

Challenging year

Q3/23 Sales and Earnings were below estimates as drought affected the harvest, which makes 2023 another challenging year. We lower our estimates and are more conservative than the 2024 guidance. We look for positive Cash flow in Q4/23 which would alleviate liquidity worries.

Drought

The 2023 summer drought in Lithuania burdened crop yields (mainly legumes) and resulted in a negative Q3/23 Crop Fair value adj. of EUR 5.7m. This means our forecast 2023 Fair value adjustment of negative EUR 4.6m is worse than the EUR 3.2-3.4m neg. adj. seen in 2018 (drought), and 2021 (record heat). For 2024, we forecast a positive Fair value adjustment of EUR 4.1m supported by a partial conversion to less weather sensitive conventional crops.

More conservative than guidance

Our 2024 Gross profit estimate of EUR 16.4m is more conservative than the company guidance of EUR 21.5m, which is mainly due to the Crop growing segment (est. 11.1m vs. 14.7m guid.). Despite below guidance estimates, we are not worried about the liquidity as we expect positive Q4/23 cash flow (supported by inventory reductions).

Sum-of-the-parts Valuation

We value the existing operations at EUR 0.30/shr (prev. 0.36) which is our Bear case value. Our Base case probability weighed value for the innovation projects (bio-tractor, feed technology) is EUR 0.10/shr (prev. 0.12) for a total motivated Base case Fair value of EUR 0.40 (prev. 0.48/shr).

Key figures (MEUR)

	2021	2022	2023E	2024E	2025E
Net sales	71.7	80.1	80.1	85.3	89.3
Net sales growth	-13.7%	11.7%	0.0%	6.5%	4.7%
EBITDA	9.1	19.6	2.0	16.4	18.6
EBITDA margin	12.7%	24.5%	2.4%	19.2%	20.8%
EBIT	-9.8	3.1	-12.1	2.8	6.4
EBIT margin	-13.7%	3.9%	-15.1%	3.3%	7.2%
EV/Sales	3.0	2.5	2.1	1.8	1.6
EV/EBITDA	23.5	10.4	85.2	9.3	7.7
EV/EBIT	neg	65.7	neg	54.4	22.4
P/E adj.	neg	neg	neg	neg	47.8
P/BV	1.4	1.2	1.1	1.2	1.1
EPS adj.	-0.07	-0.02	-0.06	-0.01	0.01
EPS growth adj.	na	na	na	na	Na
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%

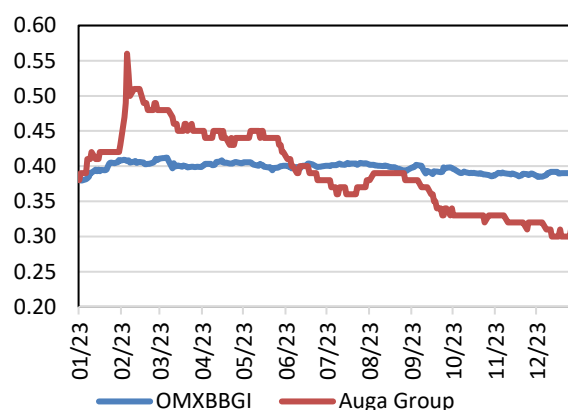
Source: Company data, Enlight Research estimates

Fair value range (EUR)

Bull	0.51
Base	0.40
Bear	0.30

Key Data

Price (EUR)	0.30
Ticker	AUG1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	70
Net debt (EURm)	96
Shares (m)	231.7
Free float	45%



Price range

52-week high	0.56
52-week low	0.30

Analyst

ResearchTeam@enlightresearch.net

Coverage frequency

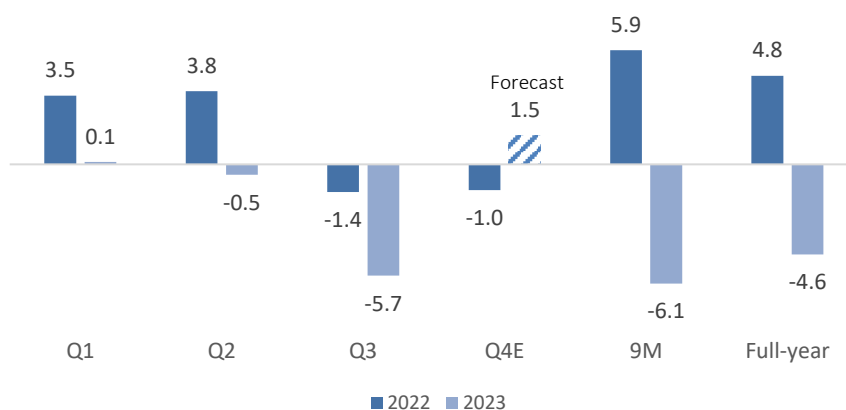
4x per year

Key takeaways

Drought hit the Crop segment

The Q3/23 Crop segment Fair value adjustment was negative EUR 5.7m vs. our expected gain of EUR 0.1m. The main reason for the worse than expected Fair value adjustment was the Spring 2023 drought, which caused the 2022/23 legumes yield to decline 39% y-on-y to 1.42 t/ha from 2.32 t/ha (the negative effect of the drought could only be seen during the harvest in September this year). In addition, lower wheat, and legumes prices by 35%, and 19%, respectively, burdened the crop growing segment. In Q4/23, we estimate a positive Fair value revaluation of EUR 1.5m (in-line with webinar guidance) for a full-year Fair value estimate of negative EUR 4.6m. This means 2023 is forecast to be worse than 2021 (neg. 3.2m), and 2018 (neg. 3.4m). We believe the partial transition to conventional from organic crop growing will result in more stable yields and forecast a positive Fair value gain of EUR 4.1m next year, followed by a gain of 6.0m in 2025.

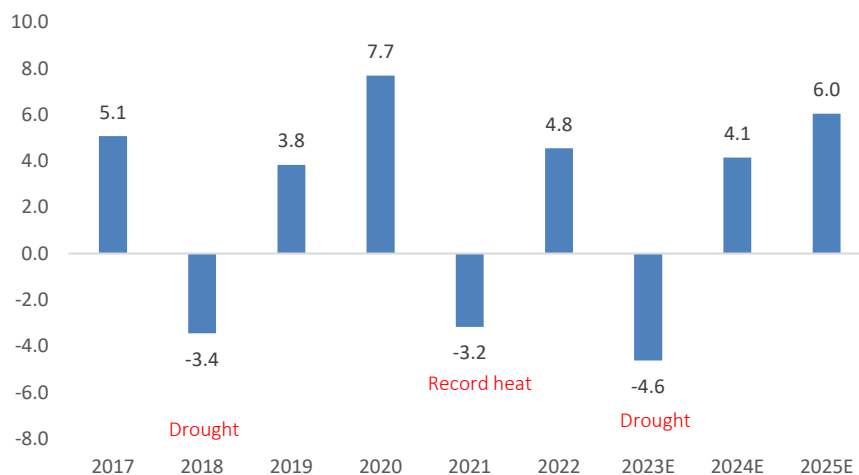
Crop segment Fair value adjustment* (EURm)



Source: Company (historical), Enlight Research (Q4/23 estimate)

*After Fair value gains booked in the previous year

Crop segment Fair value adjustment (EURm)



Source: Company (historical), Enlight Research (estimates)

*After Fair value gains booked in the previous year

We are more conservative than 2024 guidance

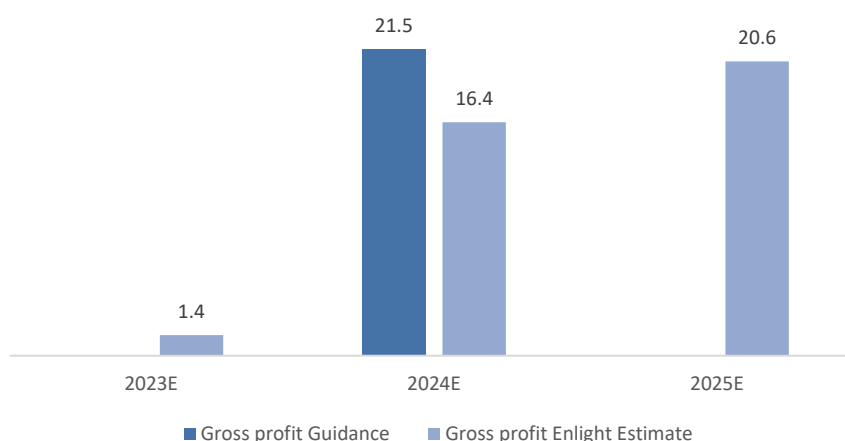
The company is in a transition phase (to partial conventional farming, to increased AgTech focus), which makes forecasting difficult. Therefore, guidance for the upcoming year was given for the first time ever. The full-year 2024 Gross profit guidance is EUR 21.5m whereof the Crop growing segment make up EUR 14.7m, or 69%. This can be compared to the 2023 estimated Gross profit of EUR 1.4m for the Group and negative EUR 1.1m for the Crop growing segment. The guided Group 2024 EBITDA is EUR 23.3m compared to an estimated EUR 2.0m this year. We are more conservative and forecast a 2024 Gross profit of EUR 16.4m which is 24% or EUR 5.1m below guidance. Our estimated 2024 EBITDA is EUR 16.4, which is 30% or EUR 6.9m below guidance. We prefer to see the company beat our forecast and upgrade our estimates than vice versa. Worth noting is that both the guidance and our estimates factors in a substantial improvement in 2024 vs. 2023.

2024 Gross profit guidance

(EURm)	Guidance	Enlight Estimate	Diff. (EURm)	Diff (%)
<i>Gross profit</i>				
Crop growing	14.7	11.1	-3.6	-25%
Dairy	2.0	1.6	-0.4	-21%
Mushroom growing	2.2	2.2	-0.1	-3%
FMCG	0.5	0.5	0.0	3%
Biomethane	2.0	1.0	-1.0	-50%
Total Gross profit	21.5	16.4	-5.1	-24%
Depreciation	13.8	13.6	-0.1	-1%
Operating expenses	-12.0	-13.6	-1.6	14%
Guidance EBITDA	23.3	16.4	-6.9	-30%

Source: Company (guidance), Enlight Research (estimates)

Gross Profit Estimates & Guidance (EURm)



Source: Company (guidance), Enlight Research (estimates)

Looking for a big release in Q4/23

During Q3, the Agricultural produce inventory increased by EUR 20m from EUR 4.6m to EUR 24.6m (negative cash flow effect). Including other inventory lines, the negative cash flow effect from increased inventory was EUR 23.1m. In Q4/23, we expect a EUR 10m positive effect from a decline in Agricultura produce inventory.

Q4/23 Estimated positive CF from Inventory

(EURm)	H1/23	9M/23	Q3/23 CF effect	Q4/23E CF effect
Agricultural produce	4.6	24.6	-20.0	10.0
Raw materials	9.0	10.6	-1.6	0.0
Herbaceous forage	2.2	3.9	-1.7	0.0
Finished products	0.7	0.3	0.4	0.0
Other	0.6	0.8	-0.2	0.0
Total	17.2	40.3	-23.1	10.0
Write-down allowance	-1.4	-1.2		
Carrying amount	15.8	39.1		

Source: Company reports (historic), Enlight Research (estimates)

No sign of weakness in bond pricing

Auga's EUR 20m 6% 5yr green bond matures in December 2024. The current (21 December 2023) yield to maturity (YTM) of 8.7% based on the last bond price (bid YTM 11.9%, ask YTM 8.7%). Worth noting is that the bond market is highly illiquid i.e., the YTM where larger volumes could be traded could differ substantially from the prices indicated by the bid/ask. In our view, the pricing of the bond implies that there is no big worry among bond investors regarding Auga's ability to meet the interest payments and redeem the bond. With this said, the interest coverage ratio covenant of >2x is most likely in breach in 2023, while the Equity ratio covenant is around the limit of ≥30%. Considering the steep increase in the Euribor rates (about 60% of Auga's debt are bank loans), bond covenant breaches are not unusual in today's market. We believe Auga bond investors are lenient when it comes to the covenants (at least in the medium-term). Based on the bid/ask spread, the bond re-financing rate would probably be around 9-12%. However, in our view, the company is not likely to re-finance until H2/23 as the issue rate of 6% is significantly below the estimated re-financing rate.

Bid/Ask AUGB060024a bond at 11am on 21 Dec. 2023

QUANTITY	BID	ASK	QUANTITY
15	947.00	974.90	17
10	940.01	975.00	50
49	940.00	989.00	7
5	920.00	1000.00	2
		1000.00	6

Source: LHV Powertrader

Key takeaways

Sum-of-the-parts valuation

Early stage projects are inherently hard to value. There are no listed companies with similar innovations like AUGA (biomethane tractor, feed technologies, sustainable food). However, there is one private company, Monarch Tractor, that has developed an EV tractor. According to Forbes, Monarch raised USD 116m at a valuation of USD 271m in 2021. In August this year, Forbes included Monarch Tractor in 2023 Forbes' Next Billion-Dollar Startups list, believing the valuation could reach USD 1bn. Monarch is a good example of how fast sales can scale having increased sales to USD 22m in 2022 from USD 5m in 2021. AUGA tractors are currently in field testing and the plan is to market it to farmers sometime next year i.e., the company is 1-2 years behind Monarch. Another peer we have found is Naio Technologies who makes self-driving farming vehicles (robots). According to dealroom.co, Naio is valued at USD 176m, and is estimated to have sales of USD 5.6m, implying a P/Sales multiple of 31x. If both of Auga's main innovation projects succeed (biometric tractor, feed technology), we believe a value of EUR 80m can be motivated (lowered from EUR 90m due to overall lower valuation multiples in financial markets). However, it is too early to price this in fully. Hence, in our Base case scenario, we apply a 30% probability of success resulting in a value of EUR 24m (prev. EUR 27m). Our Bear case assume no success of the AgTech projects and apply a value of zero i.e., our Bear case motivated value is solely based on our DCF valuation of existing segments of EUR 0.30 per share (down from EUR 0.36 due to lowered estimates). Our Bull scenario assumes 60% probability of success resulting in a value of EUR 48m (prev. EUR 54m). To summarize, our value for existing operations is EUR 0.30 per share. Our Base case adds EUR 0.10 (prev. 0.12) per share to the existing operations value of EUR 0.30 for a total motivated price of EUR 0.40 (prev. 0.48) per share. Our Bull case adds EUR 0.21 (prev. 0.24) per share to the existing operations value of EUR 0.30 for a total motivated price of EUR 0.51 (prev. 0.59) per share.

SOTP valuation

Value per share (EURm)	Bear case	Base case	Bull case
AgTech projects value (EURm)	80	80	80
AgTech projects value, probability success	0%	30%	60%
AgTech projects, expected value (EURm)	0	24	48
Value, existing operations (EURm)	68	68	68
Total motivated value	68	92	116
AgTech projects, expected value per share (EUR)	0.00	0.10	0.21
Value, existing operations per share (EUR)	0.30	0.30	0.30
Total motivated value per share (EUR)	0.30	0.40	0.51
Current share price (EUR)	0.30	0.30	0.30
Implied upside	-2%	33%	67%

Source: Enlight Research estimates, Monarch Tractor press release on Forbes' Next Billion-Dollar Startups list <https://www.monarchtractor.com/news/identified-as-ag-unicorn-by-forbes>

Estimate deviations

Deviation by segment

The Q3/23 Crop growing segment sales came in 22% or EUR 1.9m below our estimate, mainly due to lower crop prices. The Q3/23 Dairy farming segment sales of EUR 3.5m was 11% or EUR 0.4m below our EUR 3.9m forecast. The Q3/23 FMCG segment sales came in almost 3x above our EUR 0.4m estimate, resulting in sales of EUR 1.1m. The Q3/23 Mushroom segment sales of EUR 7.6m was 3% above our EUR 7.4m estimate and grew almost by 10% y-on-y.

The Q3/23 Crop growing segment Gross profit of negative EUR 4.8m was EUR 8.0m below our EUR 3.2m estimated profit due a decrease in crop yield, primarily in legumes. This year's legumes harvest yield is expected at 1.42 t/ha vs. 2.32t/ha last year (main reason was the drought in Lithuania). The Q3/23 mushroom segment Gross profit of EUR 0.1m was EUR 0.4m below our forecast, yet a significant improvement compared to a EUR 1.2m Gross loss in the same quarter last year (lower energy costs supported profitability). The Dairy segment posted a negative Q3/23 Gross profit of EUR 0.5 vs. our expected profit of EUR 0.2m, due to lower raw milk prices. The FMCG segment Q3/23 Gross profit of EUR 0.2m was 2x higher than our EUR 0.1m estimate.

Sales by Segment (EURm)	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	%
Crop growing	8.7	6.8	-1.9	-22.2%
Mushroom growing	7.4	7.6	0.2	3.1%
Dairy farming	3.9	3.5	-0.4	-11.1%
FMCG	0.4	1.1	0.7	155.5%
Group sales	20.4	19.0	-1.4	-7.1%
Sales growth	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	Bps
Crop growing	-11.7%	-31.2%	nm	-1958
Mushroom growing	6.5%	9.7%	nm	327
Dairy farming	-6.1%	-16.5%	nm	-1040
FMCG	-84.0%	-59.1%	nm	2488
Group sales growth	-13.8%	-19.9%	nm	-605
Gross profit by Segment (EURm)	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	%
Crop growing	3.2	-4.8	-8.0	-251.2%
Mushroom growing	0.5	0.1	-0.4	-73.7%
Dairy farming	0.2	-0.5	-0.7	-303.4%
FMCG	0.1	0.2	0.1	121.0%
Group gross profit	4.0	-5.0	-8.9	-224.4%
Gross margin by Segment	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	Bps
Crop growing	36.5%	-71.0%	na	-10750
Mushroom growing	6.6%	1.7%	na	-490
Dairy farming	5.9%	-13.4%	na	-1925
FMCG	20.0%	17.3%	na	-270
Group gross margin	19.5%	-26.1%	na	-4561

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

Group deviation

The Q3/23 Group revenues was 7.0% or EUR 1.4m below our estimate, mainly due to the Crop growing and Dairy farming segment. The Q3/23 negative Group Gross profit of EUR 5.0m was EUR 8.9m below forecast, mainly due to lower yield in legumes affecting the Fair value of crops. The gain on the partial divestment of the FMCG segment was reported in the financial net, but we have moved it to Other items. The gain from the partial FMCG divestment was EUR 7.3m vs. our estimate of EUR 8.0m. The Q3/23 Net loss was EUR 3.4m vs. our forecast Net profit of EUR 6.6m.

P&L (EURm)	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	%
Revenues	20.4	19.0	-1.4	-7.0%
Cost of sales	-15.9	-17.4	-1.5	9.7%
Gain(loss) FV Bio. assets & Agri. Produce	-0.6	-6.5	-6.0	1050.6%
Gross profit	4.0	-5.0	-8.9	-224.2%
Operating expenses	-3.5	-3.5	0.0	0.5%
Other income	0.0	0.5	0.5	1510.0%
Operating profit	0.5	-8.0	-8.5	-1570.9%
Finance cost	-2.2	-2.7	-0.5	24.5%
Share of associates	0.0	0.0	0.0	
Pre-tax Profit	-1.7	-10.7	-9.0	544.9%
Income tax	0.2	0.0	-0.2	-100.0%
Minority interest/Other items	8.0	7.3	-0.7	-8.2%
Net profit	6.6	-3.4	-9.9	-150.9%
Depreciation, Amortization, Impairment	4.0	3.2	-0.9	-21.7%
EBITDA	4.6	-4.8	-9.4	-204.4%

Growth	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	Bps
Sales	-13.8%	-19.9%	-24.9%	-607

Margins	Q3/23	Q3/23	Difference	
	Estimate	Outcome	EURm	Bps
EBITDA margin	22.5%	-25.2%	nm	-4768
Gross margin	19.5%	-26.1%	nm	-4556
Operating margin	2.6%	-41.9%	nm	-4455
Pre-tax Profit margin	-8.1%	-56.3%	nm	-4820
Net margin	32.2%	-17.7%	nm	-4992

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

Estimate changes

We lower our Sales estimates by 2.0% for 2023, while we raise Sales by 4-6% for 2024-25, mainly due to the new Biomethane revenue stream. The 2023 Gross profit is lowered by 88.6% to EUR 1.4m due to the Crop growing segment. For 2024, our Gross profit estimate is lowered by 1.8% to EUR 16.4m, which is below the guidance of EUR 21.5m. The 2025 estimated Gross profit is raised by 14.4% or EUR 2.6m (mainly an effect of partial conversion to conventional crop growing). Our 2023 estimated EBIT is lowered to negative EUR 12.1m from negative EUR 1.1m. Our 2024 EBIT is lowered by almost EUR 1m, while our 2025 EBIT is raised by EUR 1.8m. Our dividend forecast is unchanged.

Group estimate changes

Sales (EURm)	2023E	2024E	2025E
Old estimate	81.7	81.8	84.4
New estimate	80.1	85.3	89.3
Change	-1.7	3.5	4.9
Change (pct)	-2.0%	4.3%	5.8%

Gross profit (EURm)	2023E	2024E	2025E
Old estimate	12.6	16.7	18.0
New estimate	1.4	16.4	20.6
Change	-11.2	-0.3	2.6
Change (pct)	-88.6%	-1.8%	14.4%

EBIT (EURm)	2023E	2024E	2025E
Old estimate	-1.1	3.7	4.6
New estimate	-12.1	2.8	6.4
Change	-11.0	-0.9	1.8
Change (pct)	1021.9%	-23.8%	39.1%

EPS (EUR)	2023E	2024E	2025E
Old estimate	-0.007	-0.006	0.003
New estimate	-0.061	-0.013	0.006
Change	-0.054	-0.007	0.003
Change (pct)	nm	nm	120.7%

Dividend (EUR)	2023E	2024E	2025E
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.

Transformation into a sustainable food AgTech company

AUGA is in the early stages of its transformation into a sustainable food AgTech company. There is no guarantee that this transformation will succeed.

Transformation organic land to conventional land

AUGA is in the early stages of transforming part of its land to conventional from organic. There is no guarantee that this will succeed. Although in our view, it should be easier to transform from organic to conventional than the other way around.

Interest rates

Significantly higher interest rates will increase the company's interest expenses, which could affect our forecast negatively.

Re-financing

The company's EUR 20m Green bond (6% fixed coupon) will mature on 17 December 2024, which means it should be re-financed sometime next year.

Energy prices

High energy prices could significantly affect the production costs of the mushroom segment resulting in a lower than expected gross profit.

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.

Economic downturn

A prolonged and/or severe economic downturn could affect the 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.

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	2021	2022	2023E	2024E	2025E
Net sales	71.7	80.1	80.1	85.3	89.3
Total operating costs	-62.6	-60.5	-78.1	-68.9	-70.7
EBITDA	9.1	19.6	2.0	16.4	18.6
Depreciation & Amort.	-18.9	-16.5	-14.1	-13.6	-12.2
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	-9.8	3.1	-12.1	2.8	6.4
Financial net	-6.5	-7.5	-9.3	-6.0	-4.9
Pre-tax profit	-16.3	-4.4	-21.5	-3.2	1.5
Taxes	0.8	-0.9	0.1	0.2	-0.1
Minority interest	0.0	-0.1	0.1	0.0	0.0
Other items	0.0	0.0	7.3	0.0	0.0
Net profit	-15.4	-5.4	-14.0	-3.1	1.5

Balance Sheet	2021	2022	2023E	2024E	2025E
Cash and cash equivalent	2	3	3	4	4
Receivables	7	8	6	6	6
Inventories	24	35	28	29	29
Other current assets	24	24	24	24	24
Current assets	57	70	61	62	63
Tangible assets	92	94	72	64	63
Goodwill & intangible assets	6	8	8	9	10
Lease & Investment properties	47	48	49	51	52
Investments	0	0	0	0	0
Associated companies	0	0	0	0	0
Other non-current assets	10	11	11	11	11
Total fixed assets	155	161	140	135	136
Total Assets	212	231	201	197	199
Non-interest bearing current liabilities	19	25	26	31	36
Short-term debt	19	40	14	10	7
Other current liabilities	6	5	5	14	18
Total current liabilities	45	71	45	54	61
Long-term debt	46	37	37	26	18
Convertibles & Lease liab.	38	40	49	51	52
Deferred tax liabilities	2	2	2	2	2
Provisions	0	0	0	0	0
Other long-term liabilities	3	4	4	4	4
Total long-term liab.	88	83	92	83	76
Total Liabilities	134	154	137	137	137
Minority interest (BS)	0	0	0	0	0
Shareholders' equity	79	77	63	60	62
Total liabilities and equity	212	231	201	197	199

DCF valuation	Cash flow, mEUR		
WACC (%)	8.31 %	NPV FCF (2023-2025)	60
Assumptions 2023-2029 (%)		NPV FCF (2026-2032)	37
Sales CAGR	8.90 %	NPV FCF (2033-)	87
Avg. EBIT margin	3.69 %	Non-operating assets	3
Fair value per share (EUR)	0.300	Interest-bearing debt	-117
Share price (EUR)	0.30	Fair value estimate	69

Free Cash Flow	2021	2022	2023E	2024E	2025E
Operating profit	-9.8	3.1	-12.1	2.8	6.4
Depreciation & Amort.	18.9	16.5	14.1	13.6	12.2
Working capital chg.	13.1	-7.4	10.5	11.8	8.3
Other Operating CF items	-0.2	0.1	0.1	-0.1	-0.3
Operating Cash Flow	22.1	12.3	12.5	28.0	26.5
Net investments	-14.3	-20.5	8.0	-7.2	-11.8
Other items	-0.1	1.4	7.3	0.0	0.0
Free Cash Flow	7.6	-6.9	27.8	20.9	14.7

Capital structure	2021	2022	2023E	2024E	2025E
Equity ratio	37.2%	33.5%	31.6%	30.7%	31.2%
Debt / Equity ratio	131.0%	151.8%	157.7%	142.8%	124.9%
Gearing %	127.3%	146.6%	151.4%	135.9%	118.3%
Net debt/EBITDA	11.0	5.8	49.3	5.0	3.9

Profitability	2021	2022	2023E	2024E	2025E
ROE	-18.0%	-7.0%	-20.0%	-5.0%	2.4%
FCF yield	6.8%	-7.7%	40.0%	30.0%	21.1%
EBITDA margin	12.7%	24.5%	2.4%	19.2%	20.8%
EBIT margin	-13.7%	3.9%	-15.1%	3.3%	7.2%
PTP margin	-22.7%	-5.5%	-26.8%	-3.8%	1.7%
Net margin	-21.5%	-6.8%	-17.5%	-3.6%	1.6%

Valuation	2021	2022	2023E	2024E	2025E
P/E	-7.3	-16.5	-5.0	-22.7	47.8
P/E, adjusted	-7.3	-16.5	-5.0	-22.7	47.8
P/Sales	1.6	1.1	0.9	0.8	0.8
EV/Sales	3.0	2.5	2.1	1.8	1.6
EV/EBITDA	23.5	10.4	85.2	9.3	7.7
EV/EBIT	-21.8	65.7	-13.7	54.4	22.4
P/BV	1.4	1.2	1.1	1.2	1.1
P/BV tangible	1.6	1.3	1.3	1.4	1.3

Per share ratios	2021	2022	2023E	2024E	2025E
EPS	-0.07	-0.02	-0.06	-0.01	0.01
EPS, adjusted	-0.07	-0.02	-0.06	-0.01	0.01
Operating CF/share	0.10	0.05	0.05	0.12	0.11
Free Cash Flow/share	0.03	-0.03	0.12	0.09	0.06
BV/share	0.35	0.34	0.27	0.26	0.27
Tangible BV/share	0.35	0.34	0.27	0.26	0.27
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	38.007	54.67 %
EBRD	5.944	8.55 %
Zilvinas Marcinkevicius	4.776	6.87 %

Key people	
CEO	Elina Chodzkaite-Barauskiene
Head of Finance	Arminas Kanciauskas
IR	na
Chairman	Kestutis Juscius

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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