

# APRANGA GROUP

28 February 2024  
Vilnius

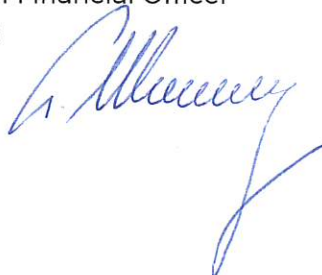
## **CONFIRMATION OF THE COMPANY'S RESPONSIBLE PERSONS**

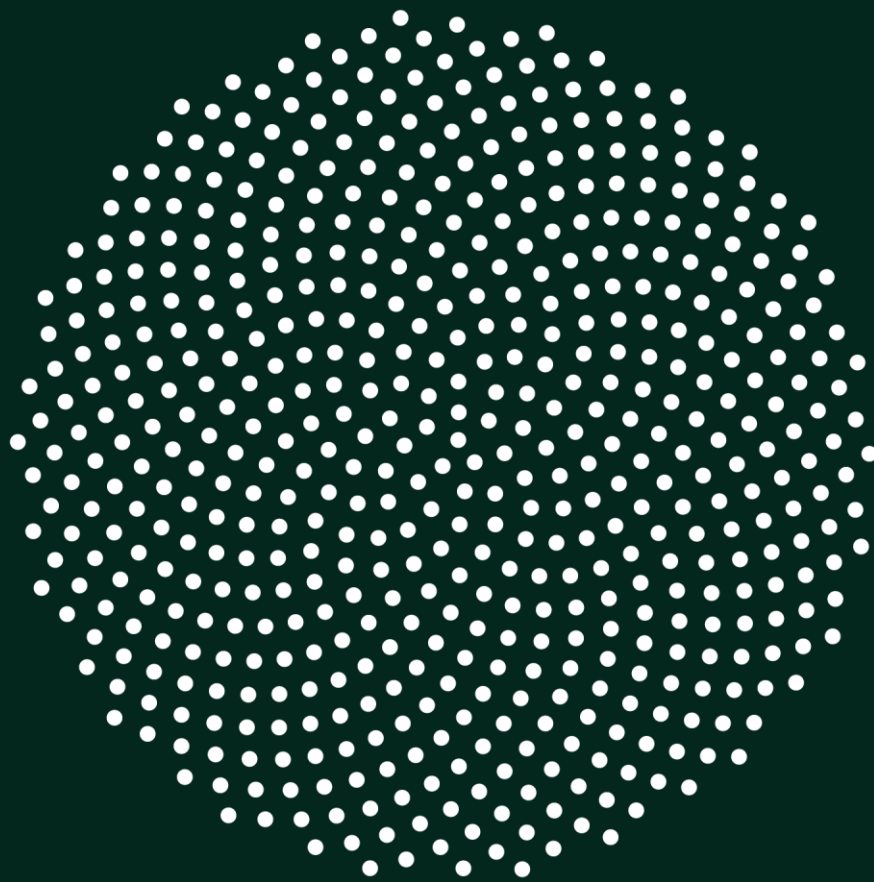
Hereby we confirm, that by our knowledge Interim Consolidated Financial Statements for the 12 months 2023 prepared in accordance with International Financial Reporting Standards as adopted by the EU are true and fairly present assets, liabilities, financial position, profit or loss and cash flow of APB Apranga, as well as of Apranga Group consolidated companies.

Apranga Group General Manager  
Rimantas Perveneckas



Apranga Group Chief Financial Officer  
Gabrielius Morkūnas





# APRANGA

## G R O U P

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APB APRANGA The Consolidated Interim Report and  
Interim Consolidated Financial Statements  
For the Twelve months period ended 31 December 2023

(UNAUDITED)

## INFORMATION ABOUT COMPANY

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

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

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## ACTIVITY REPORT

The retail turnover (including VAT) of Apranga Group reached EUR 326.4 million in 12 months 2023 and was by 11.3% higher than in 2022. In 2023, the retail turnover of Apranga Group in Lithuania reached EUR 196.9 million and increased by 10.6% year-on-year. In 2023 the retail turnover of Apranga Group in Latvia was EUR 79.5 million and surged by 12.1% year-on-year, in Estonia was EUR 50.0 million and grew by 12.6% year-on-year.

According to the data of the official statistics departments of Lithuania, Latvia and Estonia, the market of retail trade, except of motor vehicles and motorcycles, in the Baltic states the year 2023 generated over 39.8 billion euros (without VAT) and grew around 2% at current prices compared to the year 2022.

The change of consumer prices in Baltic retail market in the year 2023 compared to the previous year averaged to around 9%. In this period the price index change in Lithuania was 9%, Latvia 10% and Estonia 9%. Consumer confidence index in the Euro area has been consistently increasing through out the year 2023 and rose from -20.6 to -16.0 (+4.6 p.). Despite minor fluctuations Baltic countries' consumer confidence index also shows upward trend. In Lithuania the index increased from -5.4 to +2.2(+7.6 p.), Latvia from -32.4 to -17.0 (+15.4 p.), Estonia from -32.7 to -32.4 (+0.3 p.).

The companies participating in the textile, clothing and footwear market of the Baltic states generated around 1,9 billion euros (without VAT), which is 7% higher turnover in the year 2023 compared to the previous year 2022.

The change of consumer prices index in the clothing and footwear industry in Baltic retail market in year 2023 compared to the corresponding period of the previous year averaged to around 6%. In this period the price index change in Lithuania was 3.5%, Latvia 3.6% and Estonia 10.4%. Lithuania remains the largest market of retail trade of textile, clothing and footwear in specialized stores in the Baltic countries, generating about 50% of the Baltic states market turnover.

The retail turnover of the Group's stores in 12 months of 2023 by countries was as follows (EUR thousand, VAT included):

Country	12 months 2023	12 months 2022	12 months 2021	2023/2022, %	2023/2021, %
Lithuania	196 884	178 024	146 003	10,6%	34,8%
Latvia	79 513	70 900	46 409	12,1%	71,3%
Estonia	50 009	44 416	36 010	12,6%	38,9%
Total:	326 406	293 340	228 422	11,3%	42,9%

The retail turnover of the Group's stores in the 4<sup>th</sup> quarter of 2023 by countries was (EUR thousand, VAT included):

Country	Q4 2023	Q4 2022	Q4 2021	2023/2022, %	2023/2021, %
Lithuania	58 015	51 646	46 370	12,3%	25,1%
Latvia	23 806	20 420	13 103	16,6%	81,7%
Estonia	13 339	12 453	10 779	7,1%	23,7%
Total:	95 159	84 519	70 253	12,6%	35,5%

The online turnover of the Group's stores in 12 months of 2023 was as follows (EUR thousand, VAT included):

	12 months 2023	12 months 2022	12 months 2021	2023/2022, %	2023/2021, %
Online turnover	39 860	33 672	48 256	18,4%	-17,4%
Relative weight in total turnover	12,2%	11,5%	21,1%		

The Group's online turnover increased by 18,4% in the 12 months of the year, and its relative weight in total turnover increased from 11.5% to 12.2% 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.

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The retail turnover of the Group's stores in 12 months of 2023 by chains was as follows (EUR thousand, VAT included):

Chain	12 months 2023	12 months 2022	12 months 2021	2023/2022, %	2023/2021, %
Economy <sup>1</sup>	31 535	31 102	22 524	1,4%	40,0%
Youth <sup>2</sup>	77 880	69 998	55 064	11,3%	41,4%
Footwear	4 263	4 679	3 201	-8,9%	33,2%
Business <sup>3</sup>	62 064	54 100	42 545	14,7%	45,9%
Luxury <sup>4</sup>	33 552	29 280	25 263	14,6%	32,8%
Zara	102 871	89 853	69 515	14,5%	48,0%
Outlets	14 240	14 328	10 310	-0,6%	38,1%
<b>Total</b>	<b>326 406</b>	<b>293 340</b>	<b>228 422</b>	<b>11,3%</b>	<b>42,9%</b>

<sup>1</sup> Apranga, Promod, s.Oliver, Tom Tailor, Orsay;

<sup>2</sup> Aprangos galerija, Moskito, Mango, Bershka, Pull & Bear, Stradivarius, Oysho, A|X Armani Exchange;

<sup>3</sup> City, Massimo Dutti, Marella, Pennyblack, Coccinelle, Tommy Hilfiger, Zara Home, Calvin Klein Underwear, Liu Jo, MAX&Co.;

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

During the year 2023 Apranga Group opened 12 new stores, renovated 8 stores, out of which 5 stores were enlarged and 3 stores were moved to another shopping mall, and closed 11 stores. Currently Apranga Group operates the chain of 169 stores (100 in Lithuania, 44 in Latvia and 25 in Estonia) covering the gross area of 90.8 thousand sq. m., or by 0.2% more than a year ago.

The net capital expenditure to the retail chain expansion, restructuring and modernization amounted to EUR 9,7 million in 12 months of 2023 (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	31 12 2023	31 12 2022	31 12 2021	2023/2022, %	2023/2021, %
Lithuania	100	100	102	0,0%	-2,0%
Latvia	44	44	46	0,0%	-4,3%
Estonia	25	24	21	4,2%	19,0%
<b>Total:</b>	<b>169</b>	<b>168</b>	<b>169</b>	<b>0,6%</b>	<b>0,0%</b>

The number of stores by chains was as follows:

Chain	31 12 2023	31 12 2022	31 12 2021	2023/2022, %	2023/2021, %
Economy	20	19	26	5,3%	-23,1%
Youth	46	48	47	-4,2%	-2,1%
Footwear	10	11	10	-9,1%	0,0%
Business	43	41	39	4,9%	10,3%
Luxury	32	30	28	6,7%	14,3%
Zara	9	10	10	-10,0%	-10,0%
Outlets	9	9	9	0,0%	0,0%
<b>Total</b>	<b>169</b>	<b>168</b>	<b>169</b>	<b>0,6%</b>	<b>0,0%</b>

The number of economy chain stores has significantly decreased due to closure of Promod and Orsay brand stores in years 2021 and 2022.

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

Country	31 12 2023	31 12 2022	31 12 2021	2023/2022, %	2023/2021, %
Lithuania	49,4	51,0	51,3	-3,1%	-3,7%
Latvia	27,9	26,4	26,8	5,6%	4,2%
Estonia	13,5	13,2	12,6	2,2%	7,5%
Total:	90,8	90,6	90,6	0,2%	0,2%

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.

The Group earned EUR 20.3 million of profit before income tax in 12 months 2023, while profit before taxes amounted to EUR 18.7 million in 12 months of 2022 (increased by 8.5%).

EBITDA of the Group was EUR 40.9 million in 12 months 2023, while the Group had EBITDA of EUR 38.9 million in the same period of 2022 (increased by 5.2%). EBITDA margin has decreased from 16.0% to 15.2% during the year.

Main Group Indicators	12 months 2023	12 months 2022	12 months 2021
Net sales	269 696	242 899	189 745
Net sales in foreign markets	107 249	95 595	68 502
Gross profit	124 142	111 344	82 230
Gross margin, %	46,0%	45,8%	43,3%
Operating profit (loss)	21 501	19 869	14 278
Operating profit margin, %	8,0%	8,2%	7,5%
EBT	20 332	18 745	13 211
EBT margin, %	7,5%	7,7%	7,0%
Profit (loss) for the period	16 639	15 635	10 896
Profit for the period margin, %	6,2%	6,4%	5,7%
EBITDA	40 928	38 906	34 076
EBITDA margin, %	15,2%	16,0%	18,0%
Return on equity (end of the period), %	26,2%	25,1%	14,6%
Return on assets (end of the period), %	10,4%	10,5%	6,6%
Net debt to equity, %	-27,8%	-36,8%	-39,7%
Current ratio, times	1,6	1,7	2,0

The operating expenses of the Group totaled to EUR 102.6 million in 12 months 2023 and increased by 12.2%, comparing to the same period 2022. Operating expenses increased more than sales, which grew by 11,0%. In 2022, the operating expenses of the Group were reduced by EUR 0.45 million due to a positive result of a long-term assets sales. Adjusted for the effect of beforementioned sale, the increase of the operating expenses of the Group in 2023 was 11.7% compared to corresponding period of prior year.

Main Group Indicators	12 months 2023	12 months 2022	Change
Net sales	269 696	242 899	11,0%
Net sales in foreign markets	107 249	95 595	12,2%
Gross profit	124 142	111 344	11,5%
Operating (expenses)	(102 641)	(91 475)	12,2%
Operating profit (loss)	21 501	19 869	8,2%
EBT	20 332	18 745	8,5%
Profit (loss) for the period	16 639	15 635	6,4%
EBITDA	40 928	38 906	5,2%

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Main Group Indicators	Q4 2023	Q4 2022	Change
Net sales	77 122	69 269	11,3%
Net sales in foreign markets	30 371	26 951	12,7%
Gross profit	35 386	33 230	6,5%
Operating (expenses)	(30 545)	(27 608)	10,6%
Operating profit (loss)	4 841	5 622	-13,9%
EBT	4 484	5 259	-14,7%
Profit (loss) for the period	3 602	4 403	-18,2%
EBITDA	9 884	10 565	-6,4%

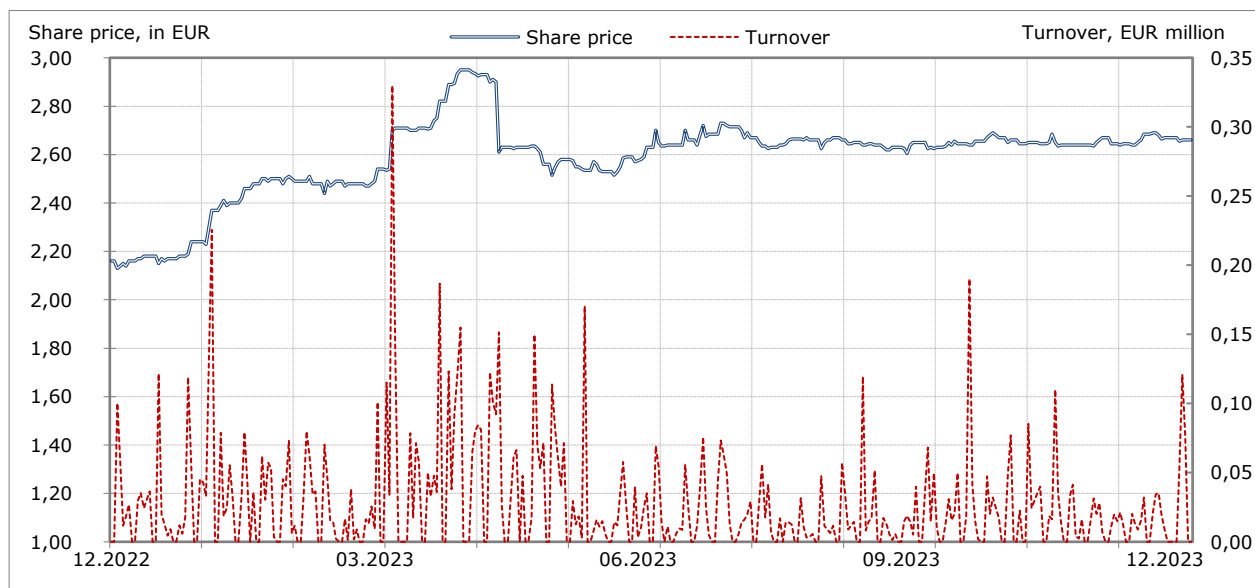
In Q4 2023, the Group's gross profit grew slower than the sales. The Group's gross profit margin, compared to the same period last year, decreased from 48.0% to 45.9% in Q4 2023 amid one week earlier start of the sale as well as bigger year-end inventory allowances made for sales below cost of fall-winter season goods.

The Group's level of inventories during the last 12 months increased by 22.3% to EUR 50.6 million. Company's inventories increased by 22.9%. The supply of goods for the spring-summer 2024 season started earlier, which contributed to the increase of the Group's inventory level by EUR 3.4 million.

The number of employees during the year till 31 December 2023 in the Group has increased by 110 to 2 249 (5.1%) and has increased in Company by 20 to 760 (2.7%). During the 4<sup>th</sup> quarter 2022 the number of employees increased by 57 (2.6%) in the Group and increased by 38 (5.3%) in the Company.

The price of the Company shares in 12 months 2023 increased by 23.1% from EUR 2.16 per share to EUR 2.66 per share. The maximum share price for the 12 months period was EUR 2.96 per share, minimum share price - EUR 2.12 per share. The market capitalization of the Company increased from EUR 119 million at the beginning of the year to EUR 147 million at the end of December 2023. The weighted average price of 1 share during the reporting period was EUR 2.58. Company's share turnover was EUR 10.2 million in 12 months 2023.

Apranga APB share price in 12 months period from 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023:





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Information about members of the Management board on 31 December 2023:

Name, Surname	Position	Number of shares owned and part in the share capital	Election date	End of term
Darius Juozas Mockus	Chairman of the Board	- -	28 04 2022	27 04 2026
Vidas Lazickas	Member of the Board	265 138 0.48%	28 04 2022	27 04 2026
Ilona Šimkūnienė	Member of the Board, Purchasing Director	- -	28 04 2022	27 04 2026
Ramūnas Gaidamavičius	Member of the Board, Development Director	5 000 0.01%	28 04 2022	27 04 2026
Jonas Jokštys	Member of the Board, independent	- -	28 04 2022	27 04 2026
Gintaras Juškauskas	Member of the Board, independent	- -	28 04 2022	27 04 2026

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## STATEMENTS OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		12 months 2023	12 months 2022	12 months 2023	12 months 2022
Revenue from contracts with customers	5	269 696	242 899	104 443	96 797
Cost of sales		(145 554)	(131 555)	(60 500)	(54 992)
<b>GROSS PROFIT</b>		<b>124 142</b>	<b>111 344</b>	<b>43 943</b>	<b>41 805</b>
Operating (expenses)		(102 700)	(92 265)	(37 432)	(35 913)
Other income		59	790	10 311	16 193
<b>OPERATING PROFIT (LOSS)</b>		<b>21 501</b>	<b>19 869</b>	<b>16 822</b>	<b>22 085</b>
Finance income		269	37	284	50
Finance (costs)		(1 438)	(1 161)	(1 003)	( 540)
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>20 332</b>	<b>18 745</b>	<b>16 103</b>	<b>21 595</b>
Income tax (expense)		(3 693)	(3 110)	(1 016)	( 887)
<b>PROFIT (LOSS) FOR THE PERIOD</b>	3	<b>16 639</b>	<b>15 635</b>	<b>15 087</b>	<b>20 708</b>
Other comprehensive income		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>16 639</b>	<b>15 635</b>	<b>15 087</b>	<b>20 708</b>
Total comprehensive income attributable to:					
Owners of the Company		16 639	15 635	15 087	20 708
Non-controlling interests		-	-	-	-
<b>Basic and diluted earnings per share (in EUR)</b>		<b>0,30</b>	<b>0,28</b>	<b>0,27</b>	<b>0,37</b>

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## STATEMENTS OF FINANCIAL POSITION

ASSETS		GROUP		COMPANY	
ASSETS	Note	31 12 2023	31 12 2022	31 12 2023	31 12 2022
Property, plant and equipment		24 194	20 992	12 019	11 614
Intangible assets		1 483	1 072	1 441	1 044
Investments in subsidiaries		-	-	5 095	5 095
Prepayments		142	273	63	134
Trade and other receivables		528	2 409	80	40
Right-of-use assets		58 643	53 281	24 455	23 830
Other financial assets		2 600	2 600	2 600	2 600
<b>Total non-current assets</b>		<b>87 590</b>	<b>80 627</b>	<b>45 753</b>	<b>44 357</b>
<b>CURRENT ASSETS</b>					
Inventories		50 607	41 386	27 297	22 206
Prepayments		1 525	1 503	1 524	1 375
Trade and other receivables		2 638	1 781	10 482	10 701
Cash and cash equivalents		17 665	22 978	7 974	8 375
<b>Total current assets</b>		<b>72 435</b>	<b>67 648</b>	<b>47 277</b>	<b>42 657</b>
<b>TOTAL ASSETS</b>	<b>3</b>	<b>160 025</b>	<b>148 275</b>	<b>93 030</b>	<b>87 014</b>
<b>EQUITY AND LIABILITIES</b>					
EQUITY	Note	31 12 2023	31 12 2022	31 12 2023	31 12 2022
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		45 938	44 781	31 609	32 004
<b>Total equity</b>		<b>63 524</b>	<b>62 367</b>	<b>49 248</b>	<b>49 643</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred tax liabilities		2 323	2 194	366	407
Non-current lease liabilities		47 629	43 465	19 765	19 639
Non-current employee benefits		194	132	194	132
<b>Total non-current liabilities</b>		<b>50 146</b>	<b>45 791</b>	<b>20 325</b>	<b>20 178</b>
<b>CURRENT LIABILITIES</b>					
Borrowings	6	-	-	6 360	2 032
Current lease liabilities		14 306	12 717	5 616	5 018
Current income tax liability		691	701	432	591
Trade and other payables		31 358	26 699	11 049	9 552
<b>Total current liabilities</b>		<b>46 355</b>	<b>40 117</b>	<b>23 457</b>	<b>17 193</b>
<b>Total liabilities</b>		<b>96 501</b>	<b>85 908</b>	<b>43 782</b>	<b>37 371</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>160 025</b>	<b>148 275</b>	<b>93 030</b>	<b>87 014</b>

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## STATEMENTS OF CHANGES IN EQUITY

GROUP	Note	Share capital	Legal reserve	Translation reserve	Retained earnings	Total
Balance at 1 January 2022		16 035	1 604	( 53)	56 792	74 378
<b>Comprehensive income:</b>						
Profit for the 12 months 2022	3				15 635	15 635
<b>Total comprehensive income</b>		-	-	-	<b>15 635</b>	<b>15 635</b>
<b>Transactions with owners:</b>						
Dividends paid					(27 646)	(27 646)
Balance at 31 December 2022		16 035	1 604	( 53)	44 781	62 367
Balance at 1 January 2023		16 035	1 604	( 53)	44 781	62 367
<b>Comprehensive income:</b>						
Profit for the 12 months 2023	3				16 639	16 639
<b>Total comprehensive income</b>		-	-	-	<b>16 639</b>	<b>16 639</b>
<b>Transactions with owners:</b>						
Dividends paid	8				(15 482)	(15 482)
Balance at 31 December 2023		16 035	1 604	( 53)	45 938	63 524

COMPANY		Share capital	Legal reserve	Retained earnings	Total
Balance at 1 January 2022		16 035	1 604	38 942	56 581
<b>Comprehensive income:</b>					
Profit for the 12 months 2022				20 708	20 708
<b>Total comprehensive income</b>		-	-	<b>20 708</b>	<b>20 708</b>
<b>Transactions with owners:</b>					
Dividends paid				(27 646)	(27 646)
Balance at 31 December 2022		16 035	1 604	32 004	49 643
Balance at 1 January 2023		16 035	1 604	32 004	49 643
<b>Comprehensive income:</b>					
Profit for the 12 months 2023				15 087	15 087
<b>Total comprehensive income</b>		-	-	<b>15 087</b>	<b>15 087</b>
<b>Transactions with owners:</b>					
Dividends paid	8			(15 482)	(15 482)
Balance at 31 December 2023		16 035	1 604	31 609	49 248

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## STATEMENTS OF CASH FLOW

OPERATING ACTIVITIES	Note	GROUP		COMPANY	
		12 months 2023	12 months 2022	12 months 2023	12 months 2022
Profit (loss) before income taxes		20 332	18 745	16 103	21 595
<b>ADJUSTMENTS FOR:</b>					
Depreciation and amortization		19 427	19 037	7 524	7 545
Impairment charge (reversal)		( 74)	( 303)	( 70)	( 208)
Change in allowances for slow-moving inventories		719	( 421)	161	( 337)
(Gain) on disposal of property, plant and equipment		9	( 466)	( 2)	( 466)
Write-off of property, plant and equipment		105	188	( 10)	75
Fair value change of financial assets		-	( 79)	-	( 79)
Dividend income		( 33)	( 103)	(10 283)	(15 503)
Interest expenses		1 438	1 161	1 003	540
<b>Total</b>		<b>41 923</b>	<b>37 759</b>	<b>14 426</b>	<b>13 162</b>
<b>CHANGES IN OPERATING ASSETS AND LIABILITIES:</b>					
Decrease (increase) in inventories		(9 940)	(5 056)	(5 252)	(3 344)
Decrease (increase) in receivables		823	1 269	( 880)	404
Increase (decrease) in payables		4 731	4 541	1 569	1 571
<b>Cash generated from operations</b>		<b>37 537</b>	<b>38 513</b>	<b>9 863</b>	<b>11 793</b>
Income taxes paid		(3 574)	(2 493)	(1 216)	( 412)
Interest paid		(1 438)	(1 161)	(1 003)	( 540)
<b>Net cash from operating activities</b>		<b>32 525</b>	<b>34 859</b>	<b>7 644</b>	<b>10 841</b>
<b>INVESTING ACTIVITIES</b>					
Interest received		269	37	284	50
Dividends received		33	103	10 283	15 503
Loans granted		(71 200)	(39 000)	(77 670)	(45 872)
Loans repayments received		71 200	39 000	78 430	46 972
Purchases of PPE and intangible assets	<b>4</b>	(12 381)	(4 458)	(3 324)	(2 127)
Proceeds on disposal of PPE		2 640	1 763	21	1 221
Proceeds on disposal of financial assets at fair value		-	579	-	579
<b>Net cash from investing activities</b>		<b>(9 439)</b>	<b>(1 976)</b>	<b>8 024</b>	<b>16 194</b>
<b>FINANCING ACTIVITIES</b>					
Dividends paid		(15 492)	(27 596)	(15 492)	(27 596)
Proceeds from borrowings		-	-	102 201	20 405
Repayments of borrowings		-	( 200)	(97 873)	(23 773)
Payment of principal portion of lease liabilities		(12 907)	(11 852)	(4 905)	(4 888)
<b>Net cash from financing activities</b>		<b>(28 399)</b>	<b>(39 648)</b>	<b>(16 069)</b>	<b>(35 852)</b>
<b>NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFTS</b>		<b>(5 313)</b>	<b>(6 765)</b>	<b>( 401)</b>	<b>(8 817)</b>
<b>CASH AND BANK OVERDRAFTS:</b>					
<b>AT THE BEGINNING OF THE PERIOD</b>		<b>22 978</b>	<b>29 743</b>	<b>8 375</b>	<b>17 192</b>
<b>AT THE END OF THE PERIOD</b>		<b>17 665</b>	<b>22 978</b>	<b>7 974</b>	<b>8 375</b>

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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 31 December 2023 the Group consisted of the Company and 25 subsidiaries:

Name	Country	Ownership interest in % 31 12 2023	Ownership interest in % 31 12 2022
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%

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

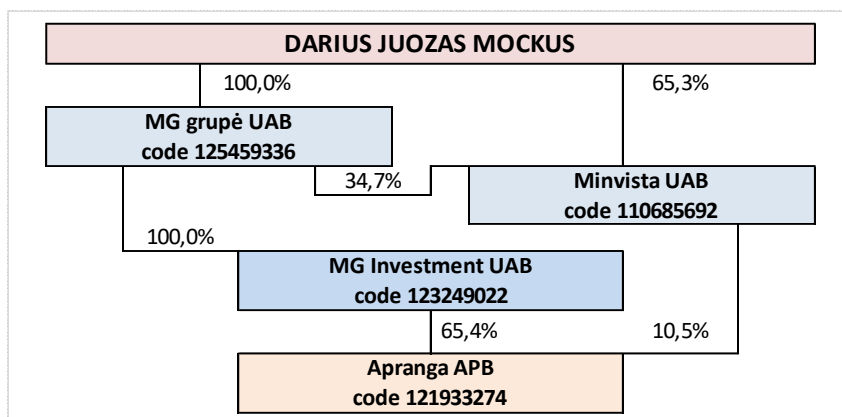
The share capital of APB Apranga is EUR 16,034,668.40 and it is divided into 55,291,960 ordinary registered shares with a nominal value of EUR 0.29 each, where each share grants to its owner 1 vote (in total 55,291,960 voting shares), all shares are paid in full and give the owners equal rights. All 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.

At 31 December 2023, the Company had 7 017 shareholders. Company's shareholders which owned or had under management more than 5% of share capital were:

Shareholder	Enterprise code	Address	Number of shares	% of total ownership
UAB MG Investment	123249022	Aukštaičių 7, Vilnius, Lithuania	36 169 099	65,4%
UAB Minvista	110685692	Aukštaičių 7, Vilnius, Lithuania	5 795 929	10,5%

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



## 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 31 December 2023 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 12 months 2023 is as follows:

12 months 2023	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	182 689	66 272	42 291	291 252	-	
Inter-segment revenue	(20 270)	( 643)	( 643)	(21 556)	-	
Revenue from external customers (Note 5)	162 419	65 629	41 648	269 696	-	269 696
Gross margin	45,6%	46,4%	47,1%	46,0%		46,0%
Profit (loss) for the year	11 235	3 397	2 007	16 639	-	16 639
Total assets	120 938	35 553	19 173	175 664	(15 639)	160 025
Additions to non-current assets	5 800	5 706	875	12 381	-	12 381

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12 months 2022	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	164 735	59 280	37 634	261 649	-	
Inter-segment revenue	(17 431)	( 692)	( 627)	(18 750)	-	
Revenue from external customers	147 304	58 588	37 007	242 899	-	242 899
Gross margin	45,6%	46,0%	46,6%	45,8%		45,8%
Profit (loss) for the year	10 724	3 422	1 489	15 635	-	15 635
Total assets	109 696	31 840	18 597	160 133	(11 858)	148 275
Additions to non-current assets	2 371	255	1 832	4 458	-	4 458

#### 4. Investments into non-current assets

Net investments of the Group amounted to EUR 9.7 million in 12 months 2023. The Company's investments reached EUR 3.3 million, while daughter companies invested EUR 6.4 million.

#### 5. Income

For the 12 months 2023, revenue from contracts with customers consisted of the following:

	GROUP		COMPANY	
	2023	2022	2023	2022
Stores income	269 540	242 534	77 355	73 684
Wholesale income	38	35	19 731	16 610
Management fees	-	-	7 291	6 173
Other income	118	330	66	330
Total revenue from contracts with customers	269 696	242 899	104 443	96 797

#### 6. Borrowings

In August 2023, 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 31 May 2025. Credit limit remained at EUR 27 000 thousand. The interests are paid for the amount used, and the interest rate is calculated as 1 month EURIBOR plus margin. There is fixed interest rate set for amount used for the issuance of guarantees and letters of credit.

In July 2023, the Company and LUMINOR bank signed the amendment to the previously concluded non-binding credit limit agreement. According to the amendment, credit repayment term of EUR 5 000 thousand non-binding credit limit was prolonged until 30 June 2024. 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.

#### 7. Guarantees and letters of credit

As of 31 December 2023, guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totaled EUR 15 447 thousand (31 December 2022: EUR 13 698 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 31 December 2023 amounted to EUR 16 718 thousand (31 December 2022: EUR 15 295 thousand).

As of 31 December 2023, the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totaled EUR 474 thousand (31 December 2022: EUR 482 thousand).



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## 8. Profit distribution

The Annual shareholders meeting of APB Apranga held on 27 April 2023 has resolved to pay EUR 15 482 thousand in dividends for the year 2022.

## 9. Turnover and expansion plans in 2024

Apranga Group plans to reach EUR 350 million turnover (including VAT) in 2024, or by 7% higher than the year 2023 turnover. In 2024 Apranga Group plans to renovate or open 12-15 stores. The net investment is planned to be about EUR 5-7 million.

## 10. 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-performancemeasures>.