

## RESPONSIBLE PERSONS CONFIRMATION

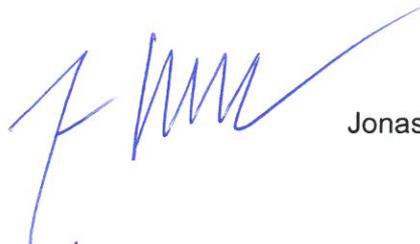
25.06.2020

Following Article 24 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuania, we, Jonas Krutinis, General manager of Vilniaus baldai, AB, and Edgaras Kabečius, Chief Financial Officer of Vilniaus baldai, AB, hereby confirm that, to the best of our knowledge, the not audited VILNIAUS BALDAI, AB Interim Consolidated Financial Statements for the nine months of FY2020 ended 31 May 2020, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit and cash flows of VILNIAUS BALDAI, AB and the Group of undertakings.

### APPENDIX:

1. Interim Condensed Consolidated Financial Statement for the six months of FY2020 ended May 31, 2020.

General manager



Jonas Krutinis

Chief Financial Officer



Edgaras Kabečius



**VILNIAUS  
BALDAI**

ANNO 1883

*... Better  
Faster  
Stronger ...*

# **VILNIAUS BALDAI AB**

**INTERIM CONDENSED  
CONSOLIDATED FINANCIAL  
STATEMENT FOR  
THE NINE MONTHS  
OF FY2020 ENDED  
MAY 31, 2020**

(all amounts are in EUR thousand unless otherwise stated)

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(all amounts are in EUR thousand unless otherwise stated)

## COMPANY INFORMATION

### 1. Reporting period covered by this Financial Statement

The Financial Statements for the nine months of the financial year (FY) 2020 ended May 31, 2020.

### 2. Main data about the issuer

Name of the issuer	Joint stock company (AB) VILNIAUS BALDAI
Code	121922783
LEI code	529900MJDB8L13ZF6G26
Authorized capital	4 508 069.72 EUR
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 00
E-mail	<a href="mailto:info@vilniausbaldai.lt">info@vilniausbaldai.lt</a>
Website	<a href="http://www.vilniausbaldai.lt">www.vilniausbaldai.lt</a>
Legal form	Joint stock company
Registration date and place	9 February 1993, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Type of activity	Design, production and sales of the furniture

Information about the subsidiary company of the issuer one

Name of the issuer	Limited liability company (UAB) ARI-LUX
Code	120989619
Authorized capital	2 896 EUR
Share of (AB) Vilniaus Baldai in the company	100 %
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 44
E-mail	<a href="mailto:info@ari-lux.lt">info@ari-lux.lt</a>
Website	-
Legal form	Limited liability company
Registration date and place	28 October 1991, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Type of activity	Packaging

### 3. Information about where to access the Financial Statement and the underlying documents, name of the designated mass media for announcements

The Financial Statement and underlying supporting documents can be accessed at the Company's headquarters at Savanoriu Ave. 178B, Vilnius. Designated mass media for VILNIAUS BALDAI AB announcements: NASDAQ Vilnius AB, Central Storage Facility – information database.

(all amounts are in EUR thousand unless otherwise stated)

#### 4. Board

Chairman of the Board: Vytautas Bucas,  
Members of the Board: Dalius Kaziunas,  
Vaidas Savukynas.

#### 5. Persons responsible for the accuracy of the information in the Financial Statement

Members of the managing bodies, employees and the Head of the Administration of the issuer are responsible for the accuracy of the information:

Jonas Krutinis, Chief Executive Officer, tel. (+370~5) 252 57 00

Edgaras Kabečius, Head of Finance, tel. (+370~5) 252 57 00.

6. Declaration by the members of the issuer's managing bodies, employees, the Head of the Administration and the issuer's consultants that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities

VILNIAUS BALDAI AB, represented by Jonas Krutinis, Chief Executive Officer, and Edgaras Kabečius, Head of Finance, hereby confirm that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities.

Jonas Krutinis, Chief Executive Officer of VILNIAUS BALDAI AB

Edgaras Kabečius, Head of Finance of VILNIAUS BALDAI AB



Date of signing the Report – 25 June 2020.

(all amounts are in EUR thousand unless otherwise stated)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE NINE MONTHS OF  
FY2020 ENDED MAY 31, 2020**

The auditors reviewed the Financial Statement of 31.08.2019, while the Statements as of 31.05.2020 and 31.05.2019 are unaudited.

**1. STATEMENT OF FINANCIAL POSITION**

	31.05.2020	31.08.2019	31.05.2019
<b>Assets</b>			
<b>Non - current assets</b>			
Non - current tangible assets	65 309	45 731	32 304
Intangible assets	26	19	23
Lease (16 TFAS adaption)	743	-	-
Deferred income tax asset	343	343	115
<b>Total non - current assets</b>	<b>66 421</b>	<b>46 093</b>	<b>32 442</b>
<b>Current assets</b>			
Inventories	6 971	7 451	9 184
Trade debtors	1 569	1 290	5 875
Current income tax prepayment	155	435	127
Loans granted	-	-	-
Other accounts receivable	828	1 138	894
Cash and cash equivalents	1 580	1 612	1 820
<b>Total current assets</b>	<b>11 103</b>	<b>11 926</b>	<b>17 900</b>
<b>Total assets</b>	<b>77 524</b>	<b>58 019</b>	<b>50 342</b>
<b>Shareholders' equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	4 508	4 508	4 508
Legal reserve	451	451	451
Retained earnings	16 461	14 742	11 727
<b>Total capital and reserves</b>	<b>21 420</b>	<b>19 701</b>	<b>16 686</b>
<b>Non - current liabilities</b>			
Grants and subsidies	46	48	49
<b>Total grants and subsidies</b>	<b>46</b>	<b>48</b>	<b>49</b>
Provision for employee benefits	635	635	815
Lease (16 TFAS adaption)	743	-	-
Loans and other interest bearing payables	38 093	20 376	2 373
<b>Total non - current liabilities</b>	<b>39 471</b>	<b>21 011</b>	<b>3 188</b>
<b>Current liabilities</b>			
Loans and other interest bearing payables	-	-	3 292
Debts to suppliers	8 326	9 105	18 398
Payables for property, plant and equipment	4 272	5 124	-
Current income tax payable	7	-	-
Other liabilities	3 982	3 030	8 729
<b>Total current liabilities</b>	<b>16 587</b>	<b>17 259</b>	<b>30 419</b>
<b>Total liabilities</b>	<b>56 058</b>	<b>38 269</b>	<b>33 607</b>
<b>Total equity and liabilities</b>	<b>77 524</b>	<b>58 019</b>	<b>50 342</b>

(all amounts are in EUR thousand unless otherwise stated)

## 2. STATEMENT OF COMPREHENSIVE INCOME

	FY2020 I-III quarter, ended May 31	FY2019 I-III quarter, ended May 31	FY2020 III quarter, ended May 31	FY2019 III quarter, ended May 31
Revenue	50 979	57 127	10 566	19 792
Cost of sales	(45 490)	(52 326)	(10 083)	(17 968)
Gross profit	<b>5 489</b>	<b>4 801</b>	<b>483</b>	<b>1 824</b>
Distribution costs	(842)	(1 014)	(248)	(333)
Administrative costs	(3 155)	(2 610)	(963)	(795)
Other operating income, net	273	321	116	31
Profit from operating activities	<b>1 765</b>	<b>1 498</b>	<b>(612)</b>	<b>727</b>
Financial income	17	10	9	10
Financial costs	(56)	(133)	(18)	(59)
Financial income, net	<b>(39)</b>	<b>(123)</b>	<b>(9)</b>	<b>(49)</b>
Profit before taxes	<b>1 726</b>	<b>1 376</b>	<b>(621)</b>	<b>678</b>
Income tax	(7)	(230)	2	(99)
Profit (Loss) for the period	<b>1 719</b>	<b>1 146</b>	<b>(619)</b>	<b>579</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1 719</b>	<b>1 146</b>	<b>(619)</b>	<b>579</b>
<b>Attributable to Owners of the Company:</b>				
Profit (Loss)	1 719	1 146	(619)	579
Other comprehensive income	-	-	-	-
Total comprehensive income	1 719	1 146	(619)	579
Earnings per share (in EUR)	0.44	0.29	-0.16	0.15

(all amounts are in EUR thousand unless otherwise stated)

### 3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Obligatory reserve	Accrued earnings	Total
<b>Balance as of 31 August 2017</b>	<b>4 508</b>	<b>451</b>	-	<b>9 687</b>	<b>14 646</b>
Net profit	-	-	-	2 263	2 263
Other comprehensive income	-	-	-	(9)	(9)
<b>Total comprehensive income</b>	-	-	-	<b>2 254</b>	<b>2 254</b>
Dividends	-	-	-	(1 049)	(1 049)
<b>Balance as of 31 August 2018</b>	<b>4 508</b>	<b>451</b>	-	<b>10 892</b>	<b>15 851</b>
Net profit	-	-	-	4 071	4 071
Other comprehensive income	-	-	-	90	90
<b>Total comprehensive income</b>	-	-	-	<b>4 161</b>	<b>4 161</b>
Legal reserve accrual	-	-	-	-	-
Dividends	-	-	-	(311)	(311)
<b>Balance as of 31 August 2019</b>	<b>4 508</b>	<b>451</b>	-	<b>14 742</b>	<b>19 701</b>
Net profit	-	-	-	1 719	1 719
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	<b>1 719</b>	<b>1 719</b>
Legal reserve accrual	-	-	-	-	-
Dividends	-	-	-	-	-
<b>Balance as of 31 May 2020</b>	<b>4 508</b>	<b>451</b>	-	<b>16 461</b>	<b>21 420</b>

(all amounts are in EUR thousand unless otherwise stated)

#### 4. STATEMENT OF CASH FLOWS

	31.05.2020	31.05.2019
Net profit (loss)	1 719	1 446
Adjustments:		
Depreciation and amortization	2 033	1 269
Result on disposal, writing off, etc. of non-current	-	(3)
Changes in provisions	-	-
Interest (income) expenses	38	81
Deferred income tax (income) expenses	-	-
Income tax expenses	7	230
Other expenses (income)	(2)	2
<b>Cash flows from ordinary activities before changes</b>	<b>3 795</b>	<b>2 725</b>
Changes in trade receivables and other amounts	31	1 088
Changes in inventories	479	(2 049)
Changes in debts to suppliers and other liabilities	(672)	15 419
Income tax paid	280	-
<b>Cash flows from operating activities</b>	<b>3 913</b>	<b>17 183</b>
(Acquisition) of tangible non-current assets	(21 617)	(12 925)
Sale / writing of non-current tangible assets	-	(4)
Transfer (to) from time deposits	-	-
Grants received	-	-
<b>Cash flows from investing activities</b>	<b>(21 617)</b>	<b>(12 929)</b>
Loans (granted) / repaid	-	-
Loans received / (repaid)	17 718	(3 174)
Interest (paid) / received	(38)	(62)
Dividends (paid)	(8)	(41)
<b>Cash flows from financing activities, net</b>	<b>17 672</b>	<b>(3 277)</b>
<b>Cash flows from operating, investing and financing</b>	<b>(32)</b>	<b>(977)</b>
<b>Cash and cash equivalents as of 1 September</b>	<b>1 612</b>	<b>843</b>
<b>Cash and cash equivalents as of 31 May</b>	<b>1 580</b>	<b>1 820</b>

(all amounts are in EUR thousand unless otherwise stated)

## 5. Financial results of activities

The Group Revenue stood at 50 979 thousand EUR during September of 2019 – May of 2020. Net profit of the Group during September of 2019 – May of 2020 was 1 719 thousand EUR, while \*EBITDA was 3 797 thousand EUR.

The Group Revenue stood at 10 566 thousand EUR during March – May of 2020. Net loss of the Group during March-May of 2020 was 619 thousand, while \*EBITDA was 136 thousand EUR.

The Group Revenue stood at 57 127 thousand EUR during September of 2018 – May of 2019. Net profit of the Group during September of 2018 – May of 2019 was 1 146 thousand EUR, while EBITDA was 2 727 thousand EUR.

Since the end of the reporting fiscal year till the interim condensed consolidated financial statement confirmation there were no important events at the Company.

## 6. Regarding possible impact of coronavirus (COVID-19) on the activities of Vilniaus Baldai AB

With many countries around the world deciding to close large number of stores, our main client's stores have been closed as well, leading to a reduction in order volumes. As the company has accumulated sufficient stock of products in the production warehouse to fully meet short-term customer's needs, VILNIAUS BALDAI AB decided to gradually stop production from March 20<sup>th</sup> of 2020. VILNIAUS BALDAI AB started production again on 4<sup>th</sup> of May, 2020 and production is now back to regular level. Current sales level has increased by a third, comparing to the same period of 2019.

We are continuing to work in accordance with the rules and recommendations issued by the official authorities – this way we aim to ensure maximum safety of our employees.

The new factory project has already reached final stages, however, installation of the equipment due to the pandemic and quarantine will take longer than planned due to the work of equipment specialists from abroad. During quarantine, equipment installation was suspended by foreign specialists.

VILNIAUS BALDAI AB has completed construction of production and administrative building on time. Construction took 14 months to complete and the total investments into the project will exceed 50 million EUR. Currently the new divisions are in the process of being set up, equipment installation and testing is in progress. It is planned that production at the new divisions will begin in 2020 IIIQ

NOTE: \* EBITDA, excluded non-recurring expenses and IFRS 16 influence.

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