NWT Economic Value Added (EVA)

EVA = NOPAT - (Invested Capital* WACC) or
Modified Formula NOPAT - (Total Assets - Current Liabilities)* WACC

			DS Version 2025	PC Version 2025
NOPAT	Net Operating Profit after Taxes		697,500	697,500
Invested capital	Debt + Capital Leases + Shareholders' Equity		15,214,000	13,371,000
WACC	Weighted Average Cost of Capital		7.082%	6.85%
EVA			**(379,904.88)**	**(219,021.42)**
EVA	**Modified Formula**			
NOPAT			697,500	697,500
Total Assets			16,149,000.00	15,805,000.00
Current Liabilities (ex Debt)		12,800,000.00	3,349,000.00	3,349,000.00
WACC			7.082%	6.85%
EVA			**(208,953.43)**	**(156,302.32)**

Cash	Debt		Right of use of Land	Leasehold Improvements	Shareholder's Equity
344,000	4,015,000	Gross	2,103,000	424,000	8,672,000
		Dep'n	1,123,000	376,000	
		Net BV	980,000	48,000	
		AR2025pg61			
344,000		AR2025pg44			
		AR2025pg65			

EVA **Definition**

EVA shows how well a company generates true economic profit over its cost of capital by subtracting Weighted Average Cost of Capital (WACC) from Net Operating ProfitAfter Taxes (NOPAT)

A Positive EVA shows that a company is creating value for shareholders, while a negative EVA suggests value destruction

EVA encourages management to focus on capital efficiency and value creation, benefiting shareholders

Conclusion

The Calculation of WACC and EVA includes subjectivity and can, therefore, be challenged. However, unless the formulae contain significantly erroneous numbers, the quantum may change whilst the Conclusion will remain the same.

In the case of NWT the Conclusion quite simply confirms the conclusion reached using multiple other ratios, namely that the Company is being run for the benefit of insiders with no consideration for shareholders other than themselves

If the Company or any shareholder wishes to inform us of any errors or omissions, we will readily reflect on the input received, and make appropriate adjustments