0	0	0	0	0
Other long-term assets	10	10	10	10	10
Total fixed assets	148	155	158	159	161
Total Assets	214	212	235	241	247
Accounts payable	16	19	25	36	38
Short-term IB debt	20	19	22	18	17
Other current liabilities	5	6	6	6	6
Total current liabilities	42	45	53	60	61
Long-term IB debt	40	46	52	43	40
Convertibles & Lease liab.	34	38	43	47	51
Deferred tax liab.	1	2	2	2	2
Provisions	0	0	0	0	0
Other long-term liab.	3	3	3	3	3
Total long-term liab.	79	88	100	95	96
Total Liabilities	121	134	153	155	157
Minority interest	0	0	0	0	0
Shareholders' equity	92	79	81	85	90
Total liabilities and equity	214	212	235	241	247

DCF valuation	Cash flow, mEUR		
WACC (%)	4.95 %	NPV FCF (2022-2024)	21
Assumptions 2022-2028 (%)		NPV FCF (2025-2031)	49
Sales CAGR	5.27 %	NPV FCF (2032-)	166
Avg. EBIT margin	10.90 %	Non-operating assets	2
Fair value per share (EUR)	0.59	Interest-bearing debt	-103
Share price (EUR)	0.48	Fair value estimate	135

Free Cash Flow	2020	2021	2022E	2023E	2024E
Operating profit	7	-10	10	11	11
Depreciation	14	19	17	18	17
Working capital chg	-2	13	-15	7	-2
Other Operating CF items	1	0	-1	-2	-2
Operating Cash Flow	20	22	12	34	25
Net investments	-17	-22	-16	-15	-15
Other items	-1	0	0	0	0
Free Cash Flow	1	0	-4	18	9

Capital structure	2020	2021	2022E	2023E	2024E
Equity ratio	43.4%	37.2%	34.8%	35.6%	36.4%
Debt / Equity ratio	102.3%	131.0%	144.1%	126.9%	120.5%
Gearing %	99.1%	127.3%	140.0%	122.8%	116.4%
Net debt/EBITDA	4.4	11.0	4.3	3.7	3.7

Profitability	2020	2021	2022E	2023E	2024E
ROE	2.0%	-18.0%	3.5%	4.7%	4.8%
FCF yield	1.3%	-0.2%	-3.7%	16.8%	8.7%
EBITDA margin	25.0%	12.7%	32.2%	31.8%	29.3%
EBIT margin	8.3%	-13.7%	11.7%	12.1%	11.4%
PTP margin	1.6%	-22.7%	3.7%	5.2%	5.2%
Net margin	2.1%	-21.5%	3.4%	4.4%	4.4%

Valuation	2020	2021	2022E	2023E	2024E
P/E	57.0	-7.3	38.8	27.6	25.9
P/E adjusted	57.0	-7.3	38.8	27.6	25.9
P/Sales	1.2	1.6	1.3	1.2	1.1
EV/Sales	2.3	3.0	2.7	2.4	2.2
EV/EBITDA	9.3	23.5	8.3	7.6	7.6
EV/EBIT	28.0	-21.8	22.9	19.8	19.6
P/BV	1.1	1.4	1.3	1.3	1.2
P/BV tangible	1.2	1.6	1.5	1.4	1.3

Per share ratios	2020	2021	2022E	2023E	2024E
EPS	0.01	-0.07	0.01	0.02	0.02
EPS, adjusted	0.01	-0.07	0.01	0.02	0.02
Operating CF/share	0.09	0.10	0.05	0.15	0.11
Free Cash Flow/share	0.01	0.00	-0.02	0.08	0.04
BV/share	0.41	0.35	0.36	0.38	0.39
Tangible BV/share	0.41	0.35	0.36	0.38	0.39
Div. per share	0.00	0.00	0.00	0.00	0.00
Div. payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

Shareholders	Capital	Votes
UAB Baltic Champs Group	60.082	55.04 %
EBRD	9.508	8.71 %
UAB ME Investicija	9.137	8.37 %
Žilvinas Marcinkevičius	7.641	7.00 %

Key people	
CEO	Kestutis Juscius
CFO	Mindaugas Ambrasas
IR	Mindaugas Ambrasas
Chairman	Dalius Misiunas

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraordinary items and taxes – income taxes + minority interest}}{\text{Number of shares}}$
P/Sales $\frac{\text{Market cap}}{\text{Sales}}$	DPS Dividend for financial period per share
P/BV $\frac{\text{Price per share}}{\text{Shareholders' equity + taxed provisions per share}}$	CEPS $\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$
P/CF $\frac{\text{Price per share}}{\text{Operating cash flow per share}}$	EV/Share $\frac{\text{Enterprise value}}{\text{Number of shares}}$
EV (Enterprise value) Market cap + Net debt + Minority interest at market value – share of associated companies at market value	Sales/Share $\frac{\text{Sales}}{\text{Number of shares}}$
Net debt Interest-bearing debt – financial assets	EBITDA/Share $\frac{\text{Earnings before interest, tax, depreciation and amortization}}{\text{Number of shares}}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	EBIT/Share $\frac{\text{Operating profit}}{\text{Number of shares}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	EAFI/Share $\frac{\text{Pre-tax profit}}{\text{Number of shares}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Capital employed/Share $\frac{\text{Total assets – non-interest-bearing debt}}{\text{Number of shares}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Total assets Balance sheet total
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes – income taxes + minority interest}}$	Interest coverage (x) $\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share $\frac{\text{Financial assets – interest-bearing debt}}{\text{Number of shares}}$	Asset turnover (x) $\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, % $\frac{\text{Operating profit + financial income + extraordinary items}}{\text{Balance sheet total – interest-free short-term debt – long-term advances received and accounts payable (average)}}$	Debt/Equity, % $\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity + minority interest + taxed provisions}}$
ROCE, % $\frac{\text{Profit before extraordinary items + interest expenses + other financial costs}}{\text{Balance sheet total – non-interest-bearing debt (average)}}$	Equity ratio, % $\frac{\text{Shareholders' equity + minority interest + taxed provisions}}{\text{Total assets – interest-free loans}}$
ROE, % $\frac{\text{Profit before extraordinary items – income taxes}}{\text{Shareholders' equity + minority interest + taxed provisions (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year

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Enlight Research OÜ's main valuation methods are discounted cash flow valuation and peer valuation with common multiples such as Price to Earnings, Enterprise Value to EBITDA, dividend yield etc. Aforementioned methods are used to estimate a company's fair value according to the following three scenarios: Bull (positive), Base (main scenario), and Bear (negative).

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