

Well Prepared for Q2

Despite challenging Covid-19 effects, Q1 sales and EBITDA grew. Q2 will be even more challenging but we believe the company is well-prepared with liquidity and cost-cutting measures. Our Sum-of-the-parts valuation indicate an upside, but we recognize the market's focus will be on the upcoming tough quarters.

Print surprised positively

Q1 Group sales was 3% below our "Under review" estimates as both the Media and Print segments came in EUR 0.3m below estimates. Q1 Group EBITDA was 9% higher than forecast mainly due to Print coming in better than expected while Media was below.

Prepared for challenging Q2

Management has taken actions to lower costs. We forecast a 2020 Revenue decline of EUR 4.4m, which to a large extent is offset by estimated cost savings of EUR 3.2m i.e. we believe the EUR 1.2m deficit can be absorbed without need for urgent financing.

Valuation

Our Sum-of-the-parts (SOTP) valuation indicate a motivated share price of EUR 1.01. This assumes a 2021E EV/EBITDA multiple of 7.5x, which is between our motivated multiple for digital leaders (9x) and digital laggards (6x). If re-openings of economies are successful, re-pricing of the share could be motivated.

Key figures (MEUR)

	2018	2019	2020E	2021E	2022E
Net sales	60.5	67.5	63.1	65.2	67.0
Net sales growth	11.9%	11.5%	-6.5%	3.4%	2.8%
EBITDA	4.3	6.8	5.3	6.2	6.5
EBITDA margin	7.1%	10.0%	8.4%	9.5%	9.7%
EBIT	1.2	2.7	1.1	2.1	2.3
EBIT margin	2.0%	4.0%	1.7%	3.3%	3.5%
EV/Sales	0.7	0.7	0.7	0.7	0.7
EV/EBITDA	10.6	6.8	8.4	7.2	6.9
EV/EBIT	37.4	16.9	40.1	20.9	19.4
P/E	n.m.	16.9	n.m.	19.9	15.6
P/BV	0.6	0.5	0.4	0.4	0.4
EPS	0.00	0.05	0.00	0.03	0.04
EPS growth	n.m.	n.m.	-95.90%	n.m.	28.00%
Div. per share	0.00	0.00	0.00	0.00	0.02
Dividend yield	0.00%	0.00%	0.00%	0.00%	2.90%

Source: Company data, Enlight Research estimates

Fair value range

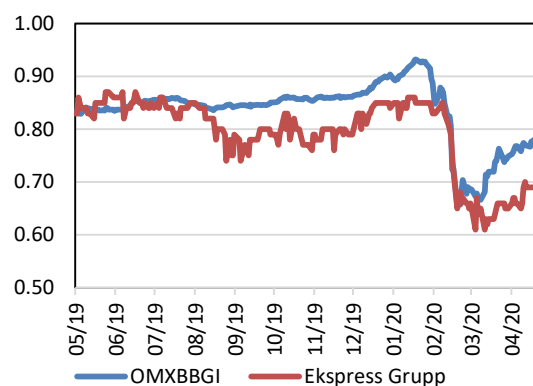
Bull EV/EBITDA 9.0x	1.36
Base EV/EBITDA 7.5x	1.01
Bear EV/EBITDA 6.0x	0.66

Key Data

Price (EUR)	0.69
Ticker	EEG1T
Country	Estonia
Listed	Tallinn

Market Cap	20.56
Net debt	22.31

Shares (m)	30
Free float	42.00 %



Price range

52-week high	0.87
52-week low	0.61

Analyst

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All focus on Q2 preparedness

Given the COVID-19 circumstances, the Q1 report was “ok” despite Sales coming in a bit below our “Under review” estimates, while EBITDA was above (see Forecast deviation section for Outcome vs. Forecast). We believe investors are fully focused on the preparedness for the upcoming tough quarters, especially with regards to the cash flow and liquidity situation.

Actions taken

Examples of actions taken to prepare for upcoming tough quarters:

- Reduced number of employees in the Printing segment by 25 FTEs, which according to our calculations, lowers the salary cost by EUR 17,500 per month (EUR 210K per year) starting from April.
- Applied for salary related government support program, which could result in savings of around EUR 1m in 2020.
- Frozen all non-essential investments. We estimate investments of EUR 2m in 2020 (excluding acquisitions). Last year, investments in property plant and equipment totalled EUR 2.8m, excluding acquisitions.
- Negotiated grace period with SEB, which means no loan repayments during March – May 2020. According to the 2019 Annual report, SEB loans made up EUR 14.2m of total long-term bank loans of EUR 19.2m (including EUR 5m long-term note to LHV) i.e. majority of long-term bank loans was from SEB.

Cost savings forecast

We estimate the company will be able to cut costs by EUR 3.2m or 5% compared to 2019. The largest saving comes from salaries (reduced by EUR 1.4m), which is a result of layoffs in the Printing segment and government support. The second largest savings comes from raw material where we forecast a reduction of 5% or EUR 0.7m, which is in-line with our estimated Print segment sales decline. The third largest saving comes from Services purchased (reduced by EUR 0.6m), which is cost for home delivery of papers/magazines, printing services, and other external services purchased. Most of the other cost lines are reduced by around 10% as part of an overall cost reduction program. One exception is Communication expenses that we expect to increase as employees work from home, however, in absolute numbers, the increase is rather small at EUR 0.020m.

Cost savings forecast				
Expense line	2019	2020E	Change (EUR)	Change (%)
Salaries	28.3	26.9	-1.4	-5%
Raw materials	14.0	13.3	-0.7	-5%
Lease expense	0.9	0.9	0.0	0%
Services purchased	12.1	11.5	-0.6	-5%
Marketing expenses	1.8	1.6	-0.2	-12%
Repairs & Maintenance	0.6	0.5	-0.1	-10%
Communication expenses	0.1	0.2	0.02	15%
Other expenses	3.3	3.0	-0.3	-10%
Depreciation & Amort.	4.1	4.2	0.1	2%
Total cost savings	65.2	62.0	-3.2	-5%

Source: Company reports, Enlight research

Revenue forecast

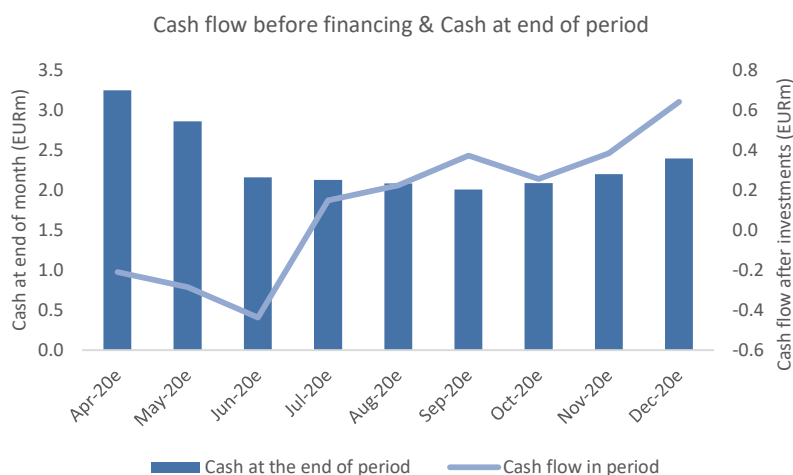
We believe the largest revenue line, Advertising revenue, will decline by EUR 2.9m or 10% this year compared to last year, which is in-line with some statements made by local macro economists regarding the 2020 GDP growth. We estimate the second largest revenue line, Sales of paper & printing services to decline by EUR 1.1m or 5% in 2020 (about 1% of the decline is structural). For other revenue lines, we forecast a decline of 5-10%, except for Subscription revenues, where we see an increase of 2% because of digital subscriptions increasing. In Q1/20, the digital subscriptions increased by 11% y-on-y in Estonia and by 61% y-on-y in Latvia for a total of 54 thousand subscribers.

Revenue forecast	2019	2020E	Change (EUR)	Change (%)
Advertising revenue	30.6	27.7	-2.9	-10%
Single-copy sales	2.3	2.2	-0.1	-5%
Subscriptions revenue	7.9	8.0	0.2	2%
Book publishing	0.8	0.7	-0.1	-10%
Sales of paper & printing services	22.7	21.5	-1.1	-5%
Sale of other goods & services	3.2	2.9	-0.3	-10%
Total revenues	67.5	63.1	-4.4	-7%

Source: Company reports, Enlight research

Liquidity forecast

Given our new revenue and cost forecast, we believe the company will have sufficient cash throughout 2020 i.e. we do not expect a need for urgent financing. For Q2/20, we forecast total cash flow of negative 1.4m, leaving EUR 2.2m in cash at end of the quarter. In Q3/20, we forecast EUR 0.150m in negative cash flow, which still leaves a bit over EUR 2m in cash at end of period. In Q4/20, we forecast positive cash flow of EUR 0.4m for a year end cash position of EUR 2.4m. Our cash flow forecast does not assume any substantial new bank loans or other type of financing.



Source: Enlight research

Q1/20 Forecast deviation and 2020 New estimates

Deviation by segment

Worth to note is that our "Under review" estimates were done on 5 March 2020 i.e. before the full extent of COVID-19 was known. Considering this, the lower than expected outcome is not a big surprise. The Media segment sales grew by 6.9% y-on-y to EUR 10.0m which was 2.8% below our estimate. Digital Media sales grew 7.4% y-on-y to EUR 6.5m, which was 7.4% below our estimate. The main reason for the deviation in Digital Media sales was lower advertising revenues on the Latvian ticket sales platform due to cancellation of events caused by COVID-19. The Print segment grew sales declined by 5.0% to EUR 6.2m, which was 4.0% below our estimate of EUR 6.5m. The Q1/20 group EBITDA was EUR 0.67m corresponding to a margin of 4.3%, which was 9% higher than our estimated EBITDA of EUR 0.62m with a margin of 3.8%. The main reason for the positive EBITDA deviation was the Print segment which reported an EBITDA of EUR 0.58m, which was EUR 0.2m higher than forecast. The Media segment Q1/20 EBITDA was EUR 0.25m, which was EUR 0.3m below forecast (lower ad revenues hit earnings in the end of the quarter).

Deviation table by Segment		Estimate	Outcome	Diff	Diff
Sales		Q1/20	Q1/20	EURm	%
Media segment		10.293	10.003	-0.3	-2.8%
<i>whereof digital and online</i>		7.023	6.505	-0.5	-7.4%
Printing		6.504	6.243	-0.3	-4.0%
Corporate functions		0.539	0.515	0.0	-4.5%
Eliminations pct of sales		-1.232	-1.082	0.2	-12.2%
Total Sales (Equity)		16.104	15.679	-0.4	-2.6%
Sales growth		Estimate	Outcome	Diff	
		Q1/20	Q1/20	bps	
Media segment		10.0%	6.9%	-310	
<i>whereof digital and online</i>		16.0%	7.4%	-855	
Printing		-1.0%	-5.0%	-398	
Corporate functions		0.0%	-4.5%	-445	
Eliminations pct of sales		6.7%	6.9%	20	
Total sales		5.2%	2.4%	-277	
EBITDA by segment		Estimate	Outcome	Diff	Diff
		Q1/20	Q1/20	EURm	%
Media segment		0.515	0.248	-0.3	-51.8%
Printing		0.358	0.584	0.2	63.2%
Corporate functions		-0.250	-0.143	0.1	-42.8%
Eliminations		-0.007	-0.017	0.0	151.9%
EBITDA (equity)		0.616	0.672	0.1	9.2%
EBITDA margin by segment		Estimate	Outcome	Diff	
		Q1/20	Q1/20	bps	
Media segment		5.0%	2.5%	-252	
Printing		5.5%	9.4%	385	
Corporate functions		-46.4%	-27.8%	1862	
EBITDA (equity)		3.8%	4.3%	46	

Source: Company report, Enlight Research

Deviation at Group level

The Q1/20 group sales grew 2.4% y-on-y to EUR 15.7m, which was 2.6% below our "Under review" estimates of EUR 16.1m. The Q1 gross profit was by EUR 0.2m lower than our forecast of EUR 2.4m. The negative deviation increased by EUR 0.1m at the Operating profit line (EUR 0.3m below forecast), and the Pre-tax profit line (EUR 0.4m below forecast). Given that Q1 is usually a loss-making quarter and that Estonia declared a state of emergency on 12 March we are not surprised that earnings came in below our "Under review" estimates.

Deviation table Group

	Estimate	Outcome	Diff	Diff
P&L (EURm)	Q1/20	Q1/20	EURm	%
Sales	16.104	15.680	-0.4	-2.6%
Costs of sales	-13.688	-13.472	0.2	-1.6%
Gross profit (loss)	2.416	2.208	-0.2	-8.6%
Other income	0.161	0.107	-0.1	-33.6%
Marketing expenses	-0.741	-0.757	0.0	2.2%
Administrative expenses	-1.852	-1.893	0.0	2.2%
Other expenses	-0.025	-0.024	0.0	-4.0%
Gain from sale of JV	0.000	0.000	0.0	
Impairment of GW and trademarks	0.000	0.000	0.0	
Operating profit	-0.041	-0.359	-0.3	773.4%
Interest income	0.004	0.006	0.0	50.0%
Interest expense	-0.200	-0.224	0.0	12.0%
FX gain/loss	0.000	-0.016	0.0	
Other finance costs	0.000	0.000	0.0	
<i>Financial net</i>	<i>-0.196</i>	<i>-0.234</i>	<i>0.0</i>	<i>19.4%</i>
Profit on shares of JVs	-0.025	-0.127	-0.1	408.0%
Profit on shares of associates	-0.038	-0.020	0.0	-46.7%
Profit (loss) before taxes	-0.300	-0.740	-0.4	147.0%
Income tax	-0.022	-0.002	0.0	-90.9%
Net profit	-0.322	-0.742	-0.4	130.7%
Other	0.000	-0.001	0.0	
Net profit (loss)	-0.322	-0.743	-0.4	131.0%
EBITDA	1.017	1.039	0.0	2.2%

	Estimate	Outcome	Diff
Margins	Q1/20	Q1/20	Bps
Gross margin	15%	14.1%	-92
EBIT margin	0%	-2.3%	-203
PTP margin	-2%	-4.7%	-286
Net profit margin	-2%	-4.7%	-274

Source: Company report, Enlight Research

Valuation

Peer valuation

We divide our peer companies into Digital leaders (60%+ digital sales), Digital laggards (less than 50% digital sales), and Print service. Despite the latest market volatility, there has not been a major multiple contraction, and in case of the digital leaders, there has even been a multiple expansion (EV/EBITDA has gone from 9x to 11x). As Ekspress Grupp is somewhere in between Digital leaders and Digital laggards with digital sales making up 40-50% of group sales (including Print), we believe a multiple somewhere between the Digital leaders and laggards is justified (implies a 2020 EV/EBITDA multiple of 7-8x). We apply our peer multiples when setting our Sum-of-the-parts motivated share price (see below).

Digital leaders		Net												
Company	Ccy	Price (last)	Shares (m)	Mcap (m) (last)	debt (m) (last)	EV (m) (last)	EV/Sales 2018	EV/Sales 2019	EV/Sales 2020E	EV/Sales 2021E	EV/EBITDA 2018	EV/EBITDA 2019	EV/EBITDA 2020E	EV/EBITDA 2021E
Axel Springer	EUR	56.03	108	6,045	1,795	7,840	2.5	2.5	2.5	2.4	10.6	12.4	13.8	13.8
Daily Mail & General	GBP	7.46	210	1,570	-273	1,297	0.9	0.9	1.0	1.0	6.1	5.9	9.0	7.2
Schibsted	NOK	218.00	237	51,625	2,507	54,132	3.0	2.8	2.8	2.5	16.6	13.9	nm	11.5
Average							2.1	2.1	2.1	2.0	11.1	10.7	11.4	10.8
Ekspress Grupp	EUR	0.69	29.8	21	20.4	41	0.7	0.6	0.6	0.6	10.6	6.8	7.2	6.8

Digital laggards		Net												
Company	Ccy	Price (last)	Shares (m)	Mcap (m) (last)	debt (m) (last)	EV (m) (last)	EV/Sales 2018	EV/Sales 2019	EV/Sales 2020E	EV/Sales 2021E	EV/EBITDA 2018	EV/EBITDA 2019E	EV/EBITDA 2020E	EV/EBITDA 2021E
Poligrafici Editoriale	EUR	0.13	132	17	20	37	0.2	0.3	0.3	0.3	4.2	8.5	7.4	8.3
Agora	PLN	7.00	47	326	461	787	0.7	0.6	0.9	0.6	7.3	4.3	nm	4.2
Cofina SGPS	EUR	0.27	103	27	45	72	0.8	0.8	0.8	0.9	4.8	4.3	4.4	4.8
North Media A/S	DKK	48.80	20	979	-342	637	0.6	0.6	0.6	0.6	4.6	3.3	3.4	3.2
Reach PLC	GBP	0.79	309	245	-30	215	0.3	0.3	0.4	0.4	1.3	1.2	1.6	1.5
Sanoma Oyj	EUR	8.11	163	1,322	417	1,739	1.3	1.9	1.7	1.5	5.3	6.9	6.1	5.4
Roularta Media Group	EUR	12.75	13	168	-85	82	0.3	0.3	0.3	0.3	13.0	3.6	3.7	4.4
Average							0.6	0.7	0.7	0.7	5.8	4.6	4.4	4.5

Print service		Net												
Company	Ccy	Price (last)	Shares (m)	Mcap (m) (last)	debt (m) (last)	EV (m) (last)	EV/Sales 2018	EV/Sales 2019E	EV/Sales 2020E	EV/Sales 2021E	EV/EBITDA 2018	EV/EBITDA 2019E	EV/EBITDA 2020E	EV/EBITDA 2021E
Elanders	SEK	43.4	35	1,535	3,911	5,446	0.5	0.5	0.5	0.5	7.5	4.2	4.0	3.4
Lisgrafica Impressao	EUR	0.0	185	1	9	10	0.4	0.5	0.5	0.5	1.4	3.2	3.4	3.5
ScandBook	SEK	10.9	5	50	50	100	0.3	0.3	0.4	0.4	3.2	3.0	3.4	3.7
Average							0.4	0.4	0.5	0.5	4.0	3.4	3.6	3.5

Source: MarketScreener, Enlight Research, prices on 14 May 2020

Sum-of-the-parts (SOTP) valuation

As in previous reports, we base our SOTP valuation on the estimated 2021 EBITDA and 2021 EV/EBITDA multiples for peers. For the Media segment, our Bull case applies an EV/EBITDA multiple of 9.0x, while our Bear case applies a multiple of 6.0x. Our Base case uses the mid-point multiple of 7.5x. For the Print segment, we apply an EV/EBITDA multiple of 3.5x for in all scenarios. Adjusted for our estimated Net debt in 2021, our Base case motivated value per share is EUR 1.01. Our Base case SOTP valuation aligns well with our DCF value per share of EUR 1.02. See below table for motivated value per share for our three scenarios.

Sum-of-parts valuation	Bull case	Base case	Bear case
Media segment	Digital success	Mid-point	Digital failure
Media segment EBITDA (EURm)	6.5	6.2	5.6
Media segment EV/EBITDA multiple	9.0	7.5	6.0
EV Media segment (EURm)	58	46	34
Print service segment			
Print service segment EBITDA (EURm)	1.4	1.9	2.4
Print service segment EV/EBITDA multiple	3.5	3.5	3.5
EV Print service segment (EURm)	5	7	8
EV Ekspress Grupp	63	53	42
Less Net debt	23	23	23
Equity value	41	30	20
Equity value per share	1.36	1.01	0.66

Source: Enlight Research, EV/EBITDA multiples based on peer valuation in report

Risk factors

Below is a selection of risk factors that we have chosen to highlight given the current economic environment. It should not be regarded as a complete list of all risk factors. For examples of more risks, we refer to our initiation report “Transforming to Digital” published on Nov 18, 2019.

COVID-19

Our new forecast does not factor in a serious second wave of the COVID-19 virus. If a serious second wave was to come with another round of shutdowns, our estimates would most likely have to be decreased.

Loan re-financing risk

Given the uncertainty in the economy, there could be a risk that the company cannot re-finance its loans at the same terms.

Interest rate risk

The interest rates on loans are tied to the EURIBOR. A significant increase in the EURIBOR most likely would affect the profitability of the company.

Credit risk

Given the increase in unemployment, there is a risk that clients will not be able to pay their invoices resulting in accounts receivables write-down.

Income Statement	2018	2019	2020E	2021E	2022E
Net sales	60	67	63	65	67
Total operating costs	-56	-61	-58	-59	-61
EBITDA	4	7	5	6	7
Depreciation	-3	-4	-4	-4	-4
Amortizations (total)	0	0	0	0	0
Impairment charges	0	0	0	0	0
EBIT	1	3	1	2	2
Associated companies' profit/loss	-1	0	0	0	0
Net financial items	0	-1	-1	-1	-1
Exchange rate differences	0	0	0	0	0
Pre-tax profit (PTP)	0	2	0	1	1
Net earnings	0	1	0	1	1

Balance Sheet	2018	2019	2020E	2021E	2022E
Assets					
Cash and cash equivalent	1	4	2	2	2
Receivables	9	13	12	12	13
Inventories	3	3	3	3	3
Other current assets	0	0	0	0	0
Current assets	14	19	17	17	18
Tangible assets	12	15	13	12	11
Associated companies	0	2	2	2	2
Investments	3	7	2	3	4
Goodwill	47	56	56	56	56
O intangible rights	0	0	0	0	0
O non-current assets	2	1	1	1	1
Total non-current assets	63	76	75	75	75
Deferred tax assets	0	0	0	0	0
Total (assets)	77	95	91	92	93
Liabilities					
Short-term debt	1	5	5	5	5
Non-ib current liabilities	11	16	13	12	11
O current liabilities	0	0	0	0	0
Current liabilities	12	22	18	17	15
Long-term debt	14	19	18	18	18
O long-term liabilities	0	3	3	3	3
Convertibles	0	0	0	0	0
Total Liabilities	26	44	39	37	36
Deferred tax liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Shareholders' equity	50	52	52	53	54
Minority interest (BS)	0	0	0	0	0
Minority and equity	50	52	52	53	54
Total (liabilities)	77	95	91	92	93

DCF valuation		Cash flow, mEUR	
WACC (%)	8.78 %	NPV FCF (2020-2022)	2.96
		NPV FCF (2023-2029)	11.83
		NPV FCF (2030-)	37.63
		Non-operating assets	2.42
		Interest-bearing debt	-24.34
		Fair value estimate	30.51
Assumptions 2020-2026 (%)			
Average sales growth	3.25 %	Fair value e. per share (EUR)	1.02
EBIT margin	4.10 %	Share price (EUR)	0.69

Free Cash Flow	2018	2019	2020E	2021E	2022E
Net sales	60	67	63	65	67
Total operating costs	-56	-61	-58	-59	-61
Depreciations total	-3	-4	-4	-4	-4
EBIT	1	3	1	2	2
Taxes on EBIT	0	0	0	0	0
NOPLAT	1	2	1	2	2
Depreciation (neg.)	3	4	4	4	4
Gross cash flow	4	6	5	6	6
Change in wc	3	2	-3	-1	-1
Gross capex (neg.)	-4	-15	-2	-3	-4
Free cash flow	3	-3	0	2	1

Capital structure	2018	2019	2020E	2021E	2022E
Equity ratio	65.7%	54.1%	56.5%	57.3%	58.3%
Debt / Equity ratio	30.7%	47.3%	46.9%	46.6%	46.3%
Capital invested	64.3	70.0	70.6	71.0	71.8
Capital turnover rate	0.8	0.7	0.7	0.7	0.7

Profitability	2018	2019	2020E	2021E	2022E
ROE %	0.0%	2.8%	0.1%	2.0%	2.5%
ROCE%	0.5%	3.6%	1.3%	2.5%	2.8%
ROC%	1.2%	3.5%	1.5%	2.8%	3.0%
EBITDA %	7.1%	10.0%	8.4%	9.5%	9.7%
EBIT %	2.0%	4.0%	1.7%	3.3%	3.5%
Net Margin	0.0%	2.1%	0.1%	1.6%	2.0%

Valuation	2018	2019	2020E	2021E	2022E
EV	45.2	46.0	44.1	44.4	44.8
P/E	5164.8	16.9	356.8	19.9	15.6
P/E diluted	5164.8	16.9	356.8	19.9	15.6
P/Sales	0.5	0.4	0.3	0.3	0.3
EV/Sales	0.7	0.7	0.7	0.7	0.7
EV/EBITDA	10.6	6.8	8.4	7.2	6.9
EV/EBIT	37.4	16.9	40.1	20.9	19.4
P/BV	0.6	0.5	0.4	0.4	0.4

Per share measures	2018	2019	2020E	2021E	2022E
EPS, unadjusted	0.00	0.05	0.00	0.03	0.04
EPS	0.00	0.05	0.00	0.03	0.04
CEPS	0.10	0.18	0.14	0.17	0.19
Operating CF/share	0.22	0.29	0.08	0.16	0.17
Capital empl./share	2.16	2.35	2.37	2.38	2.41
BV/share	1.69	1.73	1.73	1.77	1.81
Tangible BV/share	0.12	-0.16	-0.16	-0.13	-0.08
Div. per share	0.00	0.00	0.00	0.00	0.02
Payout	0.0%	0.0%	0.0%	0.0%	45.1%
Dividend yield	0.0%	0.0%	0.0%	0.0%	2.9%

Shareholders	Capital	Votes
HHL RÜHM OÜ	6.485	31.54 %
HANS LUIK	5.496	26.73 %
ING LUXEMBOURG S.A. AIF ACCOUNT	2.761	13.43 %
LHV PENSIONIFOND L	1.279	6.22 %

Key people	
CEO	Mari-Liis Rüütsalu
CFO	Signe Kukin
IR	Signe Kukin
Chairman	Ahto Päril (Chairman)

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/Sales	$\frac{\text{Market cap}}{\text{Sales}}$	DPS	Dividend for financial period per share
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	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	$\frac{\text{Total assets} - \text{non-interest-bearing debt}}{\text{Number of shares}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Total assets	Balance sheet total
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Interest coverage (x)	$\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share	$\frac{\text{Financial assets} - \text{interest-bearing debt}}{\text{Number of shares}}$	Asset turnover (x)	$\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, %	$\frac{\text{Operating profit} + \text{financial income} + \text{extraordinary items}}{\text{Balance sheet total} - \text{interest-free short-term debt} - \text{long-term advances received and accounts payable (average)}}$	Debt/Equity, %	$\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest-bearing debt (average)}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROE, %	$\frac{\text{Profit before extraordinary items} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	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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