

RESPONSIBLE PERSONS CONFIRMATION

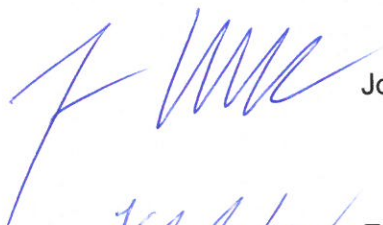
23.10.2020

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 twelve months of FY2020 ended 31 August 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:

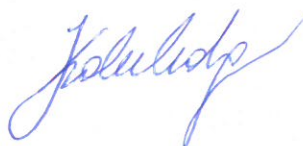
1. Interim Condensed Consolidated Financial Statement for the twelve months of FY2020 ended August 31, 2020.

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 TWELVE MONTHS
OF FY2020 ENDED
AUGUST 31, 2020**

(all amounts are in EUR thousand unless otherwise stated)

CONTENTS

GROUP INFORMATION	4
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
EXPLANATORY NOTES	10

(all amounts are in EUR thousand unless otherwise stated)

COMPANY INFORMATION

1. Reporting period covered by this Financial Statement

The Financial Statements for the six months of the financial year (FY) 2020 ended August 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
Fax	(+370~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Website	www.vilniausbaldai.lt
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
Fax	(+370~5) 252 57 44
E-mail	info@ari-lux.lt
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

(all amounts are in EUR thousand unless otherwise stated)

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.

4. Board

Chairman of the Board: Vytautas Bucas,
Members of the Board: Dalius Kaziunas,
Andrius Anusauskas.

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, General manager, tel. (+370~5) 252 57 00

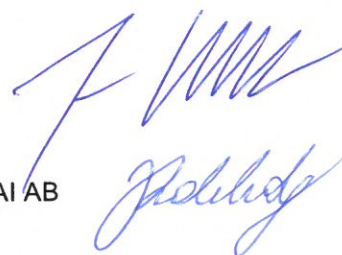
Edgaras Kabečius, Chief Financial Officer, tel. (+370~5) 252 57 00.

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, General manager, and Edgaras Kabečius, Chief Financial Officer, 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, General manager of VILNIAUS BALDAI AB

Edgaras Kabečius, Chief Financial Officer of VILNIAUS BALDAI AB



Date of signing the Report – 23 October 2020.

(all amounts are in EUR thousand unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE TWELVE MONTHS OF FY2020 ENDED AUGUST 31, 2020

The auditors reviewed the Financial Statement of 31.08.2019, while the Statements as of 31.08.2020 are unaudited.

1. STATEMENT OF FINANCIAL POSITION

	31.08.2020	31.08.2019
Assets		
Non - current assets		
Non - current tangible assets	65 739	45 731
Intangible assets	23	19
Lease (16 TFAS adaption)	787	-
Deferred income tax asset	1 341	343
Total non - current assets	67 890	46 093
Current assets		
Inventories	6 803	7 451
Trade debtors	1 926	1 290
Current income tax prepayment	155	435
Loans granted	-	-
Other accounts receivable	1 473	1 138
Cash and cash equivalents	4 993	1 612
Total current assets	15 350	11 926
Total assets	83 240	58 019
Shareholders' equity and liabilities		
Capital and reserves		
Share capital	4 508	4 508
Legal reserve	451	451
Retained earnings	19 722	14 742
Total capital and reserves	24 681	19 701
Non - current liabilities		
Grants and subsidies	45	48
Total grants and subsidies	45	48
Provision for employee benefits	708	635
Lease (16 TFAS adaption)	583	-
Loans and other interest bearing payables	39 229	20 376
Total non - current liabilities	40 520	21 011
Current liabilities		
Loans and other interest bearing payables	1 128	-
Lease (16 TFAS adaption)	214	-
Debts to suppliers	9 990	9 105
Payables for property, plant and equipment	2 391	5 124
Current income tax payable	8	-
Other liabilities	4 263	3 030
Total current liabilities	17 994	17 259
Total liabilities	58 514	38 270
Total equity and liabilities	83 240	58 019

(all amounts are in EUR thousand unless otherwise stated)

2. STATEMENT OF COMPREHENSIVE INCOME

	FY2020 I-IV quarter ended August 31	FY2019 I-IV quarter ended August 31	FY2020 IV quarter ended August 31	FY2019 IV quarter ended August 31
Revenue	73 324	75 204	22 346	18 077
Cost of sales	(63 867)	(68 456)	(18 378)	(16 130)
Gross profit	9 457	6 748	3 968	1 947
Distribution costs	(1 157)	(1 301)	(315)	(287)
Administrative costs	(4 316)	(3 501)	(1 161)	(891)
Other operating income, net	323	2 032	50	1 711
Profit from operating activities	4 307	3 978	2 542	2 480
Financial income	-	-	-	-
Financial costs	(267)	(135)	(228)	(12)
Financial income, net	(267)	(135)	(228)	(12)
Profit before taxes	4 040	3 843	2 314	2 468
Income tax	990	228	996	458
Profit (Loss) for the period	5 030	4 071	3 310	2 926
Other comprehensive income	(49)	90	(49)	90
Total comprehensive income for the period	4 981	4 161	3 261	3 016
Attributable to Owners of the Company:				
Profit (Loss)	5 030	4 071	3 310	2 926
Other comprehensive income	(49)	90	(49)	90
Total comprehensive income	4 981	4 161	3 261	3 016
Earnings per share (in EUR)	1,29	1,05	0,85	0,75

(all amounts are in EUR thousand unless otherwise stated)

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Obligator y reserve	Accrued earnings	Total
Balance as of 31 August 2018	4 508	451	-	10 892	15 851
Net profit	-	-	-	4 071	4 071
Other comprehensive income	-	-	-	90	90
Total comprehensive income	-	-	-	4 161	4 161
Dividends	-	-	-	(311)	(311)
Balance as of 31 August 2019	4 508	451	-	14 742	19 701
Net profit	-	-	-	5 030	5 030
Other comprehensive income	-	-	-	(49)	(49)
Total comprehensive income	-	-	-	4 981	4 981
Legal reserve accrual	-	-	-	-	-
Dividends	-	-	-	-	-
Balance as of 31 August 2020	4 508	451	-	19 722	24 681

(all amounts are in EUR thousand unless otherwise stated)

4. STATEMENT OF CASH FLOWS

	31.08.2020	31.08.2019
Net profit (loss)	5 030	4 071
Adjustments:		
Depreciation and amortization	2 987	1 814
Result on disposal, writing off, etc. of non -current	-	(1 648)
Changes in provisions	73	(180)
Interest (income) expenses	227	91
Deferred income tax (income) expenses	(998)	(228)
Income tax expenses	8	1
Other expenses (income)	(31)	96
Cash flows from ordinary activities before changes	7 297	4 016
Changes in trade receivables and other amounts	(971)	525
Changes in inventories	648	(317)
Changes in debts to suppliers and other liabilities	(608)	944
Income tax paid	280	(435)
Cash flows from operating activities	6 646	4 734
(Acquisition) of tangible non - current assets	(23 011)	(23 037)
Sale / writing of non - current tangible assets	-	2 912
Transfer (to) from time deposits	-	-
Grants received	-	-
Cash flows from investing activities	(23 011)	(20 125)
Loans (granted) / repaid	-	-
Loans received / (repaid)	19 982	16 569
Interest (paid) / received	(227)	(91)
Dividends (paid)	(9)	(318)
Cash flows from financing activities, net	19 746	16 160
Cash flows from operating, investing and financing	3 381	769
Cash and cash equivalents as of 1 September, 2019	1 612	843
Cash and cash equivalents as of 31 August, 2020	4 993	1 612

5. Financial results of activities

The Group Revenue stood at 73 324 thousand EUR during September of 2019 – August of 2020. Net profit of the Group during September of 2019 – August of 2020 was 5 030 thousand EUR, while *EBITDA was 7 254 thousand EUR.

The Group Revenue stood at 75 204 thousand EUR during September of 2018 – August of 2019. Net profit of the Group during September of 2018 – August of 2019 was 4 071 thousand EUR, while EBITDA was 5 643 thousand EUR.

The private limited liability company Vilniaus Baldai has now completed the first stage of the new factory project in Guopstos Village, Trakai District. The new factory was built and equipped, new production lines were installed and furniture production was gradually started.

The new factory already produces part of the products, as well as the warehouses for raw materials and goods are now operational. Approximately 90 employees take care of the production processes, their number will increase to 100 in the near future and will continue to grow as the production volumes increase.

After the completion of the first stage, the second stage comprising the relocation is currently underway. It will be completed by the end of 2022.

The factory was built with an investment of EUR 55 million on an 18-hectare land plot located 5 km from Vilnius. The factory area is 73 thousand sq. m.

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