

Company AS BALTIKA
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Category Management interim statement or quaterly financial report
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Attachments:

- Baltika_Interim_report_1Q_2022.pdf (<http://oam.fi.ee/en/download?id=6351>)
- Baltika_Vahearuanne_1Q_2022.pdf (<http://oam.fi.ee/en/download?id=6352>)

Currency

Title Baltika's Unaudited Financial Results, First Quarter of 2022

Baltika Group ended the first quarter with a net loss of 1,345 thousand euros. The loss for the same period last year was 1,655 thousand euros. This signifies an improvement of 310 thousand euros despite the negative impact of COVID-19 spread all over the Baltics and the unpredictable war situation between Russia and Ukraine which has negatively affected the Group's performance during the first quarter of 2022.

The Group's sales revenue for the first quarter was 2,075 thousand euros, decreasing by 3% compared to the same period last year when due to the second wave of COVID-19 stores were partially closed across the Baltics. In addition to that, the Group suffered during the whole Q1 2022 from the high level of COVID-19 cases in all Baltic countries, which negatively affected the in-store traffic and created a lot of difficulties running daily in-store operations due to high level of COVID-19 spread also within the store staff.

E-com sales revenue for the first quarter was 337 thousand euros, decreasing by 65% compared to the same period last year even if performance is not fully comparable due to the fact that during Q1 2021 the e-com performance included mostly sales of Baltman and Monton discounted products.

The gross profit for the quarter was 849 thousand euros, decreasing by 24 thousand euros compared to the same period of the previous year (Q1 2021: 873 thousand euros). The company's gross profit margin was 40,91% the same level as in the first quarter of the previous year (Q1 2021: 40.93%).

The Group's distribution and administrative expenses were 2,193 thousand euros in the first quarter, decreasing by 17% i.e., 2,636 thousand euros compared to the same period last year. The reduction in costs in the retail market is related to overall cost savings and the closure of unprofitable stores. The head-office distribution and administrative expense decreased a further 133



thousand euros compared to the same period last year.

Baltika Group ended the year with cash and cash equivalents of 528 thousand euros, using the bank's overdraft facility in the amount of 2,559 thousand euros (out of the limit of 3,000 thousand euros) at the end of the quarter. Baltika will continue to implement the strategy - to develop modern high-quality products under its womenswear brand Ivo Nikkolo that is available in Estonia, Latvia and Lithuania and in the e-store.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 March 2022 31 Dec 2021

ASSETS

Current assets

Cash and cash equivalents	528	614
Trade and other receivables	258	696
Inventories	2,145	2,491
Total current assets	2,931	3,801

Non-current assets

Deferred income tax asset	80	80
Other non-current assets	159	172
Property, plant and equipment	1,131	855
Right-of-use assets	6,108	5,956
Intangible assets	615	631
Total non-current assets	8,093	7,694
TOTAL ASSETS	11,024	11,495

LIABILITIES AND EQUITY

Current liabilities

Borrowings	362	364
Lease liabilities	1,730	1,692



Trade and other payables	2,685	2,438
Total current liabilities	4,777	4,494
Non-current liabilities		
Borrowings	2,909	2,425
Lease liabilities	4,371	4,264
Total non-current liabilities	7,280	6,689
 TOTAL LIABILITIES	 12,057	 11,183
EQUITY		
Share capital at par value	5,408	5,408
Reserves	4,431	4,431
Retained earnings	-9,527	-6,627
Net profit (loss) for the period	-1,345	-2,900
TOTAL EQUITY	-1,033	312
TOTAL LIABILITIES AND EQUITY	11,024	11,495

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

	1Q 2022	1Q 2021
Revenue	2,075	2,132
Cost of goods sold	-1,226	-1,259
Gross profit	849	873
Distribution costs	-1,831	-2,141
Administrative and general expenses	-362	-495
Other operating income (-expense)	82	234
Operating profit (loss)	-1,262	-1,529



Finance costs	-83	-126
Profit (loss) before income tax	-1,345	-1,655
Income tax expense	0	0
Net profit (loss) for the period	-1,345	-1,655
Basic earnings per share from net profit (loss) for the period, EUR	-0,01	-0,03
Diluted earnings per share from net profit (loss) for the period, EUR	-0,01	-0,03

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 (https://www.globenewswire.com/Tracker?data=kFHNBackukURPkBgqkS4_rE3af1hnX2WFHbG2wSR7vUxnJNNRHOWQAi9OIFKOeGU6slblExNNPSWUeCwF6zC8DKwnyXrybbeLrWnrHmC6Ex_WNr6PO5HfTM0arK691F9)

