



UTENOS TRIKOTAŽAS, AB

CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS
for the 12 months period ended 31 December 2020
(UNAUDITED)

INFORMATION ABOUT COMPANY

Company name	Utenos Trikotažas AB
Legal and organisation form	Legal entity, public company
Date and place of incorporation	Registered with the Register of Legal Entities of Utena District on 6 st December 1994; reregistered with the Ministry of Economy of the Republic of Lithuania on 18 st September 1998.
Registration code	BĮ 98-257
Code of the Register of Legal Entities	183709468
Authorised share capital	EUR 2 755 870
Address	J.Basanavičiaus g.122, LT-28214, Utena, Lithuania
Name of Register of Legal Entities	Registrų centras VĮ
Telephone	+370 389 51445
Fax	+370 389 69358
E-mail	utenos.trikotazas@ut.lt
Website	www.ut.lt
Main activities	production of knit-wear and textile articles
Auditors	ERNST&YOUNG BALTIC UAB

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REVIEW OF ACTIVITY OF THE GROUP COMPANIES

In the 12 months of 2020, Utenos trikotažas AB group of companies (hereinafter „the Group“) sold products and provided services for EUR 28.06 million, which is by 8.8 per cent less than in the previous year when the Group’s sales accounted for EUR 30.77 million. The Group exported 78.04 per cent of products.

During the twelve months of 2020, the company Utenos trikotažas sold products and provided services for EUR 24.93 million.

The sales of the largest segment – on-demand knitwear –dropped by 14.4 per cent and reached EUR 19.8 million, private brands UTENOS and ABOUT grew by 31.6 per cent and reached EUR 5.2 million, whereas the sales of functional-technical garments produced by its subsidiary Šatrija dropped by 17.4 per cent.

In the 12 months of 2020, the Group suffered pre-tax losses of EUR 370 thousand, compared with a profit of EUR 759 thousand in 2019. During the same period, the company Utenos trikotažas suffered pre-tax losses of EUR 140 thousand, whereas it recorded a profit of EUR 1 801 thousand a year ago.

The Group’s EBITDA amounted to EUR 1 197 thousand, which is less by 30 per cent than in the respective period of 2019. The Company’s EBITDA reached EUR 798 thousand, which is 40.3 per cent less, compared with year 2019, when the company’s EBITDA accounted for EUR 1 337 thousand

Key performance indicators of the Group
Trade

	Group			Company		
	2020	2019	Change	2020	2019	Change
Revenue (EUR '000)	12M	12M	%	12M	12M	%
Products manufactured on demand of other clients	19 789	23 111	(14.4)	19 788	23 100	(14.3)
Own brands (ABOUT, UTENOS)	5 227	3 973	31.6	5 142	3 879	32.5
Services of functional-technical garments manufacture	3 044	3 687	(17.4)	-	-	-
	28 060	30 771	(8.8)	24 930	26 979	(7.6)

	Group			Company		
	2020	2019	Change	2020	2019	Change
Revenue (EUR '000)	IV Q	IV Q	%	IV Q	IV Q	%
Products manufactured on demand of other clients	5 534	5 073	9.1	5 533	5 062	9.3
Own brands (ABOUT, UTENOS)	1 088	1 124	(3.2)	1 081	1 127	(4.1)
Services of functional-technical garments manufacture	551	915	(39.8)	-	-	-
	7 173	7 112	0.9	6 614	6 189	6.9

Sales by regions

	Group			Company		
	2020	2019	Change	2020	2019	Change
Revenue (EUR '000)	12M	12M	%	12M	12M	%
Export	21 899	24 554	(10.8)	19 472	22 069	(11.8)
<i>DACH (Germany, Austria, Switzerland)</i>	15 949	16 480	(3.2)	14 170	15 231	(7.0)
<i>Scandinavia (Sweden, Norway, Denmark, Finland)</i>	2 894	5 259	(45.0)	2 894	5 168	(44.0)
<i>Other regions</i>	3 056	2 815	8.6	2 408	1 670	44.2
Domestic	6 161	6 217	(0.9)	5 458	4 910	11.2
	28 060	30 771	(8.8)	24 930	26 979	(7.6)

Revenue (EUR '000)	Group			Company		
	2020 IV Q	2019 IV Q	Change %	2020 IV Q	2019 IV Q	Change %
Export	6 347	5 540	14.6	5 753	4 798	19.9
DACH (Germany, Austria, Switzerland)	4 367	4 088	6.8	3 956	3 836	3.1
Scandinavia (Sweden, Norway, Denmark, Finland)	1 034	785	31.7	1 034	765	35.1
Other regions	946	667	41.8	763	197	287.2
Domestic	826	1 572	(47.5)	861	1 391	(38.1)
	7 173	7 112	8.6	6 614	6 189	6.9

Operating figures

	Group			Company		
	2020 12M	2019 12M	Change %	2020 12M	2019 12M	Change %
Manufactured items units .	3 149	2 853	10.4	2 968	2 725	8.9
Average number of employees	961	1 057	(9.1)	662	720	(8.1)

Financial ratio

	Group			Company		
	2020 12M	2019 12M	Change	2020 12M	2019 12M	Change
Revenue (EUR'000)	28 060	30 771	(8.8)%	24 930	26 979	(7.6)%
Operating profit (loss) (EUR'000)	160	659	(75.8)%	27	597	(95.4)%
Operating profit (loss) margin (%)	0,6	2,1	(1.5) p.p	0,1	2,2	(2.1) p.p
EBITDA (EUR'000)	1 197	1 710	(30)%	798	1 337	(40.3)%
EBITDA margin (%)	4,3	5,6	(1.3) p.p	3,2	5,0	(1.8) p.p
Profit (loss) before tax (EUR'000)	(370)	759	(148.7)%	(140)	1 801	(107,7)%
Profit (loss) before tax, margin (%)	(1,3)	2,5	(3.8) p.p	(0,56)	6,68	(7.2) p.p
Net profit (loss) for the year (EUR'000)	(541)	763	(171.1)%	(257)	1 798	(115.3)%
Net profit (loss) for the year margin (%)	(1,9)	2,5	(4.4) p.p	(1,1)	6,7	(7.8) p.p
Number of shares, (thousand)	9 503	9 503	-	9 503	9 503	-

	Company			Group		
	2020	2019	Change	2020	2019	Change
	IV Q	IV Q		IV Q	IV Q	
Revenue (EUR'000)	7 173	7 112	0.9%	6 614	6 189	6.9%
Operating profit (loss) (EUR'000)	214	242	(11.7)%	281	213	32%
Operating profit (loss) margin (%)	3	3,4	(0.4) p.p	4,3	3,4	0.8 p.p
EBITDA (EUR'000)	453	517	(12.3)%	468	458	2.1%
EBITDA margin (%)	6,3	7,3	(0.9) p.p	7,1	7,4	(0.3) p.p
Profit (loss) before tax (EUR'000)	77	184	(58.3)%	117	205	(42.7)%
Profit (loss) before tax, margin (%)	1,1	2,6	(1.5) p.p	1,8	3,3	(1.5) p.p
Net profit (loss) for the year (EUR'000)	(83)	160	(151.6)%	5	183	(87.5)%
Net profit (loss) for the year margin (%)	(1,2)	2,2	(3.4) p.p	0,1	3	(2.9) p.p
Number of shares, (thousand)	9 503	9 503	-	9 503	9 503	-

Relative ratios

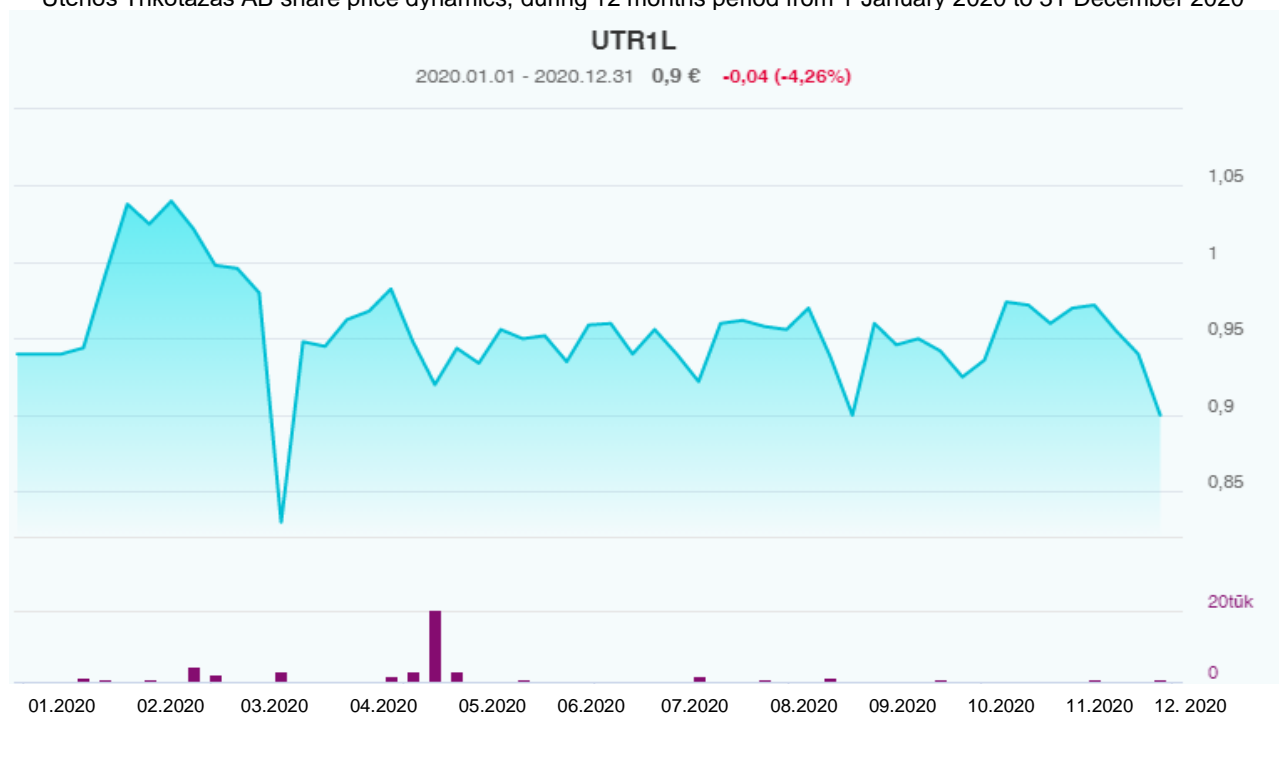
	Group			Company		
	2020	2019	Change	2020	2019	Change
12M	12M	p.p		12M	12M	
Return on capital employed (%)	(19,6)	27,7	(47.3)	(10)	65,2	75.2
Return on assets (%)	(2,3)	3,3	(5.6)	(1,2)	8,6	(9.8)
Return on shareholders' equity (%)	(5,2)	7,0	(12.2)	(2,8)	17,6	(20.4)
Debt ratio (%)	55,4	52,2	3.2	54,8	51,4	3.4
Debt-to-equity ratio (%)	124,3	109,1	15.2	121,1	105,7	15.4
Liquidity ratio (%)	135,7	145,5	(9.8)	135,5	139,9	(4.4)
Equity to assets ratio (%)	44,6	47,8	(3.2)	45,2	48,6	(3.4)

Ratios related with the share price

	2020	2019	Change
	12M	12M	
P/E	(15.43)	12.17	(27.60)
EPS	(0.06)	0.08	(0.14)
EV/EBITDA	6.38	6.55	(0.17)

Information regarding the price of shares and their dynamics

Utenos Trikotažas AB share price dynamics, during 12 months period from 1 January 2020 to 31 December 2020



Price ratios

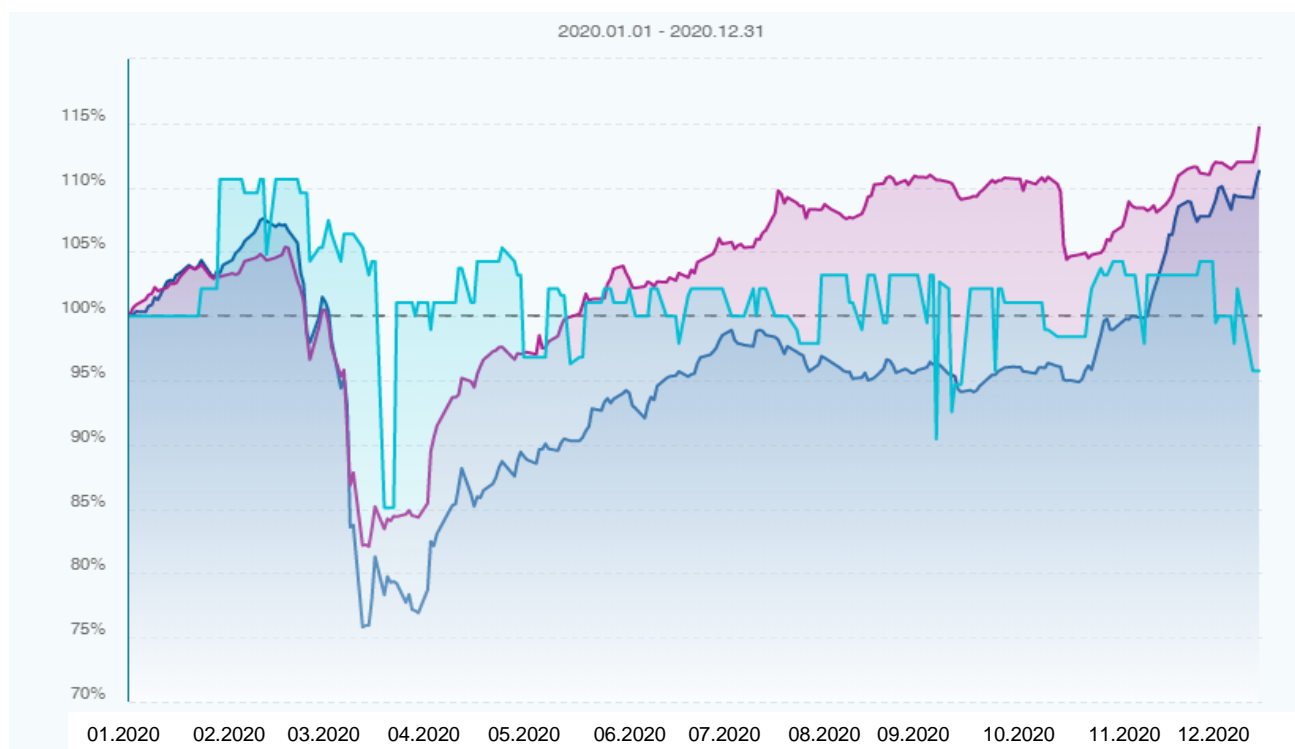
Open price, EUR
High price, EUR
Low price, EUR
Last price, EUR
Traded volume
Turnover, million EUR
Capitalisation, million EUR

2020 12 M

0,94
1,04
0,80
0,90
56 369
0,05
8,55

2019 12 M

0,82
1,20
0,81
0,94
79 171
0,08
8,93

Utenos Trikotažas AB, OMX Baltic Benchmark GI and OMX Vilnius Index dynamics during 12 months period from 1 January 2020 to 31 December 2020


Index/ Equity	2020.12.31	2019.12.31	Change, %
—OMX Baltic Benchmark GI	1 104,74	992,83	11,27
—OMX Vilnius	816,64	712,14	14,67
—UTR1L	0,90 EUR	0,94 EUR	(4,26)

BALANCE SHEET

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
ASSETS				
Non-current assets				
Intangible assets	519	548	115	145
Property, plant and equipment	9 448	10 350	6 463	6 507
Right-of-use assets	629	802	304	365
Investment property	125	114	125	114
Investments into subsidiaries	-	-	1 550	1 553
Receivables from subsidiaries	-	-	1 039	1 126
Prepayments to subsidiaries	-	-	883	874
Deferred income tax asset	77	96	-	-
	10 798	11 910	10 479	10 684
Current assets				
Inventories	5 306	6 665	5 262	6 518
Trade receivables	1 403	1 234	1 225	966
Contract assets	1 534	2 007	1 508	1 970
Other current assets	395	224	351	177
Cash and cash equivalents	3 792	895	3 167	652
	12 430	11 025	11 513	10 283
Total assets	23 228	22 935	21 992	20 967

Statements of financial position (continued)

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
EQUITY AND LIABILITIES				
Equity attributable to the shareholders of the Company				
Share capital	2 756	2 756	2 756	2 756
Revaluation surplus	574	574	574	574
Legal reserve	4 062	4 215	2 187	2 245
Reserve for acquisition of own shares	1 090	1 090	1 000	1 000
Foreign currency translation reserve	927	1 085	-	-
Accumulated retained earnings/ (losses)	702	1 039	3 429	3 616
	10 111	10 759	9 946	10 191
Non-controlling interest	244	211	-	-
Total equity	10 355	10 970	9 946	10 191
LIABILITIES				
Non-current liabilities				
Borrowings	2 314	2 597	2 314	2 597
Non-current lease liabilities	510	685	209	285
Borrowings from subsidiaries	-	-	600	-
Deferred income tax liability	614	830	233	333
Provisions for employee benefits	275	276	193	212
	3 713	4 388	3 549	3 427
Current liabilities				
Current portion of non-current borrowings	567	567	567	567
Borrowings from subsidiaries	-	-	-	750
Other current liabilities	532	-	532	-
Current lease liabilities	146	148	114	107
Trade payables	2 180	2 568	2 106	2 528
Payables to other related parties and subsidiaries	97	1 076	156	1 075
Contract liabilities	342	133	336	134
Income tax payable	158	13	158	16
Accrued expenses and other current liabilities	5 138	3 072	4 528	2 172
	9 160	7 577	8 497	7 349
Total liabilities	12 873	11 965	12 046	10 776
Total equity and liabilities	23 228	22 935	21 992	20 967

STATEMENT OF COMPREHENSIVE INCOME

Group

	Notes	January-December		October-December	
		2020	2019	2020	2019
Revenue from contracts with customers	6,15	28 060	30 771	7 173	7 112
Cost of sales	16	(22 367)	(25 164)	(6 056)	(5 695)
Gross profit		5 693	5 607	1 117	1 417
Selling expenses	17	(2 017)	(2 217)	(534)	(563)
General and administrative expenses	17	(3 646)	(2 843)	(404)	(637)
Other operating income	18	145	127	38	26
Other operating expenses	18	(15)	(15)	(3)	(1)
Operating profit (losses)		160	659	214	242
Finance income	19	114	302	11	23
Finance costs	19	(644)	(202)	(148)	(81)
Profit (losses) before tax		(370)	759	77	184
Income tax		(171)	4	(160)	(24)
Net profit (losses)		(541)	763	(83)	160
Net profit (losses) attributable to:					
Equity shareholders of the Company	20	(554)	734	(69)	150
Non-controlling interest		13	29	(14)	10
		(541)	763	(83)	160

Company

	Notes	January-December		October-December	
		2020	2019	2020	2019
Revenue from contracts with customers	6, 15	24 930	26 979	6 614	6 189
Cost of sales	16	(20 067)	(22 261)	(5 633)	(5 016)
Gross profit		4 863	4 718	981	1 173
Selling expenses	17	(1 951)	(2 095)	(522)	(534)
General and administrative expenses	17	(2 916)	(2 060)	(190)	(431)
Other operating income	18	43	44	14	5
Other operating expenses	18	(12)	(10)	(2)	-
Operating profit (losses)		27	597	281	213
Finance income	19	157	1 368	35	31
Finance costs	19	(324)	(164)	(199)	(39)
Profit (losses) before tax		(140)	1 801	117	205
Income tax		(135)	(3)	(112)	(22)
Net profit	20	(275)	1 798	5	183

STATEMENTS OF CHANGES IN EQUITY

Notes	Share capital	Legal reserve	Revaluation reserve	Reserve for acquisition of own shares	Foreign currency translation reserve	Other reserves	Retained earnings/(deficit)	In total	Non-controlling interests	
Balance at 31 December 2018	2 756	574	4 340	90	936	(4)	2 150	10 842	319	11 161
Net profit for the year	-	-	-	-	-	-	734	734	29	763
Other comprehensive income	-	-	-	-	149	4	(20)	133	2	135
Total comprehensive income	-	-	-	-	149	4	714	867	31	898
Transfer of revaluation reserve to retained earnings	-	-	(125)	-	-	-	125	-	-	-
Reserve for acquisition of own shares	-	-	-	1 000	-	-	(1 000)	-	-	-
Reduction of non-controlling interest	-	-	-	-	-	-	-	-	(139)	(139)
Dividends declared	-	-	-	-	-	-	(950)	(950)	-	(950)
Balance at 31 December 2019	2 756	574	4 215	1 090	1 085	-	1 039	10 759	211	10 970
Net profit for the year	-	-	-	-	-	-	(554)	(554)	13	(541)
Other comprehensive income	7, 15, 18	-	-	-	(158)	-	64	(94)	20	(74)
Total comprehensive income	-	-	-	-	(158)	-	(490)	(648)	33	(615)
Transfer of revaluation reserve to retained earnings	-	-	(153)	-	-	-	(153)	-	-	-
Balance at 31 December 2020	2 756	574	4 062	1 090	927	-	702	10 111	244	10 355

Company	Share capital	Legal reserve	Reserve for acquisition of own shares	Revaluation surplus	Others reserve	Accumulated retained earnings/(losses)	Total
Balance as at 1 January 2018	2 756	574	-	2 303	(4)	3 731	9 360
Net profit for the year	-	-	-	-	-	1 798	1 798
Other comprehensive income	-	-	-	-	4	(21)	(17)
Total comprehensive income/(loss)	-	-	-	-	-	1 777	1 781
Transfer of revaluation reserve to retained earnings	-	-	-	(58)	-	58	-
Reserve for acquisition of own shares	-	-	1 000	-	-	(1 000)	-
Dividends declared	-	-	-	-	-	(950)	(950)
Balance at 31 December 2019	2 756	574	1 000	2 245	-	3 616	10 191
Net profit for the year	-	-	-	-	-	(274)	(274)
Other comprehensive income	-	-	-	-	-	29	29
Total comprehensive income/(loss)	-	-	-	-	-	(245)	(245)
Transfer of revaluation reserve to retained earnings	-	-	-	(58)	-	58	-
Balance at 31 December 2020	2 756	574	1 000	2 187	-	3 429	9 946

STATEMENTS OF CASH FLOWS

	Group		Company	
	31 December		31 December	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) for the period	(541)	763	(275)	1 798
Adjustments for non-cash items:				
Depreciation and amortization	1 189	1 051	771	739
(Gain) on disposal of property, plant and equipment and investment property	7	(10)	-	(11)
Impairment and write-off of accounts receivable and inventories	95	90	95	90
Interest expense, net of interest income	729	52	712	52
Elimination of financial (income) costs	530	(100)	32	(1 206)
Income tax (income) expense	172	(4)	135	3
Changes in working capital:				
(Increase) decrease in inventories	630	(890)	544	(892)
(Increase) decrease in trade receivables	(263)	1 095	(354)	1 025
(Increase)/decrease in contract asset	473	409	462	358
Increase (decrease) in non-current receivables from subsidiaries	-	-	78	(212)
(Increase) decrease in other receivables and other current assets	(151)	118	(173)	102
Increase/(decrease) in contract liabilities	209	39	201	19
(Increase) decrease in trade and other accounts payable	(1 368)	141	(1 341)	184
Increase (decrease) in taxes payable and other current liabilities	2 605	354	2 972	196
Income tax (paid)	(52)	(107)	(11)	(54)
Net cash generated from operating activities	4 264	3 001	3 848	2 191
Cash flows from investing activities				
Acquisition of property, plant and equipment	(625)	(994)	(566)	(896)
Acquisition of intangible assets	(36)	(43)	(36)	(43)
Proceeds from sale of property, plant and equipment	13	10	6	11
Investments in subsidiaries (acquisition)	-	-	3	(3)
Interest received	-	9	60	69
Dividends received	-	-	33	69
Net cash flows generated from (to) investing activities	(648)	(1 018)	(500)	(793)
Cash flows from financing activities				
Proceeds from borrowings	532	5 000	532	5 850
Repayment of borrowings and financial lease payments	(283)	(6 326)	(432)	(6 426)
Interest paid	(86)	(126)	(92)	(133)
Dividends received	(789)	(60)	(789)	(60)
Share capital reduction income		(139)		
Lease payments	(93)	(140)	(52)	(97)
Net cash flows from financing activities	(719)	(1 791)	(833)	(866)
Net increase/(decrease) in cash and cash equivalents	2 897	192	2 515	532
Cash and cash equivalents at the beginning of the year	895	703	652	120
Cash and cash equivalents at the end of the year	3 792	895	3 167	652
Non-cash activities:				
Dividends payable offset against the assets sold	75		75	

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Company is engaged in production of knit-wear and textile articles.

The shares of Utenos Trikotažas AB are listed on the additional List of the NASDAQ OMX Vilnius Stock Exchange.

As of 31 December 2019 and 31 December 2018 the shareholders of the Company were as follows:

	As of 31 December 2020		As of 31 December 2019	
	Number of shares held	Interest held(%)	Number of shares held	Interest held(%)
Koncernas SBA UAB	8 772	92,31	7 822	82,31
Algirdas Šabūnas	-	-	950	10,00
Other shareholders	731	7,69	731	7,69
	9 503	100,00	9 503	100,00

All the shares are registered ordinary shares with a par value of EUR 0.29 each. As of 31 December 2020 and 31 December 2019 subsidiaries did not hold any shares of the Company. The Company did not hold its own shares within this period.

The consolidated group (hereinafter "the Group") consists of the Company and the following subsidiaries:

	Registered address	Group's share (%)		Profile
		31 December 2020	31 December 2019	
AB „Šatrija“	Šatrijos g. 3, Raseiniai	89,78	89,78	Manufacture of wearing apparel
UAB „Gotija“	Laisvės al. 33, Kaunas	100,00	100,00	Retail
PAT „MTF Mrija“	Matrosovo 13, Mukačevas, Ukraina	98,95	98,95	Production of knitted articles
SIA Utenas trikotaža	Cietokšna iela 60, Daupilis	-	100,00	Retail

2. Form and contents of the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

3. Change in the accounting method of the Companies' and the Group's Non-current assets Buildings group

In order to achieve a more accurate accounting of the financial results in March 31, 2013 the Non-current assets Buildings group accounting method was changed to the fair value method, as the book value of the Companies' and the Group's Non-current assets Buildings group, which was carried at historical cost, less subsequent accumulated depreciation, had not corresponded with the buildings market value.

4. Consolidation

The consolidated financial statements of the Group include Utenos trikotažas AB and its subsidiaries as well as associated companies. The financial statements of the subsidiaries are prepared for the same reporting year, using consistent accounting policies.

Subsidiaries are consolidated from the date from which effective control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Group. All intercompany transactions, balances and unrealised gains and losses on transactions among the Group companies have been eliminated. The equity and net income attributable to non-controlling interests are shown separately in the statement of financial position and the statement of comprehensive income.

5. Financial risk factors

Due to the geo-political situation in Ukraine and significant drop in the value of UAH against EUR, the Management of the Group and the Company re-designated loan granted, related interests and other long term receivables as a part of net investment in Mrija PAT MTF. Accordingly gains (losses) arising from foreign exchange related to the monetary items considered to be part of net investment into foreign operation is accounted in Group's consolidated financial statements through other comprehensive income (loss).

Amount of monetary items attributed to net investment amounts to EUR 3.5 million and foreign currency exchange difference related to this amount for the 12 months of 2020 comprises EUR (158) thousand, which is accounted in the Group's consolidated financial statements through other comprehensive income.

Other comprehensive income (loss) from foreign currency translation included in the consolidated statements of changes in equity in other comprehensive income attributable to the equity holders of the Company:

Foreign currency exchange difference on monetary items attributed to net investments, EUR	951 189
Foreign currency translation reserve on other items, EUR	(1 108 896)
Other comprehensive income EUR, net	(157 707)

6. Segment information

The Group has two main business segments: production of knitted articles and production of functional-technical garments

In assessing operational performance of segments the Group's Board takes into account the sales revenue, gross profit, EBITDA (earnings before financial activity result, taxes, depreciation and amortization), profit (loss) ratios, therefore the report on the Group's segments discloses these items in respect of each segment. As the Board also assesses other items of the statement of comprehensive income by each segment, these items are presented in the report on the Group's segments. Inter-segment transactions are eliminated on consolidation.

Below, there is a summary of major indicators for the main business segments of the Group included in the statement of comprehensive income for the 12 months of 2020 and for the 12 months of 2019:

of 31 December 2020	Production of knitted articles	Production of functional- technical garments	Eliminations	Total
External sales	25 016	3 044		28 060
Internal sales	632	-	(632)	-
Total revenue	25 648	3 044	(632)	28 060
Gross profit	4 972	721	-	5 693
EBITDA	859	338	-	1 197
Profit (loss)	(724)	183		(541)

of 31 December 2019	Production of knitted articles	Production of functional- technical garments	Eliminations	Total
External sales	27 084	3 687	-	30 771
Internal sales	1 060	-	(1 060)	-
Total revenue	28 144	3 687	(1 060)	30 771
Gross profit	4 797	810	-	5 607
EBITDA	1 291	419	-	1 710
Profit (loss)	504	259	-	763

7. Non-current intangible assets

Amortization expenses of intangible assets are included within general and administrative expenses in profit and loss statement.

8. Non-current tangible assets

Depreciation of non-current tangible property amounted to EUR 1 037 thousand as of 31 December 2020, EUR 721 thousand are included into cost of sales in the Group's Profit (loss) statement. The remaining amounts were included in general and administrative expenses and inventories in the statement of financial position.

As of 31 December 2020 and 31 December 2019 the Companies' and the Group's Non-current assets Buildings group is recognized at fair value.

9. Inventories

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Raw materials	3 017	3 059	2 684	2 711
Work in progress	1 367	1 862	1 363	1 853
Finished goods	2 336	2 552	2 310	2 521
Goods for resale	4	82	-	-
	6 724	7 555	6 357	7 085
Write-down to net realisable value:				
Opening balance	(890)	(894)	(567)	(571)
Change	(528)	4	(528)	4
Closing balance	(1 418)	(890)	(1 095)	(567)
	5 306	6 665	5 262	6 518

10. Trade receivables

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Trade receivables, gross	1 510	1 508	1 306	1 214
Allowance for trade receivables:				
Opening balance	(274)	(197)	(248)	(170)
Change	(81)	(77)	(81)	(78)
Written-off	248	-	248	-
Closing balance	(107)	(274)	(81)	(248)
	1 403	1 234	1 225	966

Changes in impairment allowance for doubtful trade receivables as of 31 December 2020 and 31 December 2019 were recorded within the Group's and Company's general and administrative expenses.

11. Cash and cash equivalents

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Cash at bank and on hand	3 792	895	3 167	652
	3 792	895	3 167	652

12. Other reserves and retained earnings (deficit)
Revaluation surplus

Revaluation surplus reflects the result of the revaluation (net of deferred tax) of the property, plant and equipment.

Legal reserve

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 5 % of net profit of the Company calculated according to the Lithuanian Company's law, are compulsory until the reserve reaches 10 % of the share capital. Legal reserve is fully formed by the Company. The legal reserve cannot be distributed as dividends but can be used to cover cumulated losses.

Foreign currency translation reserve

The foreign currency translation reserve represents translation differences arising on consolidation of financial statements of foreign subsidiaries.

Reserve for acquisition of own shares

2019 m. april according to the shareholders of AB Utenos trikotažas a reserve of 1 000 thousand EUR was formed for acquisition of own shares.

Accumulated retained earnings (losses)

Pursuant to the provisions of the Law on Limited Liability Companies of the Republic of Lithuania, if the total of retained earnings at the beginning of the financial year and net profit (loss) for the year is negative, the General Shareholders' Meeting has to make a decision to cover these losses. Transfers to distributable results should be made in the following sequence:

transfer from reserves not used in the reporting financial year;
 transfer from the compulsory legal reserve;
 transfer from the share premium.

The balances of other reserves as of 31 December 2020 and 31 December 2019 were as follows:

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Revaluation surplus	4 062	4 215	2 187	2 245
Legal reserve	574	574	574	574
Reserve for acquisition of own shares	1 090	1 090	1 000	1 000
Foreign currency translation reserve	927	1 085	-	-
Accumulated retained earnings/ (losses)	702	1 039	3 429	3 616
	7 355	8 003	7 190	7 435

13. Borrowings

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Current portion of on-current bank borrowings	567	567	567	567
Borrowings from subsidiaries				750
Other current liabilities	532	-	532	-
Non-current				
Borrowings from subsidiaries	-	-	600	-
Non-current bank borrowings	2 314	2 597	2 314	2 597
Total borrowings	3 413	3 164	4 013	3 914

The Company's borrowings from subsidiaries consist of the loan granted by subsidiary Satrija AB, amounting EUR 600 thousand with maturity on 31 December 2022 and variable interest rate 12 month Euribor + 2.2 %.

Other current liabilities consist of a loan agreement between AB Utenos trikotažas and UAB Koncernas SBA in the amount of UER 532 thousand, signed on 18 December, 2020, with maturity on 31 December 2021 and variable interest rate 12 month Euribor +2.2 %

As at 28 March 2019, the Company has signed a long-term credit agreement and an overdraft agreement with OP Corporate Bank plc Lithuania. The main purpose of these loans of EUR 5 000 thousand is to refinance the Company's liabilities to AB Luminor bank. The amount of the long-term credit is EUR 2 881 thousand with the maturity term on 31 August 2024. As at 31 December 2020, outstanding overdraft liability amounted to EUR 0 .

As at 31 December 2020 and at 31 December 2019 the bank borrowings were secured by property plant and equipment. The interest rate for the borrowings is based on variable interest rate, therefore, in the opinion of management, the carrying amount of borrowings approximates their fair value.

14. Accrued expenses and other current liabilities

	Group		Company	
	2020.12.31	2019.12.31	2020.12.31	2019.12.31
Accrual for vacation reserve	1 059	1 249	840	865
Wages, salaries and social security	1 557	646	1 462	491
Amounts payable for services and non-current assets	328	525	353	522
Taxes payable, except for income tax	1 466	269	1 442	203
Provisions for employee benefits	502	87	420	78
Other liabilities	226	296	11	13
	5 138	3 072	4 528	2 172

15. Revenue

Revenue (EUR '000)	Group			Company		
	2020	2019	Change	2020	2019	Change
	12M	12M	%	12M	12M	%
Export	21 899	24 554	(10.8)	19 472	22 069	(11.8)
<i>DACH (Germany, Austria, Switzerland)</i>	15 949	16 480	(3.2)	14 170	15 231	(7.0)
<i>Scandinavia (Sweden, Norway, Denmark, Finland)</i>	2 894	5 259	(45.0)	2 894	5 168	(44.0)
<i>Other regions</i>	3 056	2 815	8.6	2 408	1 670	44.2
Domestic	6 161	6 217	(0.9)	5 458	4 910	11.2
	28 060	30 771	(8.8)	24 930	26 979	(7.6)

Revenue (EUR '000)	Group			Company		
	2020	2019	Change	2020	2019	Change
	IV Q	IV Q	%	IV Q	IV Q	%
Export	6 347	5 540	14.6	5 753	4 798	19.9
<i>DACH (Germany, Austria, Switzerland)</i>	4 367	4 088	6.8	3 956	3 836	3.1
<i>Scandinavia (Sweden, Norway, Denmark, Finland)</i>	1 034	785	31.7	1 034	765	35.1
<i>Other regions</i>	946	667	41.8	763	197	287.2
Domestic	826	1 572	(47.5)	861	1 391	(38.1)
	7 173	7 112	8.6	6 614	6 189	6.9

16. Cost of sales

Group			October-December	
	2020	2019	2020	2019
Materials	8 172	9 552	2 356	1 990
Wages and salaries and social security	9 152	10 274	2 415	2 535
Other overhead expenses	3 588	3 889	929	834
Depreciation and amortisation	721	755	196	204
Cost of materials sold	734	694	160	132
	<u>22 367</u>	<u>25 164</u>	<u>6 056</u>	<u>5 695</u>
Company				
			October-December	
	2020	2019	2020	2019
Materials	7 968	9 220	2 288	1 935
Wages and salaries and social security	6 845	7 405	1 954	1 807
Other overhead expenses	4 072	4 497	1 097	1 001
Depreciation and amortisation	500	519	149	137
Cost of materials sold	682	620	145	136
	<u>20 067</u>	<u>22 261</u>	<u>5 633</u>	<u>5 016</u>

During 2020 the company (AB Utenos trikotažas) was included into a list of taxpayers that are eligible to tax assistance due to impact of Covid-19 prepared by State Tax Inspectorate; as a result, along with the reveland law, the company has received subsidies for employers during downtime and subsidies for employers after downtime and to those which were affected by Covid-19. Subsidies were accounted for as expense decrease in wages and salaries and had effect on January-December and October-December figures

17. Selling general and administrative expenses**Group**

			October-December	
	2020	2019	2020	2019
Selling expenses				
Wages and salaries and social security	718	827	192	200
Advertising and marketing costs	445	433	136	144
Other selling expenses	854	957	206	219
	<u>2 017</u>	<u>2 217</u>	<u>534</u>	<u>563</u>
General and administrative expenses				
Wages and salaries and social security	1 173	1 011	226	173
Communications and consulting services	443	468	104	57
Taxes other than income tax	114	92	20	(2)
Depreciation and amortization	185	167	2	19
Security	136	131	33	33
Vehicles exploitation expenses	34	101	1	17
Services of financial institutions	97	111	24	18
Premises exploitation expenses	42	39	-	10
Travel expenses	5	26	-	6
Representation expenses	31	44	16	7
Impairment and write-off (reversal) of Inventories	820	140	(292)	73
Other	566	513	270	226
	<u>3 646</u>	<u>2 843</u>	<u>404</u>	<u>637</u>
	<u>5 663</u>	<u>5 060</u>	<u>938</u>	<u>1 200</u>

Company

			October-December	
	2020	2019	2020	2019
Selling expenses				
Wages and salaries and social security	666	750	181	183
Advertising and marketing costs	444	426	136	141
Other selling expenses	841	919	205	210
	1 951	2 095	522	534
General and administrative expenses				
Wages and salaries and social security	837	711	127	100
Communications and consulting services	379	392	84	58
Taxes other than income tax	108	91	20	6
Depreciation and amortization	133	104	36	(7)
Security	67	62	17	15
Vehicles exploitation expenses	28	89	1	19
Services of financial institutions	94	104	24	15
Premises exploitation expenses	39	37	-	10
Travel expenses	4	12	-	2
Representation expenses	29	41	15	6
Impairment and write-off (reversal) of inventories	803	140	(313)	73
Other	395	275	179	132
	2 916	2 060	190	431
	4 867	4 155	712	965

18. Other income and expenses
Group

			October-December	
	2020	2019	2020	2019
Gain from disposal of non-current assets	7	10	-	-
Rent income	23	21	6	6
Other income	115	96	32	20
Other income	145	127	38	26
Rent costs	(14)	(13)	(2)	(1)
Other expenses	(1)	(2)	(1)	-
Other expenses	(15)	(15)	(3)	(1)

Company

			October-December	
	2020	2019	2020	2019
Gain from disposal of non-current assets	-	11	-	-
Rent income	18	16	5	5
Other income	25	17	9	-
Other income	43	44	14	5
Rent costs	(12)	(10)	(2)	-
Other expenses	-	-	-	-
Other expenses	(12)	(10)	(2)	-

19. Finance costs, net

Group

			October-December	
	2020	2019	2020	2019
Foreign exchange gain (loss)	(433)	216	(113)	(27)
Interest expenses	(88)	(126)	(24)	(41)
Interest income	-	9	-	9
Other	(9)	1	2	1
	(530)	100	(137)	(58)

Company

			October-December	
	2020	2019	2020	2019
Foreign exchange gain (loss)	(1)	(2)	(1)	(2)
Interest expenses	(92)	(133)	(22)	(31)
Interest income	60	69	15	24
Dividends	33	1 269	-	-
Other	(167)	1	(6)	1
Impairment of loans granted	-	-	(150)	-
	(167)	1 204	(164)	(8)

20. Basic/dilutive earnings per share

Profit (loss) per share reflect the Group's net profit/(loss), divided by the outstanding number of shares. Calculation of the profit/(loss) per share is presented below:

Group

			October-December	
	2020	2019	2020	2019
Profit/ (loss) attributable to the equity holders of the Group	(554)	734	(69)	150
Weighted average number of shares in issue (thousand)	9 503	9 503	9 503	9 503
Basic/dilutive earnings per share (in EUR)	(0,06)	0,08	(0,01)	0,02

21. Post balance sheet events

There were no material post balance sheet events, that could make a significant impact for the financial statement of the Group and the Company.