

28 April 2020
Vilnius

CONFIRMATION OF THE COMPANY'S RESPONSIBLE PERSONS

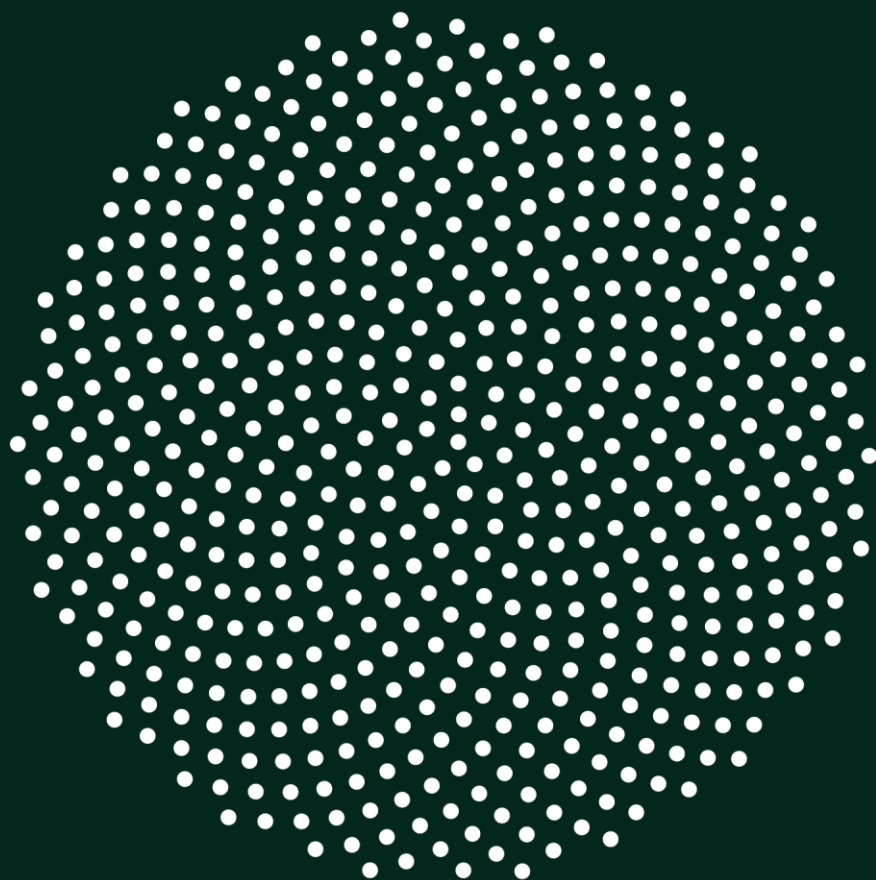
Hereby we confirm, that by our knowledge Consolidated Interim Financial Statements for the three months of 2020 prepared in accordance with International Financial Reporting Standards are true and fairly present assets, liabilities, financial position, profit or loss and cash flow of APB Apranga, as well as of Apranga Group consolidated companies.

Apranga Group General Manager
Rimantas Perveneckas



Apranga Group Chief Financial Officer
Saulius Bačauskas





APRANGA

G R O U P

APB APRANGA Interim Consolidated Financial Statements
For the Three months period ended 31 March 2020

(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	Registru centras VJ, 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

T A B L E O F C O N T E N T

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

1 REVIEW OF ACTIVITY OF THE GROUP COMPANIES

2 FINANCIAL STATEMENTS:

- 2.1 Statements of comprehensive income
- 2.2 Statements of financial position
- 2.3 Statements of changes in equity
- 2.4 Statements of cash flows

3 EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

REVIEW OF ACTIVITY OF THE GROUP COMPANIES

The retail turnover (including VAT) of Apranga Group (hereinafter - the Group) amounted to EUR 45.8 million in 1st quarter 2020 or by 7.9% less than in 2019. Based on the Government act regarding quarantine declaration, since 16th March 2020 all Apranga Group stores in Lithuania were closed due to epidemic coronavirus (COVID-19) infection. Also, according to the resolution of the Government of the Republic of Estonia, all Group stores operating in shopping malls in Estonia are closed since 27th March 2020. Since 28th March 2020, stores in Latvia operating in shopping malls can no longer work on weekends. **These temporary store closures had a significant impact on the Group's generated turnover, earned profit and, accordingly, financial performance.**

The retail turnover of the Group stores in the 3 months 2020 was (EUR thousand, VAT included):

	2020	2019	2018	2020/2019, %	2020/2018, %
January	19 929	16 972	17 804	17,4%	11,9%
February	17 318	15 162	12 845	14,2%	34,8%
March	8 599	17 656	15 911	-51,3%	-46,0%
Total:	45 846	49 790	46 560	-7,9%	-1,5%

The retail turnover of the Group stores *by countries* in the 3 months 2020 was (EUR thousand, VAT included):

Country	3 months 2020	3 months 2019	3 months 2018	2020/2019, %	2020/2018, %
Lithuania	26 794	30 510	26 837	-12,2%	-0,2%
Latvia	11 272	10 713	11 309	5,2%	-0,3%
Estonia	7 780	8 566	8 414	-9,2%	-7,5%
Total:	45 846	49 790	46 560	-7,9%	-1,5%

The retail turnover of the Group stores *by chains* in 3 months 2020 was as follows (EUR thousand, VAT included):

Chain	3 months 2020	3 months 2019	3 months 2018	2020/2019, %	2020/2018, %
Economy ¹	5 438	6 596	6 469	-17,6%	-15,9%
Youth ²	10 064	10 300	8 718	-2,3%	15,4%
Footwear	983	1 328	1 250	-26,0%	-21,3%
Business ³	8 553	9 284	8 811	-7,9%	-2,9%
Luxury ⁴	5 169	5 368	5 079	-3,7%	1,8%
Zara	13 632	14 596	14 069	-6,6%	-3,1%
Outlets	2 007	2 318	2 165	-13,4%	-7,3%
Total	45 846	49 790	46 560	-7,9%	-1,5%

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

² Aprangos galerija, Moskito, Mango, Bershka, Pull & Bear, Stradivarius, Desigual, Oysho;

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

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

According to EUROSTAT data, *the retail trade* (except of motor vehicles, motorcycles and fuel) in Baltic States in 3 months 2020 grew by about 4% (in 3 months 2019 the retail trade grew at the rate of 4-5%). European Union (28 countries) retail trade in 1st quarter 2020 increased by 2% (1st quarter 2019: 3%).

During the three months 2020, the Group opened 3 stores (Weekend MaxMara store in Vilnius, Hugo store in Spice shopping center in Riga, and Orsay store in Alfa shopping center in Riga), renovated 4 stores (Mados linija and Stradivarius stores in Klaipėda, and Apranga and City stores in Riga) and closed 5 stores. The total capital expenditure of the Group amounted to EUR 2.2 million (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.

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

The number of stores by countries was as follows:

Country	31 03 2020	31 03 2019	31 03 2018	2020/2019, %	2020/2018, %
Lithuania	105	111	107	-5,4%	-1,9%
Latvia	51	38	45	34,2%	13,3%
Estonia	28	29	29	-3,4%	-3,4%
Total:	184	178	181	3,4%	1,7%

The number of stores by chains was as follows:

Chain	31 03 2020	31 03 2019	31 03 2018	2020/2019, %	2020/2018, %
Economy	34	31	36	9,7%	-5,6%
Youth	45	42	44	7,1%	2,3%
Footwear	14	13	14	7,7%	0,0%
Business	41	44	39	-6,8%	5,1%
Luxury	30	28	27	7,1%	11,1%
Zara	11	11	12	0,0%	-8,3%
Outlets	9	9	9	0,0%	0,0%
Total	184	178	181	3,4%	1,7%

The total sales area operated by the Group has increased by 15.6% or by 12.6 thousand sq. m. during the 12 months period until 31 March 2020. In principle, the entire increase in sales area was due to the ongoing restructuring of the chain in Latvia and the opening of 11 stores in the new Akropole shopping center in Riga in April 2019 and the opening of 5 new stores in the Alfa shopping center in Riga in September 2019.

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

Country	31 03 2020	31 03 2019	31 03 2018	2020/2019, %	2020/2018, %
Lithuania	50,1	50,0	49,7	0,2%	0,9%
Latvia	27,4	16,4	20,2	66,9%	35,8%
Estonia	15,8	14,3	14,3	10,4%	10,4%
Total:	93,3	80,7	84,1	15,6%	10,9%

In 3 months 2020, the Group had EUR 2.2 million of *loss before income tax*, while the Group had the loss before taxes of EUR 0.8 million in 3 months of 2019 (the loss increased by 2.7 times). Management estimates that due to the COVID-19 pandemic and the temporary closure of stores, the Group lost about EUR 10 million of turnover (including VAT), did not receive about EUR 4 million of gross profit and did not earn about 2.5 million of profit before income tax in March alone.

EBITDA of the Group was EUR 2.8 million in 3 months 2020, and it was EUR 3.8 million in corresponding previous year period. EBITDA margin decreased from 9.3% to 7.3% during the year.

Main Group Indicators	3 months 2020	3 months 2019	3 months 2018
Net sales	38 464	41 158	38 317
Net sales in foreign markets	15 955	15 951	16 292
Like-for-like sales, %	-	7,4%	-4,9%
Gross profit	14 342	15 500	14 172
Gross margin, %	37,3%	37,7%	37,0%
Operating profit (loss)	(1 926)	(625)	(1 236)
Operating profit margin, %	-5,0%	-1,5%	-3,2%
EBT	(2 189)	(825)	(1 244)
EBT margin, %	-5,7%	-2,0%	-3,2%
Profit (loss) for the period	(1 999)	(789)	(1 233)
Profit for the period margin, %	-5,2%	-1,9%	-3,2%
EBITDA	2 796	3 827	366
EBITDA margin, %	7,3%	9,3%	1,0%
Return on equity (end of the period), %	-3,5%	-1,4%	-2,1%
Return on assets (end of the period), %	-1,3%	-0,6%	-1,6%
Net debt to equity, %	120,0%	107,8%	-1,7%
Current ratio, times	1,4	1,5	3,0

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

The operating expenses of the Group totaled EUR 16.3 million for 3 months 2020 and increased by 0.9%, comparing to the same period 2019 (sales decreased by 6.5% for comparison). The Group had EUR 4.9 million of *debts to financial institutions* at the end of the reporting period (EUR 1.0 million as at 31 March 2019).

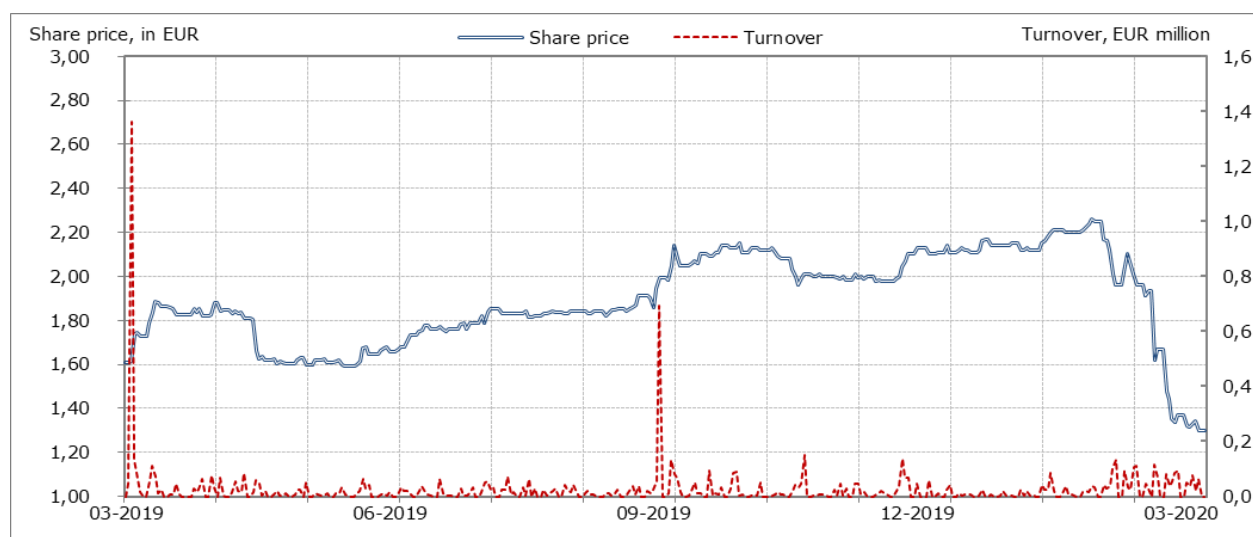
Main Group Indicators	3 months 2020	3 months 2019	Change
Net sales	38 464	41 158	-6,5%
Net sales in foreign markets	15 955	15 951	0,0%
Gross profit	14 342	15 500	-7,5%
Operating (expenses)	(16 268)	(16 125)	0,9%
Operating profit (loss)	(1 926)	(625)	208,2%
EBT	(2 189)	(825)	165,3%
Profit (loss) for the period	(1 999)	(789)	153,4%
EBITDA	2 796	3 827	-26,9%

The Group's *level of inventories* during the year grew by 0.9% (the increase from EUR 41.8 million to EUR 42.2 million). Company's inventories grew by 6.2%.

The number of employees during the year till 31 March 2020 in the Group has increased by 64 to 2 193 (+3.0%) and decreased in Company by 40 to 761 (-5.0%).

The price of the Company shares in 3 months 2020 decreased by 39% from EUR 2.11 to EUR 1.28 per share. The maximum share price during the three months period was EUR 2.29 per share, minimum share price – EUR 1.25 per share. In this way, the market capitalization of the Company decreased from EUR 89 million at the beginning of the year to EUR 71 million at the end of March 2020. The weighted average price of 1 share during the reporting period was EUR 1.81. Company's share turnover was EUR 2.2 million in 3 months 2020. The share price during the last 12 months period decreased from EUR 1.61 to EUR 1.28 per share, or by 20%.

Apranga APB share price in 12 months period from 1st April 2019 to 31st March 2020:



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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

Information about members of the Management board on 31 March 2020:

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	- -	27 04 2018	27 04 2022
Rimantas Perveneckas	Member of the Board, General Director	800 770 1.45%	27 04 2018	27 04 2022
Ilona Simkuniene	Member of the Board, Purchasing Director	- -	27 04 2018	27 04 2022
Ramunas Gaidamavicius	Member of the Board, Development Director	5 000 0.01%	27 04 2018	27 04 2022
Vidas Lazickas	Member of the Board	200 000 0.36%	27 04 2018	27 04 2022
Marijus Strončikas	Member of the Board	4 450 0.01%	27 04 2018	27 04 2022

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
 (all tabular amounts are in EUR thousands unless otherwise stated)

STATEMENTS OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		3 months 2020	3 months 2019	3 months 2020	3 months 2019
Revenue from contracts with customers	5	38 464	41 158	15 953	19 108
Cost of sales		(24 122)	(25 658)	(10 680)	(12 827)
GROSS PROFIT		14 342	15 500	5 273	6 281
Operating (expenses)		(16 282)	(16 129)	(6 280)	(6 549)
Other income		17	12	18	12
Net foreign exchange gain (loss)		(3)	(8)	(3)	(8)
OPERATING PROFIT (LOSS)		(1 926)	(625)	(992)	(264)
Finance income		8	7	26	11
Finance (costs)		(271)	(207)	(117)	(107)
PROFIT (LOSS) BEFORE INCOME TAX		(2 189)	(825)	(1 083)	(360)
Income tax (expense)		190	36	(82)	(27)
PROFIT (LOSS) FOR THE PERIOD	3	(1 999)	(789)	(1 165)	(387)
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		(1 999)	(789)	(1 165)	(387)
Total comprehensive income attributable to:					
Owners of the Company		(1 999)	(789)	(1 165)	(387)
Non-controlling interests		-	-	-	-
Basic and diluted earnings per share (in EUR)		(0,04)	(0,01)	(0,02)	(0,01)

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
 (all tabular amounts are in EUR thousands unless otherwise stated)

STATEMENTS OF FINANCIAL POSITION

ASSETS		GROUP		COMPANY	
ASSETS	Note	31 03 2020	31 12 2019	31 03 2020	31 12 2019
Property, plant and equipment		30 068	29 584	13 355	13 330
Intangible assets		369	310	351	292
Investments in subsidiaries		-	-	4 963	4 963
Prepayments		1 000	940	208	200
Trade and other receivables		4	4	4	4
Right-of-use assets		65 247	68 596	24 718	26 031
Financial assets		2 200	2 200	2 200	2 200
Total non-current assets		98 888	101 634	45 799	47 020
CURRENT ASSETS					
Inventories		42 189	40 106	24 581	21 122
Financial assets		740	732	740	732
Prepayments		735	1 391	663	1 056
Trade and other receivables		2 133	2 135	16 231	13 355
Cash and cash equivalents		3 688	6 712	128	4 557
Total current assets		49 485	51 076	42 343	40 822
Non-current assets held for sale		80	80	80	80
TOTAL ASSETS	3	148 453	152 790	88 222	87 922
EQUITY AND LIABILITIES					
EQUITY		GROUP		COMPANY	
EQUITY	Note	31 03 2020	31 12 2019	31 03 2020	31 12 2019
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		38 961	40 960	30 031	31 196
Total equity		56 547	58 546	47 670	48 835
NON-CURRENT LIABILITIES					
Borrowings	6	425	500	425	500
Deferred tax liabilities		1 162	1 385	238	242
Non-current lease liabilities		53 990	56 659	20 133	21 047
Non-current employee benefits		137	186	137	186
Total non-current liabilities		55 714	58 730	20 933	21 975
CURRENT LIABILITIES					
Borrowings	6	4 468	300	6 616	4 025
Current lease liabilities		12 639	13 117	4 931	5 286
Current income tax liability		219	199	80	82
Trade and other payables		18 866	21 898	7 992	7 719
Total current liabilities		36 192	35 514	19 619	17 112
Total liabilities		91 906	94 244	40 552	39 087
TOTAL EQUITY AND LIABILITIES		148 453	152 790	88 222	87 922

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
 (all tabular amounts are in EUR thousands unless otherwise stated)

STATEMENTS OF CHANGES IN EQUITY

GROUP	Note	Share capital	Legal reserve	Translation reserve	Retained earnings	Total
Balance at 31 December 2018		16 035	1 604	(53)	39 178	56 764
Effect of adoption of IFRS 16 Leases					(270)	(270)
Balance at 1 January 2019		16 035	1 604	(53)	38 908	56 494
Comprehensive income:						
Profit for the 3 months 2019	3				(789)	(789)
Total comprehensive income		-	-	-	(789)	(789)
Balance at 31 March 2019		16 035	1 604	(53)	38 119	55 705
Balance at 1 January 2020		16 035	1 604	(53)	40 960	58 546
Comprehensive income:						
Profit for the 3 months 2020	3				(1 999)	(1 999)
Total comprehensive income		-	-	-	(1 999)	(1 999)
Balance at 31 March 2020		16 035	1 604	(53)	38 961	56 547

COMPANY		Share capital	Legal reserve	Retained earnings	Total
Balance at 31 December 2018		16 035	1 604	29 213	46 852
Effect of adoption of IFRS 16 Leases				(64)	(64)
Balance at 1 January 2019		16 035	1 604	29 149	46 788
Comprehensive income:					
Profit for the 3 months 2019				(387)	(387)
Total comprehensive income		-	-	(387)	(387)
Balance at 31 March 2019		16 035	1 604	28 762	46 401
Balance at 1 January 2020		16 035	1 604	31 196	48 835
Comprehensive income:					
Profit for the 3 months 2020				(1 165)	(1 165)
Total comprehensive income		-	-	(1 165)	(1 165)
Balance at 31 March 2020		16 035	1 604	30 031	47 670

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
(all tabular amounts are in EUR thousands unless otherwise stated)

STATEMENTS OF CASH FLOW

OPERATING ACTIVITIES	Note	GROUP		COMPANY	
		3 months 2020	3 months 2019	3 months 2020	3 months 2019
Profit (loss) before income taxes		(2 189)	(825)	(1 083)	(360)
ADJUSTMENTS FOR:					
Depreciation and amortization		4 993	4 452	1 912	2 053
Impairment charge (reverse)		(5)	(21)	-	(21)
Change in allowances for slow-moving inventories		(249)	(12)	24	9
(Gain) on disposal of property, plant and equipment		(7)	(8)	(7)	(3)
Write-off of property, plant and equipment		12	43	-	35
Interest expenses (income)		263	200	91	96
Total		2 818	3 829	937	1 809
CHANGES IN OPERATING ASSETS AND LIABILITIES:					
Decrease (increase) in inventories		(1 834)	(1 239)	(3 483)	(1 240)
Decrease (increase) in receivables		342	1 334	(1 306)	(1 660)
Increase (decrease) in payables		(3 082)	133	223	(504)
Cash generated from operations		(1 756)	4 057	(3 629)	(1 595)
Income taxes paid		(13)	(3)	(88)	1
Interest paid		227	(14)	73	(14)
Net cash from operating activities		(1 542)	4 040	(3 644)	(1 608)
INVESTING ACTIVITIES					
Interest received		8	7	26	11
Loans granted		(12 800)	(16 200)	(21 571)	(19 295)
Loans repayments received		12 800	16 200	20 282	20 002
Purchases of PPE and intangible assets	4	(2 725)	(4 790)	(685)	(610)
Proceeds on disposal of PPE	4	538	9	9	3
Investment in subsidiaries		-	-	-	(50)
Net cash used in investing activities		(2 179)	(4 774)	(1 939)	61
FINANCING ACTIVITIES					
Dividends paid		1	-	1	-
Proceeds from borrowings		-	1	7 200	11 768
Repayments of borrowings		(75)	(76)	(8 851)	(10 817)
Repayments of lease liabilities		(3 397)	(2 981)	(1 364)	(1 329)
Net cash from financing activities		(3 471)	(3 056)	(3 014)	(378)
NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFTS		(7 192)	(3 790)	(8 597)	(1 925)
CASH AND BANK OVERDRAFTS:					
AT THE BEGINNING OF THE PERIOD		6 712	7 009	4 557	3 119
AT THE END OF THE PERIOD		(480)	3 219	(4 040)	1 194

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

NOTES TO INTERIM CONSOLIDATED AND COMPANY'S 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 March 2020 the Group consisted of the Company and the following 100% owned subsidiaries:

Name	Country	Ownership interest in % 31 03 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%

* 100 % jointly with OU Apranga Estonia

All 55 291 960 ordinary shares of nominal value EUR 0.29 each (ISIN code LT0000102337) that comprise Company share capital are listed on Baltic equity list of Nasdaq Vilnius Stock Exchange.

At 23 April 2020 the Company had 3 308 shareholders. Company 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 Baltic Investment	123249022	Jasinskio 16B, Vilnius, Lithuania	34 442 189	62,3%
UAB Minvista	110685692	Jasinskio 16, Vilnius, Lithuania	6 397 059	11,6%

The ultimate parent company whose financial statements are available for public use is UAB Koncernas MG Baltic. 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.

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

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

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 3 months 2020 is as follows:

3 months 2020	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	25 867	9 587	6 729	42 183	-	
Inter-segment revenue	(3 407)	(186)	(175)	(3 768)	-	
Revenue from external customers (note 7)	22 460	9 401	6 554	38 415	-	38 415
Gross margin	36,7%	37,5%	38,5%	37,2%		37,2%
Profit (loss) for the period	(1 023)	(475)	(501)	(1 999)	-	(1 999)
Total assets	109 086	34 068	22 937	166 091	(17 638)	148 453
Additions to non-current assets	1 118	1 381	239	2 738	(13)	2 725

3 months 2019	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	29 888	9 214	7 340	46 442	-	
Inter-segment revenue	(4 763)	(401)	(202)	(5 366)	-	
Revenue from external customers	25 125	8 813	7 138	41 076	-	41 076
Gross margin	37,6%	37,0%	37,9%	37,5%		37,5%
Profit (loss) for the period	(193)	(189)	(407)	(789)	-	(789)
Total assets	109 644	22 982	21 623	154 249	(13 384)	140 865
Additions to non-current assets	639	4 133	21	4 793	(3)	4 790

4. Investments into non-current assets

Net investments of the Group amounted to EUR 2.2 million in 3 months 2020. The Company's investments have reached EUR 0.7 million, daughter companies – EUR 1.5 million.

5. Income

For the Q1 2020 revenue from contracts with customers consisted of the following:

	GROUP		COMPANY	
	3 months 2020	3 months 2019	3 months 2020	3 months 2019
Stores income	38 415	41 076	11 714	13 476
Wholesale income	-	-	3 323	4 573
Management fees	-	-	900	1 019
Gain from disposal of PPE, net	-	8	-	3
Other income	49	74	16	37
Total revenue from contracts with customers	38 464	41 158	15 953	19 108

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

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

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

6. Borrowings

In November 2019, the Company and SEB bank signed the amendments to the previously concluded credit line agreement. According to these amendments, the earlier credit line of EUR 20 000 thousand was increased to EUR 27 000 thousand. Credit repayment term was prolonged to 30 November 2021. 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 2019, the Company and LUMINOR bank signed two new financial liability limit agreements, which replaced the previous financial liability limit agreement. Under the new agreements, the financial liability limits are EUR 10 000 thousand and EUR 5 000 thousand (non-binding financial liabilities limit), respectively. Limits expires on 30 June 2020. 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 March 2020, guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totaled EUR 14 237 thousand (31 December 2019: EUR 14 362 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 31 March 2020 amounted to EUR 16 205 thousand (31 December 2019: EUR 16 167 thousand).

As of 31 March 2020, the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totaled EUR 798 thousand (31 December 2019: EUR 792 thousand).

8. 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>.

9. Events after the reporting period

As the Government of the Republic of Lithuania gradually relaxes the conditions of the quarantine announced in the country, the Group on 18th April 2020 opened fifteen stores in Vilnius and Kaunas, and on 21st of April - and a store in Klaipeda.

On 25th April 2020, the Group opened all other stores operating in Lithuania. 89 stores, which have been temporarily closed since 16th of March, were opened in six cities.