

APRANGA

G R O U P

APB APRANGA The Consolidated Interim Report and
Interim Consolidated Financial Statements
For the Six months period ended 30 June 2022

(UNAUDITED)

INFORMATION ABOUT COMPANY

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius

NAME OF THE COMPANY	Apranga APB
LEGAL FORM	Public limited liability company
DATE OF REGISTRATION	1 st March 1993
CODE OF COMPANY	121933274
SHARE CAPITAL	EUR 16 034 668.40
REGISTERED OFFICE	Ukmerges 362, LT-14311 Vilnius, Lithuania
NAME OF REGISTER OF LEGAL ENTITIES	Registrų centras VĮ, Vilnius branch
TELEPHONE NUMBER	+370 5 239 08 08
E-MAIL	info@apranga.lt
INTERNET ADDRESS	www.aprangagroup.lt
MAIN ACTIVITIES	Retail trade of apparel
AUDITOR	ERNST & YOUNG BALTIC UAB

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INTERIM CONSOLIDATED REPORT

GENERAL INFORMATION

Interim consolidated report is prepared for the period January – June 2022.

Name of the Issuer:	APB Apranga
Legal form:	public limited liability company
Date and place of registration:	1993 03 01 Board of Vilnius City
Code of Enterprise:	121933274
Registered office:	Ukmerges str. 362, Vilnius, LT-14311, Lithuania
Telephone number:	+370 5 2390808
E-mail address:	info@aprangait.lt
Internet address:	http://aprangagroup.lt

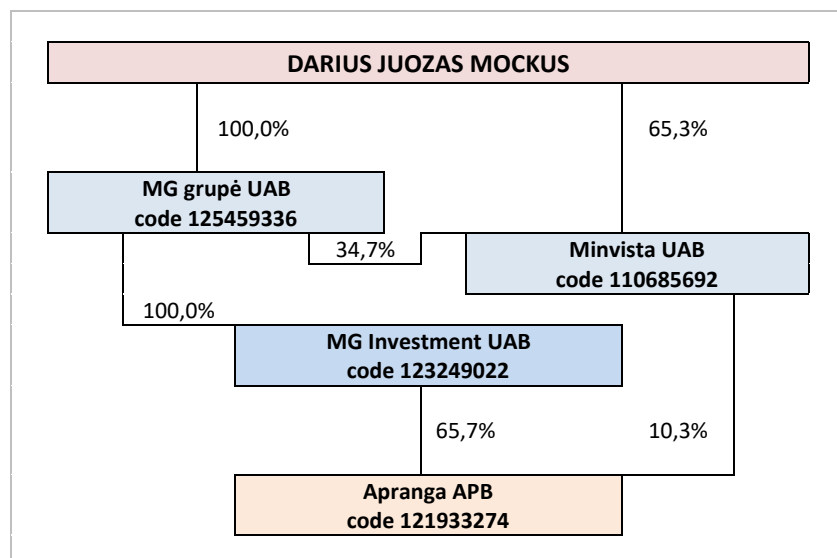
At 30 June 2022 Apranga Group (hereinafter - the Group) consisted of the parent company APB Apranga (hereinafter - the Company) and its wholly owned subsidiaries listed below. The principal activity of the Company and its subsidiaries is retail trade of apparel.

Name	Country	Ownership interest in % 30 06 2020	Ownership interest in % 31 12 2019
UAB Apranga LT	Lithuania	100%	100%
UAB Apranga BPB LT	Lithuania	100%	100%
UAB Apranga PLT	Lithuania	100%	100%
UAB Apranga SLT	Lithuania	100%	100%
UAB Apranga MLT	Lithuania	100%	100%
UAB Apranga HLT	Lithuania	100%	100%
UAB Apranga OLT	Lithuania	100%	100%
UAB Apranga Ecom LT	Lithuania	100%	100%
SIA Apranga	Latvia	100%	100%
SIA Apranga LV	Latvia	100%	100%
SIA Apranga BPB LV	Latvia	100%	100%
SIA Apranga PLV	Latvia	100%	100%
SIA Apranga SLV	Latvia	100%	100%
SIA Apranga MLV	Latvia	100%	100%
SIA Apranga HLV	Latvia	100%	100%
SIA Apranga OLV	Latvia	100%	100%
SIA Apranga Ecom LV	Latvia	100%	100%
OU Apranga*	Estonia	100%	100%
OU Apranga Estonia	Estonia	100%	100%
OU Apranga BEE	Estonia	100%	100%
OU Apranga PB Trade	Estonia	100%	100%
OU Apranga ST Retail	Estonia	100%	100%
OU Apranga MDE	Estonia	100%	100%
OU Apranga HEST	Estonia	100%	100%
OU Apranga Ecom EE	Estonia	100%	100%

¹ The Company directly owns 14.91% shares and indirectly through its subsidiary OU Apranga Estonia owns the rest 85.09% of shares.

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The ultimate parent company whose financial statements are available for public use is MG Grupė UAB. The ultimate controlling individual of the Group is Mr. D. J. Mockus:



OPERATING HIGHLIGHTS

In January through June 2022, the retail turnover of Apranga Group (including VAT) totaled EUR 127.7 million and was by 57.2% higher than in 2021 and by 17.5% higher than in 2019.

Due to epidemic coronavirus (Covid-19) infection, from 16 December 2020, all the Group's stores in Lithuania were temporarily closed. Stores with a separate entrance from the outside and sales area not exceeding 300 square meters were open from 15 February 2021. Stores with a separate entrance from the outside and a sales area exceeding 300 square meters were open from 15 March 2021. All Group's stores have been reopened in Lithuania from 19 April 2021, however, stores operating in shopping malls were not allowed to work on weekends, unless they had separate entrance from outside. Eventually, all Group's stores had been open in Lithuania as of 29 May 2021. In Latvia, stores were temporarily closed from 19 December 2020. Group's stores that operate in shopping malls and have separate entrance from outside had been reopened in Latvia as of 22 May 2021. Eventually, all Group's stores had been open in Latvia as of 3 June 2021. In Estonia, all Group's stores were temporarily closed from 11 March 2021 until 3 May 2021. These temporary closures had a significant impact on the Group's generated turnover in January-June 2021.

Market of retail trade, except of motor vehicles and motorcycles, in the Baltic states generated a turnover of over 14.5 billion EUR at current prices in January-May 2022, which is about 25% more comparing to the same period in 2021. In the retail market, the change of consumer prices in January-May 2022 compared to the corresponding period of the previous year averaged about 14%. In June, the change in consumer prices reached ~22% in Estonia, ~21% in Lithuania and ~19% in Latvia.

According to the data of the official statistics departments of Lithuania, Latvia and Estonia, the companies participating in the textile, clothing and footwear market of the Baltic states generated a turnover of around EUR 637 million (excluding VAT) in the months of January-May 2022. It is 74% growth compared to January-May 2021 and 16% growth compared to January-May 2019. The change of consumer prices in the clothing and footwear industry in January-May 2022 averaged to 2.7% in Lithuania, 5.6% in Latvia and 5.1% in Estonia. Lithuania remains the largest market of retail trade of textile, clothing and footwear in specialized stores in the Baltic states, generating about 50% of the Baltic states market turnover.

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The retail turnover of the Group's stores in first half of 2022 by month was as follows (EUR thousand, VAT included):

	2022	2021	2020	2019	2022/2021, %	2022/2020, %	2022/2019, %
January	17 817	6 651	19 929	16 972	167,9%	-10,6%	5,0%
February	15 900	8 298	17 318	15 162	91,6%	-8,2%	4,9%
March	18 906	10 598	8 599	17 656	78,4%	119,9%	7,1%
April	22 599	12 462	5 160	18 081	81,3%	338,0%	25,0%
May	25 785	18 635	15 061	20 596	38,4%	71,2%	25,2%
June	26 684	24 594	20 667	20 172	8,5%	29,1%	32,3%
Total:	127 692	81 239	86 734	108 639	57,2%	47,2%	17,5%

The retail turnover of the Group's stores in first half of 2022 by countries was as follows (EUR thousand, VAT included):

Country	6 months 2022	6 months 2021	6 months 2020	6 months 2019	2022/2021, %	2022/2020, %	2022/2019, %
Lithuania	78 126	52 904	50 658	64 485	47,7%	54,2%	21,2%
Latvia	30 607	14 522	22 029	25 435	110,8%	38,9%	20,3%
Estonia	18 959	13 813	14 047	18 719	37,3%	35,0%	1,3%
Total:	127 692	81 239	86 734	108 639	57,2%	47,2%	17,5%

The retail turnover of the Group's stores by countries during the second quarter of 2022 was (EUR thousand, VAT included):

Country	Q2 2022	Q2 2021	Q2 2020	Q2 2019	2022/2021, %	2022/2020, %	2022/2019, %
Lithuania	45 569	37 053	23 864	33 974	23,0%	91,0%	34,1%
Latvia	17 945	10 710	10 756	14 722	67,6%	66,8%	21,9%
Estonia	11 555	7 929	6 267	10 153	45,7%	84,4%	13,8%
Total:	75 069	55 692	40 887	58 849	34,8%	83,6%	27,6%

The online turnover of the Group's stores in first half of 2022 was as follows (EUR thousand, VAT included):

	6 months 2022	6 months 2021	6 months 2020	6 months 2019	2022/2021, %	2022/2020, %	2022/2019, %
Online turnover	16 694	28 713	10 043	4 104	-41,9%	66,2%	306,8%
Relative weight in total turnover	13,1%	35,3%	11,6%	3,8%			

The Group's online turnover decreased by 41,9% in the first half of the year, and its relative weight in total turnover decreased from 35,3% to 13,1% compared to the corresponding period of the previous year. In year 2021, online turnover was significantly higher due to the Covid-19 related temporary closure of physical stores. The Group's online turnover in the first half 2022, compared to the corresponding period of 2019, increased by 306,8%.

The retail turnover of the Group's stores by chains in first half of 2022 was as follows (EUR thousand, VAT included):

Chain	6 months 2022	6 months 2021	6 months 2020	6 months 2019	2022/2021, %	2022/2020, %	2022/2019, %
Economy ¹	13 691	6 222	10 064	14 190	120,0%	36,0%	-3,5%
Youth ²	30 873	20 167	20 192	25 066	53,1%	52,9%	23,2%
Footwear	2 146	942	1 963	3 302	127,7%	9,3%	-35,0%
Business ³	22 807	13 280	15 667	18 845	71,7%	45,6%	21,0%
Luxury ⁴	12 833	9 780	9 533	9 983	31,2%	34,6%	28,6%
Zara	38 738	27 773	25 613	32 346	39,5%	51,2%	19,8%
Outlets	6 605	3 075	3 702	4 907	114,8%	78,4%	34,6%
Total:	127 692	81 239	86 734	108 639	57,2%	47,2%	17,5%

¹ Apranga, Promod, s.Oliver, Tom Tailor, Orsay;

² Aprangos galerija, Moskito, Mango, Bershka, Pull & Bear, Stradivarius, Desigual, Oysho, A|X Armani Exchange;

³ City, Massimo Dutti, Strellson, Marella, Pennyblack, Coccinelle, Tommy Hilfiger, Zara Home, Karen Millen, Calvin Klein Underwear, Liu Jo, MAX&Co.;

⁴ Burberry, Emporio Armani, Hugo Boss, Ermenegildo Zegna, MaxMara, Weekend MaxMara, Marina Rinaldi, Mados linija, Nude, Sandro, Maje, Hugo.

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In 6 months 2022, Apranga Group opened 2 stores (Sandro and Maje stores in Tallinn), enlarged and renovated 2 stores (Mango and Massimo Dutti stores in Tallinn) and closed 4 stores (2 Orsay stores in Vilnius and 2 Orsay stores in Riga). Sales area of renovated and newly opened stores totaled to 1.3 thousand sq. m. The net capital expenditure to the retail chain expansion and renovation of the Group amounted to EUR 1.8 million in first half 2022 (see Note 4 "Investments into non-current assets"). Investments (acquisitions) by segments are disclosed in Note 3 ("Segment information"). The Group is not engaged in activities related to research and experimental development, except to the extent of process improvement. Group uses the latest technology and the latest technology processes that meet environmental standards and help reduce the negative impact on the environment.

The number of stores by countries was as follows:

Country	30 06 2022	30 06 2021	30 06 2020	2022/2021, %	2022/2020, %
Lithuania	100	101	105	-1,0%	-4,8%
Latvia	44	48	51	-8,3%	-13,7%
Estonia	23	25	28	-8,0%	-17,9%
Total:	167	174	184	-4,0%	-9,2%

The number of stores by chains was as follows:

Chain	30 06 2022	30 06 2021	30 06 2020	2022/2021, %	2022/2020, %
Economy	22	29	35	-24,1%	-37,1%
Youth	47	47	47	0,0%	0,0%
Footwear	10	11	13	-9,1%	-23,1%
Business	39	40	41	-2,5%	-4,9%
Luxury	30	28	28	7,1%	7,1%
Zara	10	11	11	-9,1%	-9,1%
Outlets	9	8	9	12,5%	0,0%
Total	167	174	184	-4,0%	-9,2%

The total *sales area* operated by the Group has decreased by 2.2% or by 2.1 thousand sq. m. during the year period until 30 June 2022.

The total area of stores by countries was as follows (thousand sq. m):

Country	30 06 2022	30 06 2021	30 06 2020	2022/2021, %	2022/2020, %
Lithuania	50,9	50,1	50,4	1,6%	1,1%
Latvia	26,4	27,0	27,4	-2,2%	-3,4%
Estonia	13,1	15,4	15,6	-14,8%	-16,3%
Total:	90,4	92,5	93,4	-2,2%	-3,1%

In addition to the key figures defined or specified in the applicable IFRS financial reporting framework, the Group also provides key financial ratios derived from or based on the prepared financial statements. These are known as Alternative Performance Measures (APM). Definitions of APM are provided on the Group's website. In table below are stated few APM.

In six months 2022, The Group's *profit before income tax* reached EUR 7.1 million. The Group's profit before income tax was EUR 1.2 million in the same period of 2021.

EBITDA of the Group reached EUR 17.1 million in six months 2022, while the Group had *EBITDA* of EUR 11.2 million in the same period of 2021 (+52.9%). *EBITDA* margin has decreased from 16.4% to 16.1% during the year.

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Main Group Indicators	6 months 2022	6 months 2021	6 months 2020	6 months 2019
Net sales	106 312	68 251	72 950	89 840
Net sales in foreign markets	41 361	23 802	30 163	36 586
Gross profit	47 387	27 489	29 113	38 704
Gross margin, %	44,6%	40,3%	39,9%	43,1%
Operating profit (loss)	7 639	1 667	49	4 061
Operating profit margin, %	7,2%	2,4%	0,1%	4,5%
EBT	7 123	1 162	(492)	3 666
EBT margin, %	6,7%	1,7%	-0,7%	4,1%
Profit (loss) for the period	5 947	957	(579)	2 996
Profit for the period margin, %	5,6%	1,4%	-0,8%	3,3%
EBITDA	17 139	11 212	10 186	13 196
EBITDA margin, %	16,1%	16,4%	14,0%	14,7%
Return on equity (end of the period), %	11,3%	1,5%	-1,0%	5,7%
Return on assets (end of the period), %	4,2%	0,6%	-0,4%	2,2%
Net debt to equity, %	92,8%	54,9%	91,8%	121,2%
Current ratio, times	1,4	1,6	1,4	1,4

The gross margin of the Group reached 44.6% in 6 months 2022, mainly driven by more effective inventory management.

The *operating expenses* of the Group totaled EUR 39.8 million in 6 months 2022 and increased by 53.9, comparing to the same period 2021. Thus, the operating expenses grew in line with sales, which grew by 55.8%.

Main Group Indicators	6 months 2022	6 months 2021	Change
Net sales	106 312	68 251	55,8%
Net sales in foreign markets	41 361	23 802	73,8%
Gross profit	47 387	27 489	72,4%
Operating (expenses)	(39 748)	(25 822)	53,9%
Operating profit (loss)	7 639	1 667	358,2%
EBT	7 123	1 162	513,0%
Profit (loss) for the period	5 947	957	521,4%
EBITDA	17 139	11 212	52,9%

The Group's *level of inventories* during the last 12 months increased by 2% to EUR 36.9 million. Company's inventories decreased by 4%.

The number of employees at 30 June 2022 and the average monthly salary by categories in 1st half 2022 were as follows:

Employee category	Group	Company	Group	Company
	Number of employees		Average monthly salary, EUR	
Administration	183	121	3 352	3 712
Stores' personnel	1 913	561	1 113	1 246
Logistics	60	60	1 663	1 663
Total	2 156	742	1 338	1 694

The number of employees during the year till 30 June 2022 in the Group has increased by 74 to 2 156 (3.6%) and has increased in Company by 43 to 742 (6.6%).

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Education of employees by categories on 30 June 2022 was as follows:

Education level	Group	Company
Higher	491	273
Professional	295	72
Secondary	525	181
Primary	21	10
Student	824	206
Total:	2 156	742

The price of the Company shares in 6 months 2022 decreased by 9% from EUR 2.03 per share to EUR 1.85 per share. The maximum share price during the six months period was EUR 2.58 per share, minimum share price - EUR 1.64 per share. The market capitalization of the Company decreased from EUR 112 million at the beginning of the year to EUR 102 million at the end of June 2022. The weighted average price of 1 share during the reporting period was EUR 2.18. Company's share turnover was EUR 14.1 million in 6 months 2022. The share price during the last 12 months decreased from EUR 2.01 to EUR 1.85 per share, or by 8%.

Apranga APB share price in 12 months period from 1st July 2021 to 30th June 2022:



OPERATIONAL PLANS

The Group plans to reach EUR 290 million turnover (including VAT) in 2022, or by 27% higher than actual year 2021 turnover. In 2022, the Group plans to renovate or open 6-10 stores. The net investment is planned to be about EUR 2-5 million.

RISK MANAGEMENT

Financial risk factors

The risk management function within the Group and the Company is carried out in respect of financial risks (credit, market (which consist of currency, interest rate and price) and liquidity), operational risks and legal risks. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimize operational and legal risks.

The financial risks relate to the following financial instruments: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, trade receivables, cash and cash equivalents, trade and other payables and borrowings. The accounting policy with respect to these financial instruments is the same as it was in 2022.

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Credit risk

Credit risk is managed on Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, financial assets at fair value through other comprehensive income as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties (or subsidiaries of such parties) with high credit ratings are accepted. Sales to wholesale customers are rare and immaterial, therefore risk control only assesses the credit quality of the customer, taking into account its financial position, past experience and future factors. Sales to retail customers are settled in cash or using major credit cards, therefore there is no credit risk.

Company's credit risk arising from trade receivables from subsidiaries and loans to subsidiaries is managed by controlling financial performance of subsidiaries on a monthly basis. All the subsidiaries having Company's loans have been profitable during the financial year, generated strong positive cash flows, historically none of them had liquidity issues. Management has also assessed the projected future information that will not have a material adverse effect on the Company's subsidiaries. Therefore, in the management's opinion, the credit risk is low.

Financial assets at fair value through other comprehensive income are invested only to Lithuanian government bonds.

The Company and the Group have no significant concentration of credit risk, except for cash which is held in two banks having high credit ratings and loans granted to subsidiaries.

Liquidity risk

Liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group and the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's and the Company's liquidity reserve comprises undrawn borrowing facility and cash and cash equivalents on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with practice set by the Group. In addition, the Group's and the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these; and maintaining debt financing plans.

Market risk

Cash flow and fair value interest rate risk

The Company has loans to subsidiaries with floating interest rates, but the cash flow risk is mitigated by applying the same variable element of interest rate on those loans as the banks are charging the Company.

Loans granted and received at variable rates expose the Group to cash flow interest rate risk, which however has no material impact on profit or equity of the Group. Loans granted and received at fixed rates expose the Company to fair value interest rate risk, which however has no material impact on profit or equity of the Company.

The Company's and Group's borrowings consist of loans with floating interest rate, which are related to EURIBOR and EONIA. The Company and the Group did not use any derivative financial instruments in order to control the risk of interest rate changes.

Trade and other receivables and payables are interest-free and have settlement dates within one year.

The Group's and the Company's cash flow and fair value interest rate risk is periodically monitored by the Group's management. It analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing.

Based on the simulations performed, management considers the impact of 0.5% change in interest rates to be not material to the financial statements of the Group and the Company.

Foreign exchange risk

The Company and the Group has a policy to synchronize the cash flows from expected sales in the future with the expected purchases and other expenses in each foreign currency. Substantially all the Group's payables and receivables are short-term and in addition expenses in foreign currencies are insignificant (less than 10%) as compared to those in Euro.

The Group operates in Lithuania, Latvia and Estonia, and during the reporting period used Euro currency. Since Estonia, Latvia and Lithuania introduced the Euro (respectively, since 1st January 2011, 1st January 2014 and 1st January 2015), so there is no exchange rate fluctuations.

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Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group and the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

Pursuant to the Lithuanian Law on Companies the authorised share capital of a public limited liability company must be not less than EUR 40 thousand and of a private limited liability company must be not less than EUR 2.5 thousand. In addition, for all entities the shareholders' equity should not be lower than 50 per cent of the company's registered share capital. As at 30 June 2022 UAB Apranga Ecom LT had not complied with the requirements. Business activities of UAB Apranga Ecom LT are terminated.

Pursuant to the Latvian Commercial Law the authorised share capital of a private limited liability company must be not less than EUR 2.8 thousand. As at 30 June 2022, all of the Company's Latvian subsidiaries complied with these requirements.

Pursuant to the Estonian Commercial Code the authorised share capital of a private limited liability company must be not less than EUR 2.5 thousand. In addition, the shareholders' equity should not be lower than 50 per cent of the company's share capital. As at 30 June 2022 OU Apranga, OU Apranga PB TRADE and OU Apranga Ecom EE had not complied with the requirements. The Group management decided to increase the share capital of OU Apranga, OU Apranga PB TRADE and OU Apranga Ecom EE in order to comply with the statutory requirements.

In addition, the Group should comply with the financial covenants imposed in the agreements with SEB bankas AB and Luminor Bank AB. The Group and the Company followed the covenants as at 30 June 2022.

SECURITIES

The share capital of APB Apranga is EUR 16,034,668.40 and it is divided into 55,291,960 ordinary registered shares with a nominal value of EUR 0.29 each, where each share grants to its owner 1 vote (in total 55,291,960 voting shares), all shares are paid in full and give the owners equal rights. All 55 291 960 ordinary shares of nominal value EUR 0.29 each (ISIN code LT0000102337) that comprise Company's share capital are listed on Baltic equity list of Nasdaq Vilnius Stock Exchange.

Neither Company, nor its subsidiaries directly or indirectly acquired own shares. By the knowledge of the Company's management, there are no restrictions imposed on transfer of Company's shares. All Company's shares give equal rights to shareholders and there are no shareholders with special control rights.

By the knowledge of the Company's management, there are no restrictions imposed on voting rights.

By the knowledge of the Company's management, there are no agreements among shareholders which may limit transfer of shares, or their voting rights.

Each owner of the ordinary registered share has the following property rights:

- 1) To receive part of the company's profit (dividend);
- 2) To receive a part of the assets of the company in liquidation;
- 3) To receive shares without payment if the share capital is increased out of the company's funds, except the cases specified in the Law on Companies.
- 4) To have the pre-emption right to acquire the shares or convertible debenture issued by the company, except in cases when General Shareholder's Meeting pursuant to Law on Companies decides to withdraw the pre-emption right in acquiring the company's issued shares for all shareholders;
- 5) As provided by laws to lend to the company, however the company borrowing from its shareholders has no right to mortgage or pledge its assets to shareholders. When the company borrows from a shareholder, the interest may not be higher than the average interest rate offered by commercial banks of the locality where the lender has his/her place of residence or business, which was in effect on the day of conclusion of the loan agreement. In such a case the company and shareholders are prohibited from negotiating a higher interest rate;
- 6) To receive Company's funds in event the share capital is decreased on purpose to pay Company's funds to shareholders;
- 7) Shareholders have other property rights provided by laws of the Republic of Lithuania.

Each owner of the ordinary registered share has the following non-property rights:

- 1) To attend and vote in General Shareholder's Meetings. One ordinary registered share grants to its owner one vote at the General Shareholders' Meeting. The right to vote at the General Shareholder's Meeting may be withdrawn or restricted in cases established by laws of the Republic of Lithuania, also in cases when share ownership is contested;
- 2) to submit to the company in advance the questions related to the issues on the agenda of the general meeting of shareholders;

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- 3) To receive information on the company as provided by legislation;
- 4) To file a claim to the court requesting compensation of damage to company resulting from non-performance or improper performance of the duties of the Manager of the Company or members of the Board of the company which duties have been prescribed by law and these Articles of Association of the company as well as in other cases as may be prescribed by law;
- 5) Other non-property rights prescribed by law.

As of 30 June 2022, the Company had 5 929 shareholders (as per shareholders list prepared in accordance with SRD II directive). Company's shareholders that control over 5% votes in General Shareholder Meeting were as follows:

Shareholder	Enterprise code	Address	Number of shares	% of total ownership
UAB MG Investment	123249022	Aukštaičių 7, Vilnius, Lithuania	36 342 179	65,7%
UAB Minvista	110685692	Aukštaičių 7, Vilnius, Lithuania	5 688 411	10,3%

The Company has concluded the contract with SEB bankas AB on securities account management.

General Shareholders' Meeting has a right to amend the Articles of Association under the qualified majority of votes, which may not be less than 2/3 of all votes the shareholders attending at the Meeting, except for the exceptions specified by Law on Companies.

CORPORATE GOVERNANCE

The management bodies of the Company are as follows: General Shareholders' Meeting, a collegial management body – Board, and a single-person management body – Manager of the Company.

Competence of *General Shareholders' Meeting* is the same as specified by the Law on Companies. Competence of General Shareholders' Meeting additionally includes adoption of the resolutions on the composition of the Audit Committee of the Company, including the appointment and removal of individual members of the Audit Committee, and approving the charter of the Audit Committee.

The Board, consisting of six members, is elected by General Shareholders' Meeting for a 4-year term. Company's Board members election and revocation procedure is the same as specified by Law on Companies. Starting from 29th April 2021 two independent Board members are elected to the Board. Consequently, starting from that date the Board performs the supervisory functions provided for in Paragraph 11 of Article 34 of the Law on Companies.

Company's Board activity is conducted by chairman of the Board. The Board elects its chairman from among its members.

The Board continues in office for the period established in the Articles of Association or until a new Board is elected and assumes the office but not longer than until the annual General Shareholders' Meeting during the final year of its term of office.

Board of Company considers and approves:

- 1) The activity strategy of the Company;
- 2) The interim and annual report of the Company;
- 3) The management structure of the Company and the positions of the employees;
- 4) The positions to which employees are recruited by competition;
- 5) Regulations of branches and representative offices of the Company.

The Board adopts the following resolutions:

- 1) Resolutions for the Company to become an incorporator or a member of other legal entities;
- 2) Resolutions to establish branches and representative offices of the Company;
- 3) Resolutions to invest, dispose of or lease the tangible long-term assets the book value whereof exceeds 1/20 of the share capital of the Company (calculated individually for every type of transaction);
- 4) Resolutions to pledge or mortgage the tangible long-term assets the book value whereof exceeds 1/20 of the share capital of the Company (calculated for the total amount of transactions);
- 5) Resolutions to offer surety or guarantee for the discharge of obligations of third persons the amount whereof exceeds 1/20 of the share capital of the Company;
- 6) Resolutions to acquire the tangible long-term assets the price whereof exceeds 1/20 of the share capital of the Company;
- 7) Resolutions to restructure the Company in the cases laid down in the Law on Restructuring of Enterprises;
- 8) Resolutions regarding issuance of debenture of the Company (except issuance of convertible debenture);
- 9) Resolutions regarding transactions with related parties, as provided by Law on Companies, where these transactions have a significant impact on the company, its finances, assets and liabilities. Transactions with related parties shall be considered to have a significant impact on the company, its finances, assets and liabilities, if the total value (the total

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- value of one transaction or the total value of continuous transactions within one calendar year) of such a transaction exceeds 1/2 of the company's authorized capital;
- 10) Other resolutions within the competence of the Board as prescribed by the Articles of Association or the resolutions of the General Shareholders' Meeting.

The Board analyses and assesses the documents submitted by the Manager of the Company on:

- 1) The implementation of the activity strategy of the Company;
- 2) The organization of the activities of the Company;
- 3) Financial standing of the Company;
- 4) The results of economic activities, income and cost estimates, the stocktaking data and other accounting data of changes in the assets.

The Board elects and removes from office the Manager of the Company, in accordance with the remuneration policy approved by the company fixes his/her remuneration and sets other terms of the employment agreement, approves his/her job description, provides incentives and imposes penalties.

The Board analyses and assesses the Company's draft annual financial statement and draft of profit/loss distribution and submits them to the General Shareholders' Meeting together with the annual report of the Company.

The Board is responsible for convening and arrangement of the General Shareholders' Meeting in due time.

Each member of the Board is entitled to initiate convening of the Board meeting. The Board may adopt resolutions and its meeting shall be deemed to have taken place when the meeting is attended by 2/3 or more members of the Board. The resolution of the Board is adopted if more votes for it are received than the votes against it. In the event of a tie, the Chairman of the Board shall have the casting vote. The member of the Board is not entitled to vote when the meeting of the Board discusses the issue related to his/her activities on the Board or the issue of his/her responsibility.

The Manager of the Company – General Director - is a single-person management body of the Company. The Manager of the Company acts at his/her own discretion in relation of the Company with other persons.

The Manager of the Company is elected and removed from office by the Board which also fixes his/her salary, approves his/her job description, provides incentives and imposes penalties. The employment agreement is concluded with the Manager of the Company and is signed on behalf of the Company by the Chairman of the Board or other person authorized by the Board. In his/her activities the Manager of the Company complies with laws and other legal acts, Articles of Association, General Shareholders' Meeting resolutions, Board resolutions, his/her job descriptions.

The Manager of the Company acts on behalf of the Company and is entitled to enter into the transactions at his/her own discretion. The Manager of the Company may conclude the following transactions provided that there is a decision of the Board to enter into these transactions: to invest, dispose of or lease the tangible long-term assets the book value whereof exceeds 1/20 of the share capital of the Company (calculated individually for every type of transaction); to pledge or mortgage the tangible long-term assets the book value whereof exceeds 1/20 of the share capital of the Company (calculated for the total amount of transactions); to offer surety or guarantee for the discharge of obligations of third persons the amount whereof exceeds 1/20 of the share capital of the Company; to acquire the tangible long-term assets the price whereof exceeds 1/20 of the share capital of the Company as well as to conclude transactions with related parties, where these transactions have a significant impact on the company, its finances, assets and liabilities, as these significance criteria are specified in Articles of Association of the company.

The Manager of the Company is responsible for:

- 1) The organization of the Company's activity and implementation of its objectives;
- 2) The drawing up of the set of annual financial statements and the drafting of the annual report of the Company;
- 3) The drawing up of a draft remuneration policy;
- 4) The drawing up of a draft remuneration report;
- 5) Concluding an agreement with the auditor or firm of auditors;
- 6) Submission of information and documents to the shareholders, General Shareholders' Meeting and the Board in cases prescribed by Law on Companies or at their request;
- 7) Submission of the documents and data of the Company to manager of the Register of Legal Entities;
- 8) Submission of documents to the Bank of Lithuania and Central Securities Depository;
- 9) Public announcement of information prescribed by Law on Companies in a source indicated in Articles of Association;
- 10) Submission of information to shareholders;
- 11) Preparation of the draft decision of the distribution of dividends for the period, shorter than a financial year, composition of the set of the interim financial reports and the preparation of the interim report for the decision of the distribution of dividends for the period, shorter than a financial year;
- 12) Notification to the shareholders and the Board about the most important events that have a significance for the company's activities
- 13) Preparation of draft rules for granting shares;
- 14) The performance of other duties prescribed by laws as well as in the Articles of Association and the job descriptions of the Manager of the Company.

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The Manager of the Company organizes daily activities of the Company, hires and dismisses employees, concludes and terminates employment contracts with them, provides incentives and imposes penalties.

The Manager of the Company is responsible for preparation of the draft share subscription agreement and its data correctness. The Manager of the Company issues authorizations and procuration within the scope of its competence.

The Manager of the Company is accountable and regularly reports to the Board on the implementation of Company's activity strategy, the organization of the Company's activity, the financial standing of the Company, the results of economic activity, the income and cost estimates, the stocktaking data and other accounting data of changes in the assets.

BOARD OF THE COMPANY

On 28 April 2022 the Annual General Meeting of Company shareholders elected Company's members of the Board for new 4-year term. 27th April 2026 is the end term for Company's Board.



Darius Mockus
Chairman of the Board

Darius Mockus (born in 1965) - Chairman of the Board since 2 May 2002 (member of the Board since 23 March 1995). Education: Vilnius University, Faculty of Economics, Industrial Planning. He has no Company shares. With related companies Minvista UAB (Code of Enterprise: 110685692; Registered office: Aukštaičių 7, Vilnius) and MG Investment UAB (Code of Enterprise: 123249022; Registered office: Aukštaičių 7, Vilnius) he has 42 030 590 shares, representing 76.02% of the share capital and votes.



Vidas Lazickas
Member of the Board

Vidas Lazickas (born in 1965) - Member of Board of APB Apranga since 29 April 2011. Education: Vilnius University, Faculty of Economics, specialization in Production Management and Organization He has 262 352 shares of the Company, representing 0.47% of the share capital and votes.



Ilona Šimkūnienė
Member of the Board, Purchasing Director

Ilona Šimkūnienė (born in 1963) - Apranga Group Purchasing Director, Member of Board of APB Apranga since 27 March 1998, in the Company since 1985. Education: Vilnius University, Faculty of Trade, specialization in Trade Economics. She has no Company shares.



Ramūnas Gaidamavičius
Member of the Board, Development Director

Ramūnas Gaidamavičius (born in 1968) - Apranga Group Development Director, Member of Board of APB Apranga since 30 April 2010, in the Company since 2002. Education: Vilnius University of Technology, Faculty of Mechanics, specialization in Machine Building. He has 5 000 shares of the Company, representing 0.01% of the share capital and votes.

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Jonas Jokštys
 Member of the Board, independent

Jonas Jokštys (born in 1982 m.) - Member of Board of APB Apranga since 29th April 2021 m. Education: Stocholm School of Economics in Riga (2000-2003) Bachelor of Economics and Business Administration and London School of Economics and Political Science (2005-2006) Master of Philosophy and Political Science. Other titles not related with the activities in Board of the Company: UAB Elmoris, Board member, UAB Vendos, CEO, UAB Imum, CEO, UAB Žemaitijos žemė, CEO. He has no Company shares.



Gintaras Juškauskas
 Member of the Board, independent

Gintaras Juškauskas (born in 1970 m.) - Member of Board of APB Apranga since 29th April 2021 m. Education: Vilnius University, Finance faculty (1998-2003), Master of Economics and Vilnius University, Law faculty (2010-2013), Master of Law. Other titles not related with the activities in Board of the Company: Gintaro Juškausko IĮ, CEO, UAB MERITS, auditor, associated partner. He has no Company shares.

RELATED PARTY TRANSACTIONS

The Company's transactions with related parties are disclosed in Note 9 to interim consolidated and Company's financial statements.

COMPLIANCE WITH THE GOVERNANCE CODE

In six months 2022, there were no essential changes related to Apranga APB report for year 2021 concerning the compliance with the Governance Code for the companies listed on the regulated market.

PUBLICLY ANNOUNCED INFORMATION

During the period from the start of 2022 to 30th June 2022 Company publicly announced and broadcasted through Nasdaq Vilnius stock exchange information distribution system Globe Newswire and own webpage the following information:

Date	Title
2022.01.04	Turnover of Apranga Group in December 2021 and total year 2021
2022.01.19	Notification on manager's related party transactions
2022.01.20	Notification on manager's related party transactions
2022.01.21	Notification on manager's transactions
2022.01.21	Notification on manager's related party transactions
2022.01.25	Notification on manager's related party transactions
2022.01.26	Notification on manager's related party transactions
2022.01.27	Notification on manager's related party transactions
2022.01.27	Notification on manager's transactions
2022.01.28	Notification on manager's related party transactions
2022.02.01	Turnover of Apranga Group in January 2022
2022.02.28	Apranga Group interim information for 12 months of 2021

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Date	Title
2022.03.01	Turnover of Apranga Group in February 2022
2022.03.14	Notification on manager's related party transactions
2022.03.21	Apranga Group extends successful collaboration with Inditex
2022.03.23	Notification on manager's related party transactions
2022.03.24	Notification on manager's related party transactions
2022.03.25	Notification on manager's related party transactions
2022.03.28	Notification on manager's related party transactions
2022.04.01	Turnover of Apranga Group in March 2022
2022.04.05	Notice of the Annual General Meeting of APB "APRANGA" shareholders
2022.04.05	Draft resolutions of the Annual General Meeting of APB APRANGA shareholders to be held on April 28th, 2022
2022.04.13	Correction: Draft resolutions of the Annual General Meeting of APB APRANGA shareholders to be held on April 28th, 2022
2022.04.27	Apranga Group interim report for three months of 2022
2022.04.28	Resolutions of the Annual General Meeting of Apranga APB shareholders
2022.04.28	Apranga APB annual report 2021
2022.05.02	Turnover of Apranga Group in April 2022
2022.05.04	Ex-dividend date and procedure for the payment of Apranga APB dividends
2022.05.05	Notification on manager's related parties transaction
2022.05.10	Notification on manager's related parties transaction
2022.05.13	Notification on manager's transactions
2022.05.23	Notification on manager's related parties transaction
2022.06.01	Turnover of Apranga Group in May 2022
2022.06.16	Notification on manager's related party transactions
2022.06.20	Notification on manager's transactions
2022.06.20	Notification on manager's related party transactions
2022.06.21	Notification on manager's related party transactions
2022.06.27	Notification on manager's transactions
2022.06.27	Notification on manager's related party transactions

Contents of above mentioned announcements can be obtained on Nasdaq Vilnius Stock Exchange webpage <http://www.nasdaqomxbaltic.com/market/?pg=details&instrument=LT0000102337&list=2&tab=news&lang=en> and on Company's webpage <http://aprangagroup.lt/en/investors/news-and-material-events>

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STATEMENTS OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		6 months 2022	6 months 2021	6 months 2022	6 months 2021
Revenue from contracts with customers	7	106 312	68 251	42 074	26 827
Cost of sales		(58 925)	(40 762)	(24 317)	(16 728)
GROSS PROFIT		47 387	27 489	17 757	10 099
Operating (expenses)		(40 274)	(28 012)	(16 557)	(10 854)
Other income		526	2 191	15 928	422
OPERATING PROFIT (LOSS)		7 639	1 667	17 128	(334)
Finance income		12	16	19	35
Finance (costs)		(528)	(521)	(257)	(240)
PROFIT (LOSS) BEFORE INCOME TAX		7 123	1 162	16 890	(539)
Income tax (expense)		(1 176)	(205)	(239)	94
PROFIT (LOSS) FOR THE PERIOD	3	5 947	957	16 651	(445)
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		5 947	957	16 651	(445)
Total comprehensive income attributable to:					
Owners of the Company		5 947	957	16 651	(445)
Non-controlling interests		-	-	-	-
Basic and diluted earnings per share (in EUR)		0,11	0,02	0,30	(0,01)

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STATEMENTS OF FINANCIAL POSITION

ASSETS		GROUP		COMPANY	
ASSETS	Note	30 06 2022	31 12 2021	30 06 2022	31 12 2021
Property, plant and equipment		22 621	24 900	11 578	13 165
Intangible assets		819	636	801	614
Investments in subsidiaries		-	-	4 963	4 963
Prepayments		400	416	188	188
Trade and other receivables		2 402	2 400	46	46
Right-of-use assets		58 618	64 194	25 566	28 060
Other financial assets		2 400	2 400	2 400	2 400
Total non-current assets		87 260	94 946	45 542	49 436
CURRENT ASSETS					
Inventories		36 892	35 909	20 157	18 525
Other financial assets		-	735	-	735
Prepayments		2 816	1 346	2 183	1 171
Trade and other receivables		1 565	3 076	10 635	12 363
Cash and cash equivalents		12 727	29 743	7 438	17 192
Total current assets		54 000	70 809	40 413	49 986
TOTAL ASSETS	3	141 260	165 755	85 955	99 422
EQUITY AND LIABILITIES					
EQUITY	Note	30 06 2022	31 12 2021	30 06 2022	31 12 2021
Ordinary shares		16 035	16 035	16 035	16 035
Legal reserve		1 604	1 604	1 604	1 604
Foreign currency translation reserve		(53)	(53)	-	-
Retained earnings		35 093	56 792	27 947	38 942
Total equity		52 679	74 378	45 586	56 581
NON-CURRENT LIABILITIES					
Deferred tax liabilities		1 514	2 067	357	389
Non-current lease liabilities		49 066	53 824	21 382	23 597
Non-current employee benefits		70	91	70	91
Total non-current liabilities		50 650	55 982	21 809	24 077
CURRENT LIABILITIES					
Borrowings	8	50	200	4 213	5 400
Current lease liabilities		12 522	13 251	5 008	5 261
Current income tax liability		1 728	211	271	134
Trade and other payables		23 631	21 733	9 068	7 969
Total current liabilities		37 931	35 395	18 560	18 764
Total liabilities		88 581	91 377	40 369	42 841
TOTAL EQUITY AND LIABILITIES		141 260	165 755	85 955	99 422

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STATEMENTS OF CHANGES IN EQUITY

GROUP	Note	Share capital	Legal reserve	Translation reserve	Retained earnings	Total
Balance at 1 January 2021		16 035	1 604	(53)	45 896	63 482
Comprehensive income:						
Profit for the 6 months 2021	3				957	957
Total comprehensive income		-	-	-	957	957
Balance at 30 June 2021		16 035	1 604	(53)	46 853	64 439
Balance at 1 January 2022		16 035	1 604	(53)	56 792	74 378
Comprehensive income:						
Profit for the 6 months 2022	3				5 947	5 947
Total comprehensive income		-	-	-	5 947	5 947
Dividends paid	11				(27 646)	(27 646)
Balance at 30 June 2022		16 035	1 604	(53)	35 093	52 679

COMPANY		Share capital	Legal reserve	Retained earnings	Total
Balance at 1 January 2021		16 035	1 604	35 262	52 901
Comprehensive income:					
Profit for the 6 months 2021				(445)	(445)
Total comprehensive income		-	-	(445)	(445)
Balance at 30 June 2021		16 035	1 604	34 817	52 456
Balance at 1 January 2022		16 035	1 604	38 942	56 581
Comprehensive income:					
Profit for the 6 months 2022				16 651	16 651
Total comprehensive income		-	-	16 651	16 651
Dividends paid	11			(27 646)	(27 646)
Balance at 30 June 2022		16 035	1 604	27 947	45 586

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STATEMENTS OF CASH FLOW

OPERATING ACTIVITIES	Note	GROUP		COMPANY	
		6 months 2022	6 months 2021	6 months 2022	6 months 2021
Profit (loss) before income taxes		7 123	1 162	16 890	(539)
ADJUSTMENTS FOR:					
Depreciation and amortization		9 500	9 545	3 728	3 601
Impairment charge (reversal)		(240)	(8)	(49)	-
Change in allowances for slow-moving inventories		(441)	(612)	(28)	560
(Gain) on disposal of property, plant and equipment		(463)	1	(463)	1
Write-off of property, plant and equipment		132	87	21	82
Fair value change of financial assets		121	-	121	-
Dividend income		(56)	(56)	(15 456)	(56)
Interest expenses		528	505	257	205
Total		16 204	10 624	5 021	3 854
CHANGES IN OPERATING ASSETS AND LIABILITIES:					
Decrease (increase) in inventories		(542)	(177)	(1 604)	(1 791)
Decrease (increase) in receivables		78	(4 982)	147	(2 691)
Increase (decrease) in payables		1 827	9 157	1 028	2 971
Cash generated from operations		17 567	14 622	4 592	2 343
Income taxes paid		(212)	(937)	(134)	76
Interest paid		(528)	(521)	(257)	(240)
Net cash from operating activities		16 827	13 164	4 201	2 179
INVESTING ACTIVITIES					
Interest received		12	16	19	35
Dividends received		56	56	15 456	56
Loans granted		(20 000)	-	(24 904)	(6 013)
Loans repayments received		20 000	-	25 489	6 958
Purchases of PPE and intangible assets	4	(2 344)	(5 114)	(559)	(2 295)
Proceeds on disposal of PPE	4	1 749	1 479	1 216	45
Proceeds on disposal of financial assets at fair value		579	-	579	-
Net cash from investing activities		52	(3 563)	17 296	(1 214)
FINANCING ACTIVITIES					
Dividends paid		(27 596)	-	(27 596)	-
Proceeds from borrowings		-	-	12 315	25
Repayments of borrowings		(150)	(150)	(13 502)	(1 410)
Payment of principal portion of lease liabilities		(6 149)	(6 003)	(2 468)	(2 292)
Net cash from financing activities		(33 895)	(6 153)	(31 251)	(3 677)
NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFTS		(17 016)	3 448	(9 754)	(2 712)
CASH AND BANK OVERDRAFTS:					
AT THE BEGINNING OF THE PERIOD		29 743	26 209	17 192	19 863
AT THE END OF THE PERIOD		12 727	29 657	7 438	17 151

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NOTES TO INTERIM FINANCIAL STATEMENTS

1. General information

APB Apranga, (hereinafter "the Company"), was incorporated and commenced its operations in March 1993. The Company's main office is situated in Ukmerges 362, Vilnius, Lithuania. The Company has legal form of public limited liability company under the Law on Companies of Republic of Lithuania. The principal activity of the Company and its subsidiaries (hereinafter "the Group") is retail trade of apparel. At 30 June 2022 the Group consisted of the Company and 25 subsidiaries:

2. Basis of preparation and summary of main accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU. The principle accounting policies applied in the preparation of Interim financial statements are the same to those applied in preparation of the Annual financial statements.

The financial statements for the period ended 30 June 2022 are not audited.

In the financial statements all figures are presented in thousands of euro, unless indicated otherwise.

3. Segment information

Management has determined the operating segments based on the reports reviewed by the General Director and other 6 Directors (responsible for managing, sales and marketing, human resources, purchases, development and finance) that are used to make strategic decisions.

All financial information, including the measure of profit and total assets, is analyzed on a country basis. The segment information provided to the Directors for the reportable segments for the 6 months 2022 is as follows:

6 months 2022	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	72 031	25 804	16 300	114 135	-	
Inter-segment revenue	(7 082)	(330)	(413)	(7 825)	-	
Revenue from external customers (Note 5)	64 949	25 474	15 887	106 310	-	106 310
Gross margin	44,1%	44,8%	46,1%	44,6%		44,6%
Profit (loss) for the year	3 639	1 515	793	5 947	-	5 947
Total assets	106 871	30 067	18 425	155 363	(14 103)	141 260
Additions to non-current assets	604	35	1 705	2 344	-	2 344

6 months 2021	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	48 508	12 982	11 913	73 403	-	
Inter-segment revenue	(4 105)	(816)	(277)	(5 198)	-	
Revenue from external customers	44 403	12 166	11 636	68 205	-	68 205
Gross margin	40,7%	35,8%	42,9%	40,3%		40,3%
Profit (loss) for the year	785	338	(166)	957	-	957
Total assets	128 132	35 074	19 119	182 325	(18 792)	163 533
Additions to non-current assets	5 084	9	24	5 117	(3)	5 114

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4. Investments into non-current assets

Net investments of the Group amounted to EUR 1.8 million in 6 months 2022. The Company's investments have reached EUR 0.6 million, daughter companies – EUR 1.2 million.

5. Sale of non-current assets

In February 2022, the Company sold retail premises located in Gedimino pr. 44, Vilnius. The total value of the transaction of the sale of assets amounted to EUR 1.2 million. The transaction's positive impact on Company's and Group's accounting period results - EUR 0.45 million. The profit of the transaction is recorded under "Other income" in the statement of comprehensive income.

6. Sale of financial assets

In May 2022, upon maturity long-term bonds issued by Lithuanian Government were redeemed from the Company for EUR 579 thousand. The bonds were recorded in the statement of financial position as a current financial assets. The Group and the Company did not possess any state securities as at 30 June 2022.

7. Income

For the H1 2022 revenue from contracts with customers consisted of the following:

	GROUP		COMPANY	
	2022	2021	2022	2021
Stores income	106 310	68 205	33 078	21 294
Wholesale income	-	-	6 632	3 915
Management fees	-	-	2 363	1 587
Other income	2	46	1	31
Total revenue from contracts with customers	106 312	68 251	42 074	26 827

8. Borrowings

In November 2021, the Company and SEB bank signed the amendment to the previously concluded credit line agreement. According to the amendment, credit repayment term was prolonged to 30 November 2023. Credit line limit remained at EUR 27 000 thousand. The interests are paid for the amount used, and the interest rate is calculated as 1-3 months EURIBOR plus margin. There is fixed interest rate set for amount used for the issuance of guarantees and letters of credit.

In June 2022, the Company and LUMINOR bank signed the amendments to the previously concluded financial liability limit agreements. According to these amendments, credit repayment terms of both EUR 10 000 thousand and EUR 5 000 thousand (non-binding financial liabilities limit) limits were prolonged until 30 June 2023. For the drawdown amount of the overdraft a floating interest rate calculated as the 1-month EURIBOR plus margin is being paid. There is fixed interest rate set for amount used for the issuance of guarantees.

9. Related party transactions

The Company's and the Group's transactions with related parties and balances arising from these transactions as of 30 June 2022 were as follows:

Related parties	Accounts payable		Accounts receivable and loans granted		Income		Purchases	
	2022	2021	2022	2021	2022	2021	2022	2021
UAB MG Grupė (the ultimate parent company)	10	12	-	-	-	-	54	54
As per ultimate parent company associated companies:								
UAB Mineraliniai vandenys	-	-	-	-	-	-	11	8
UAB Mediafon Technology	9	2	-	-	-	-	34	12
UAB MG Investment	5	5	-	-	-	-	26	26
LNK Group	4	-	-	-	-	-	-	-
UAB MG Baltic Media	-	3	-	-	-	-	-	-
UAB Eminta	86	84	-	-	-	-	435	255
UAB MV GROUP	-	-	-	1	-	-	-	-
Total	114	106	-	1	-	-	560	355

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FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(all tabular amounts are in EUR thousands unless otherwise stated)

Prevailing types of related party contracts are rent, management service fee, advertising, centralized services (telecommunications, utilities etc.).

The Company's transactions with subsidiaries and balances arising from these transactions as of 30 June 2022 were as follows:

Subsidiaries	Borrowings and accounts payable		Loans and accounts receivable		Income		Purchases	
	2022	2021	2022	2021	2022	2021	2022	2021
UAB Apranga LT	-	3 649	210	28	5 522	415	68	81
UAB Apranga BPB LT	-	1 050	28	13	1 408	71	15	11
UAB Apranga PLT	69	609	24	7	777	53	7	11
UAB Apranga SLT	-	331	21	-	988	58	12	56
UAB Apranga MLT	315	930	38	-	1 835	88	20	54
UAB Apranga HLT	-	315	31	9	951	39	1	2
UAB Apranga OLT	-	107	8	6	525	17	2	1
UAB Apranga Ecom LT	-	-	-	-	-	-	-	-
SIA Apranga	2 665	-	5 583	5 485	5 142	1 861	22	94
SIA Apranga LV	560	-	22	54	1 467	172	36	4
SIA Apranga BPB LV	15	-	1	8	433	24	6	-
SIA Apranga PLV	-	-	4	7	283	15	4	-
SIA Apranga SLV	115	2	2	-	483	17	5	9
SIA Apranga MLV	-	-	12	16	679	40	8	-
SIA Apranga HLV	54	-	4	4	271	13	-	-
SIA Apranga OLV	-	-	5	86	19	10	2	-
SIA Apranga Ecom LV	-	-	-	-	-	-	-	-
OU Apranga	300	-	3 179	3 497	2 549	2 256	19	3
OU Apranga Estonia	-	-	47	360	700	167	23	5
OU Apranga BEE	-	-	26	94	22	16	3	-
OU Apranga PB Trade	-	-	396	670	24	17	-	-
OU Apranga ST Retail	-	3	4	110	17	13	2	10
OU Apranga MDE	-	-	233	37	196	34	4	1
OU Apranga HEST	70	-	4	3	271	19	-	-
OU Apranga Ecom EE	-	3	-	-	-	-	-	-
Total	4 163	6 999	9 882	10 494	24 562	5 415	259	342

Prevailing types of intra-group transactions are centralized supplies of goods for resale, management service fees, centralized purchasing of services (telecommunications, IT, utilities and etc.), financing, and distribution of earnings. Dividend income in amount of EUR 15 400 thousand received from the subsidiaries in six months 2022 is presented in 'Income received' together with other income (no dividend income received in 2021).

10. Guarantees and letters of credit

As of 30 June 2022, guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totaled EUR 13 704 thousand (31 December 2021: EUR 13 734 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 30 June 2022 amounted to EUR 15 042 thousand (31 December 2021: EUR 15 150 thousand).

As of 30 June 2022, the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totaled EUR 498 thousand (31 December 2021: EUR 499 thousand).

11. Profit distribution

The Annual shareholders meeting of APB Apranga held on 28 April 2022 has resolved to pay EUR 27 646 thousand in dividends for the year 2021.

12. Alternative performance measures

With regard to the requirements of the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures, Apranga APB provides an overview of the Alternative Performance Measures (APM) used, their definition and calculation on Apranga APB website at: <http://aprangagroup.lt/en/investors/investor-relations/alternative-performance-measures>.