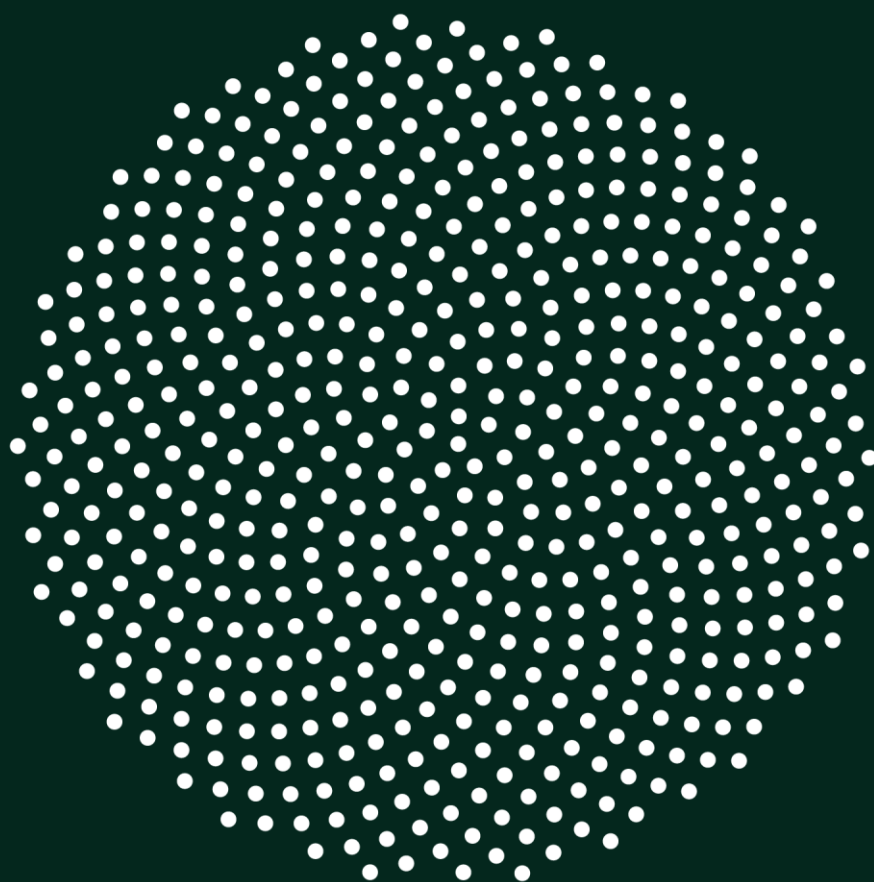




APRANGA

G R O U P

APB APRANGA Interim Consolidated Financial Statements
For the Three months period ended 31 March 2018

(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 REFISTRATION	1 st March 1993
CODE OF COMPANY	121933274
SHARE CAPITAL	EUR 16 034 668.40
REGISTERED OFFICE	Ukmerges 362, LT-12106 Vilnius, Lithuania
NAME OF REGISTER OF LEGAL ENTITIES	Registrijų centras VĮ, Vilnius branch
TELEPHONE NUMBER	+370 5 239 08 08
FAX NUMBER	+370 5 239 08 00
E-MAIL	info@apranga.lt
INTERNET ADRESS	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

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FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018

(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 amounted to EUR 46.6 million in 1st quarter 2018 or by 2.7% less than in 2017. In Estonia turnover grew by 1.9% (+24.0% over two years), while turnover in Lithuania decreased by 4.9%. In Latvia – almost unchanged (-0.5%).

According to EUROSTAT data, the retail trade (except of motor vehicles, motorcycles and fuel) in Baltic States during the 3 months 2018 grew the most in Latvia (+4%). Meanwhile, in Lithuania and Estonia during the reporting period, retail sales experienced a slower growth of about 2%. European Union (28 countries) retail trade in 1st quarter 2018 increased by 2% (1st quarter 2017: 2%).

The retail turnover of the Group stores by countries during the 3 months 2018 was (EUR thousand, VAT included):

Country	3 months 2018	3 months 2017	3 months 2016	2018/2017, %	2018/2016, %
Lithuania	26 837	28 227	26 481	-4,9%	1,3%
Latvia	11 309	11 363	10 856	-0,5%	4,2%
Estonia	8 414	8 254	6 784	1,9%	24,0%
Total:	46 560	47 843	44 121	-2,7%	5,5%

The retail turnover of the Group stores by chains during 3 months 2018 was as follows (EUR thousand, VAT included):

Chain	3 months 2018	3 months 2017	3 months 2016	2018/2017, %	2018/2016, %
Economy ¹	6 469	6 675	6 650	-3,1%	-2,7%
Youth ²	8 718	8 953	8 795	-2,6%	-0,9%
Footwear	1 250	1 239	1 423	0,9%	-12,2%
Business ³	8 811	9 320	8 028	-5,5%	9,8%
Luxury ⁴	5 079	5 697	5 549	-10,8%	-8,5%
Zara	14 069	13 692	11 644	2,8%	20,8%
Outlets	2 165	2 267	2 032	-4,5%	6,6%
Total	46 560	47 843	44 121	-2,7%	5,5%

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

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

³ City, Massimo Dutti, Strellson, Marella, Pennyblack, Coccinelle, Tommy Hilfiger, Zara Home;

⁴ Burberry, Emporio Armani, Hugo Boss, Ermenegildo Zegna, MaxMara, Weekend MaxMara, Armani Jeans, Marina Rinaldi, Mados linija, Nude, Sandro, Maje.

In 1st quarter 2018, only the turnover of Zara and Footwear chains grew (respectively by 2.8% and 0.9%). In the two-year period, highest turnover increase was recorded by Zara chain (+20.8%).

During the three months 2018, the Group renovated 3 stores: Apranga and City stores in Vilnius Panorama shopping center and Apranga store in Šiauliai Akropolis shopping center. The total capital expenditure of the Group amounted to EUR 1.9 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.

The number of stores by countries was as follows:

Country	31 03 2018	31 03 2017	31 03 2016	2018/2017, %
Lithuania	107	107	103	0,0%
Latvia	45	47	46	-4,3%
Estonia	29	29	26	0,0%
Total:	181	183	175	-1,1%

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The number of stores by chains was as follows:

Chain	31 03 2018	31 03 2017	Change
Economy	36	33	9,1%
Youth	44	47	-6,4%
Footwear	14	15	-6,7%
Business	39	40	-2,5%
Luxury	27	27	0,0%
Zara	12	12	0,0%
Outlets	9	9	0,0%
Total	181	183	-1,1%

The total sales area operated by the Group has increased by 0.3% or by 0.2 thousand sq. m. during the 12 months period until 31 March 2018. Sales area was growing fastest in Estonia (+6.1%).

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

Country	31 03 2018	31 03 2017	31 03 2016	2018/2017, %
Lithuania	49,7	49,6	47,9	0,2%
Latvia	20,2	20,8	20,2	-3,2%
Estonia	14,3	13,5	10,9	6,1%
Total:	84,1	83,9	78,9	0,3%

The results of the first quarter 2018 were especially influenced by two factors:

- due to unusually cold weather in the first quarter of the year, sales of the new season goods were poor, resulting in a reduction in overall sales profitability ratios;
- since the start of the year 2017 the Group's and Inditex (largest Group partner) cooperation business model has changed. The transition to the new model hit the financial results mostly for the first quarters of 2017 and 2018, so increasing the financial results of the first quarter 2017 and decreasing financial results of the first quarter 2018.

In 3 months 2018, the Group had EUR 1.2 million of *loss before income tax*, while the Group had the profit before taxes of EUR 2.2 million in 3 months of 2017.

EBITDA of the Group was EUR 0.4 million in 3 months 2018, and it was EUR 3.8 million in corresponding previous year period. EBITDA margin has decreased from 9.9% to 1.0% during the year. The current ratio of the Group during the year remained almost stable at the level of 3.0.

Main Group Indicators	3 months 2018	3 months 2017	3 months 2016
Net sales, EUR thousand	38 317	38 884	35 192
Net sales in foreign markets, EUR thousand	16 292	15 733	14 034
Like-to-like sales, %	-4,9%	2,0%	-0,1%
Gross profit, EUR thousand	14 172	16 862	14 761
Gross margin, %	37,0%	43,4%	41,9%
Operating profit (loss), EUR thousand	(1 236)	2 220	1 163
Operating profit margin, %	-3,2%	5,7%	3,3%
EBT, EUR thousand	(1 244)	2 215	1 154
EBT margin, %	-3,2%	5,7%	3,3%
Profit (loss) for the period, EUR thousand	(1 233)	1 773	864
Profit for the period margin, %	-3,2%	4,6%	2,5%
EBITDA, EUR thousand	366	3 834	2 662
EBITDA margin, %	1,0%	9,9%	7,6%
Return on equity (end of the period), %	-2,1%	3,2%	1,7%
Return on assets (end of the period), %	-1,6%	2,4%	1,2%
Net debt to equity*, %	-1,7%	-2,1%	10,2%
Current ratio, times	3,0	2,9	3,0

* (Interest bearing liabilities less cash) / Equity

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

The operating expenses of the Group totaled EUR 15.4 million for 3 months 2018 and increased by 5.2%, comparing to the same period 2017. The Group had EUR 1.3 million of *financial debts* at the end of the reporting period (The Group had no financial debts at 31 March 2017).

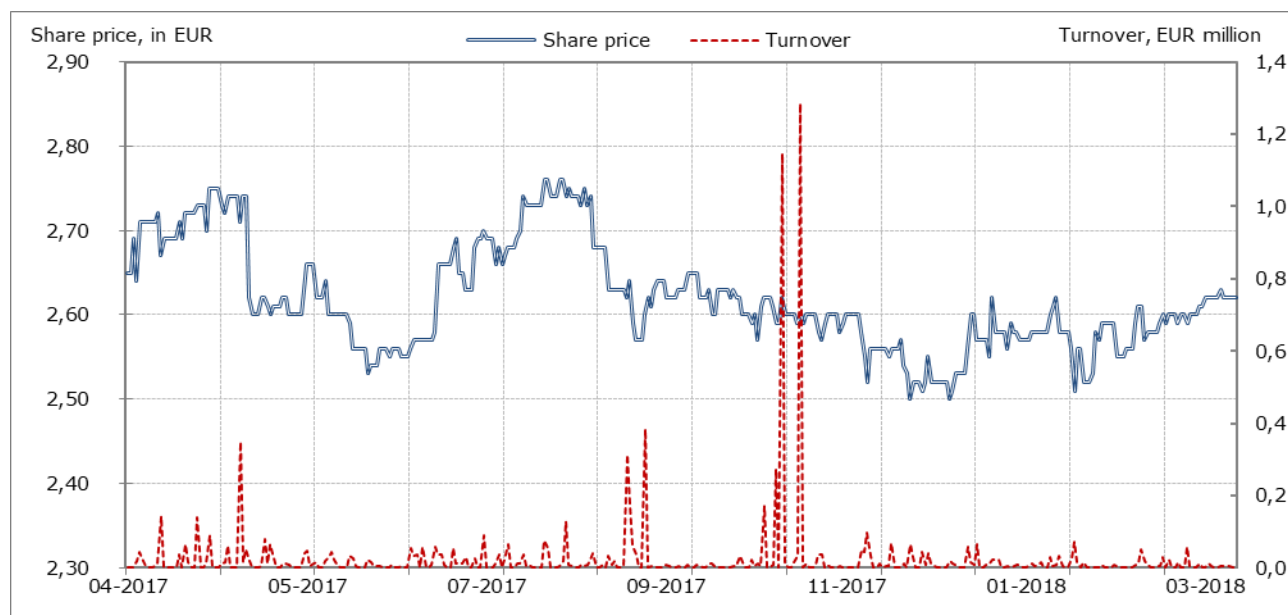
Main Group Indicators	3 months 2018	3 months 2017	Change
Net sales, EUR thousand	38 317	38 884	-1,5%
Net sales in foreign markets, EUR thousand	16 292	15 733	3,6%
Gross profit, EUR thousand	14 172	16 862	-16,0%
Operating expenses	(15 408)	(14 642)	5,2%
Operating profit, EUR thousand	(1 236)	2 220	-
EBT, EUR thousand	(1 244)	2 215	-
Profit for the period, EUR thousand	(1 233)	1 773	-
EBITDA, EUR thousand	366	3 834	-90,5%

The Group's *level of inventories* during the year grew by 2.8% (the increase from EUR 38.6 million to EUR 39.7 million). Company's inventories grew by 2.0%.

The number of employees during the year till 31 March 2018 in the Group has increased by 57 to 2 110 (+2.8%), and increased in Company by 3 to 774 (+0.4%).

The price of the Company shares in 3 months 2018 increased by 4% from EUR 2.53 to EUR 2.62 per share. The maximum share price during the three months period was EUR 2.64 per share, minimum share price – EUR 2.47 per share. In this way, the market capitalization of the Company increased from EUR 140 million at the beginning of the year to EUR 145 million at the end of March 2018. The weighted average price of 1 share during the reporting period was EUR 2.58. Company's share turnover was EUR 0.8 million in 3 months 2018. The share price during the last 12 months period decreased from EUR 2.65 to EUR 2.62 per share, or by 1%.

Apranga APB share price in 12 months period from 1st April 2017 to 31st March 2018:



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Information about members of the Management board on 31 March 2018:

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	- -	29 04 2014	28 04 2018
Rimantas Perveneckas	Member of the Board, General Director	800 770 1.45%	29 04 2014	28 04 2018
Ilona Simkuniene	Member of the Board, Purchasing Director	- -	29 04 2014	28 04 2018
Ramunas Gaidamavicius	Member of the Board, Development Director	5 000 0.01%	29 04 2014	28 04 2018
Vidas Lazickas	Member of the Board	135 000 0.24%	29 04 2014	28 04 2018
Marijus Strončikas	Member of the Board	4 450 0.01%	29 04 2014	28 04 2018

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

STATEMENTS OF COMPREHENSIVE INCOME

	Note	Group		Company	
		3 months 2018	3 months 2017	3 months 2018	3 months 2017
Revenue	3	38 317	38 884	15 745	16 359
Cost of sales		(24 145)	(22 022)	(11 246)	(11 203)
Gross profit		14 172	16 862	4 499	5 156
Operating expenses		(15 594)	(14 794)	(5 940)	(5 625)
Other income		180	140	1 096	997
Net foreign exchange gain (loss)		6	12	6	12
Operating profit (loss)		(1 236)	2 220	(339)	540
Finance costs	7	(8)	(5)	(8)	(5)
Profit (loss) before income tax		(1 244)	2 215	(347)	535
Income tax (expense)		11	(442)	(129)	(88)
Profit (loss) for the year	3	(1 233)	1 773	(476)	447
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		(1 233)	1 773	(476)	447
Total comprehensive income attributable to:		(1 233)	1 773	(476)	447
Owners of the Company		(1 233)	1 773	(476)	447
Non-controlling interests		-	-	-	-
Basic and diluted earnings per share (in EUR)		(0,02)	0,03	(0,01)	0,01

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

STATEMENTS OF FINANCIAL POSITION

		Group		Company	
	Note	31 03 2018	31 12 2017	31 03 2018	31 12 2017
ASSETS					
Non-current assets					
Property, plant and equipment	4	24 601	24 407	15 447	14 551
Intangible assets		232	252	185	204
Investments in subsidiaries	5	-	-	4 863	4 813
Prepayments		658	685	75	68
Trade and other receivables		9	9	9	9
		25 500	25 353	20 579	19 645
Current assets					
Inventories		39 747	38 236	22 454	20 180
Available for sale financial assets	6	735	1 598	735	1 598
Prepayments		1 475	1 059	1 066	951
Trade and other receivables		6 665	5 329	16 116	14 625
Cash and cash equivalents		2 318	7 763	844	4 799
		50 940	53 985	41 215	42 153
Non-current assets held for sale		324	324	324	324
TOTAL ASSETS	3	76 764	79 662	62 118	62 122
EQUITY AND LIABILITIES					
Equity					
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		39 780	41 013	29 043	29 519
		57 366	58 599	46 682	47 158
Non-current liabilities					
Borrowings	7	1 025	1 100	1 025	1 100
Deferred tax liabilities		805	927	331	202
Non-current employee benefits		347	478	347	478
		2 177	2 505	1 703	1 780
Current liabilities					
Borrowings	7	300	300	6 061	5 334
Current income tax liability		835	808	589	588
Trade and other payables		16 086	17 450	7 083	7 262
		17 221	18 558	13 733	13 184
Total liabilities		19 398	21 063	15 436	14 964
TOTAL EQUITY AND LIABILITIES		76 764	79 662	62 118	62 122

APB APRANGA, Company's code 121933274, Ukmerges 362, Vilnius
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
 (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 1 January 2017		16 035	1 604	(53)	35 985	53 571
Comprehensive income						
Profit for the 3 months 2017	3				1 773	1 773
Total comprehensive income		-	-	-	1 773	1 773
Balance at 31 March 2017		16 035	1 604	(53)	37 758	55 344
Balance at 1 January 2018		16 035	1 604	(53)	41 013	58 599
Comprehensive income						
Loss for the 3 months 2018	3				(1 233)	(1 233)
Total comprehensive income		-	-	-	(1 233)	(1 233)
Balance at 31 March 2018		16 035	1 604	(53)	39 780	57 366

COMPANY	Share capital	Legal reserve	Retained earnings	Total
Balance at 1 January 2017	16 035	1 604	25 073	42 712
Comprehensive income				
Profit for the 3 months 2017			447	447
Balance at 31 March 2017	16 035	1 604	25 520	43 159
Balance at 1 January 2018	16 035	1 604	29 519	47 158
Comprehensive income				
Loss for the 3 months 2018			(476)	(476)
Balance at 31 March 2018	16 035	1 604	29 043	46 682

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STATEMENTS OF CASH FLOW

		Group		Company	
	Note	3 months 2018	3 months 2017	3 months 2018	3 months 2017
OPERATING ACTIVITIES					
Profit (loss) before income taxes		(1 244)	2 215	(347)	535
Adjustments for:					
Depreciation and amortization		1 602	1 614	693	733
Change in allowances for slow-moving inventories		84	49	(38)	51
(Gain) Loss on disposal of property, plant and equipment		-	(2)	-	(2)
Write-off of property, plant and equipment		3	1	-	-
Interest income, net of interest expenses		(4)	(9)	(9)	(26)
		441	3 868	299	1 291
Changes in operating assets and liabilities:					
Decrease (increase) in inventories		(1 595)	(3 230)	(2 236)	(2 640)
Decrease (increase) in receivables		(53)	438	72	1 139
Increase (decrease) in payables		(1 495)	(854)	(310)	(164)
Cash generated from operations		(2 702)	222	(2 175)	(374)
Income taxes paid		(84)	(3)	1	(3)
Interest paid	7	(8)	(5)	(8)	(5)
Net cash from operating activities		(2 794)	214	(2 182)	(382)
INVESTING ACTIVITIES					
Interest received		12	14	17	31
Loans granted		(9 900)	(4 500)	(13 025)	(6 911)
Loans repayments received		8 300	2 200	11 370	3 540
Purchases of property, plant and equipment and intangible assets	4	(1 921)	(1 751)	(1 670)	(624)
Proceeds on disposal of property, plant and equipment		-	2	-	2
Proceeds on disposal of available-for-sale financial assets	6	933	-	933	-
Investment in subsidiaries	5	-	-	(50)	-
Net cash used in investing activities		(2 576)	(4 035)	(2 425)	(3 962)
FINANCING ACTIVITIES					
Proceeds from borrowings	7	-	-	8 793	10 971
Repayments of borrowings	7	(75)	-	(8 141)	(9 282)
Net cash from financing activities		(75)	-	652	1 689
NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFTS		(5 445)	(3 821)	(3 955)	(2 655)
CASH AND BANK OVERDRAFTS:					
AT THE BEGINNING OF THE PERIOD		7 763	4 976	4 799	3 055
AT THE END OF THE PERIOD		2 318	1 155	844	400

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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 Kirtimu 51, 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 2018 the Group consisted of the Company and the following 100% owned subsidiaries:

Name	Country	Headquarters	Principal activity
UAB Apranga LT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga BPB LT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga PLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga SLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga MLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga HLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga OLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga Ecom LT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
SIA Apranga	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga LV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga BPB LV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga PLV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga SLV	Latvia	Terbatas 30, Riga	Retail trade of apparel
SIA Apranga MLV	Latvia	Terbatas 30, Riga	Retail trade of apparel
SIA Apranga Ecom LV	Latvia	Terbatas 30, Riga	Retail trade of apparel
OU Apranga ¹	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga Estonia	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga BEE	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga PB Trade	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga ST Retail	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga MDE	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga HEST	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga Ecom EE	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel

¹ 100 % jointly with OU Apranga Estonia

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

At 20 April 2018 the Company had 2 611 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	34 262 189	62,0%
UAB Minvista	110685692	Jasinskio 16, Vilnius, Lithuania	5 442 826	9,8%
Swedbank AS (Estonia) clients	10060701	Liivalaia 8 Tallinn, Estonia	3 800 673	6,9%

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.

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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 2018 is as follows:

3 months 2018	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	26 187	9 526	7 199	42 912	-	
Inter-segment revenue	(4 162)	(246)	(187)	(4 595)	-	
Revenue from external customers	22 025	9 280	7 012	38 317	-	38 317
Gross margin	37,2%	35,9%	37,6%	37,0%		37,0%
Profit (loss) for the year	(532)	(315)	(386)	(1 233)	-	(1 233)
Total assets	69 366	12 726	10 419	92 511	(15 747)	76 764
Additions to non-current assets (other than financial instruments and prepayments for leases)	1 754	103	64	1 921	-	1 921

3 months 2017	Lithuania	Latvia	Estonia	Total	Inter- company elimina- tions	Total in consolidated financial statements
Total segment revenue	26 577	9 341	6 898	42 816	-	
Inter-segment revenue	(3 426)	(310)	(196)	(3 932)	-	
Revenue from external customers	23 151	9 031	6 702	38 884	-	38 884
Gross margin	41,8%	45,2%	46,5%	43,4%		43,4%
Profit (loss) for the year	1 349	279	145	1 773	-	1 773
Total assets	67 635	14 135	10 544	92 314	(19 380)	72 934
Additions to non-current assets (other than financial instruments and prepayments for leases)	1 006	526	219	1 751	-	1 751

4. Investments into non-current assets

Net investments of the Group amounted to EUR 1.9 million in 3 months 2018. The Company's investments have reached EUR 1.7 million, daughter companies – EUR 0.2 million.

5. Investments into subsidiaries

In January 2018, the Company established a subsidiary UAB Apranga OLT, which will operate Oysho stores in Lithuania. The share capital of the subsidiary is EUR 50 thousand. All shares have been fully paid in cash. The Company controls 100% of the subsidiary's capital and voting rights.

6. Investments into financial assets

During the March 2018 the Company for EUR 0.9 million sold the part of Lithuanian Government issued long-term bonds, which in balance sheet are recorded as Available for sale financial assets. Total investments in the Lithuanian Government issued the long-term bonds amounted to EUR 0.7 million on 31 March 2018.

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FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018

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

7. Borrowings

In August and November 2017, 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 20 500 thousand was reduced to EUR 20 000 thousand, and together a new long-term EUR 1 500 thousand business credit was issued. Credit repayment terms, respectively, 30 November 2019 and 23 August 2022. 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 2017, the Company and NORDEA bank have signed the amendment to the overdraft facility and general agreement on bank's guarantees. Under this amendment, the Group granted overdraft amount increased to EUR 10 000 thousand and its limit extended until 30 June 2019. For the drawdown amount of the overdraft a floating interest rate calculated as the EONIA plus margin is being paid. There is fixed interest rate set for amount used for the issuance of guarantees.

8. Guarantees and letters of credit

As of 31 March 2018 guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totaled EUR 14 508 thousand (31 December 2017: EUR 14 520 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 31 March 2018 amounted to EUR 16 868 thousand (31 December 2017: EUR 16 436 thousand).

As of 31 March 2018 the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totaled EUR 747 thousand (31 December 2017: EUR 747 thousand).

9. Events after the reporting period

On 20 April 2018, the Group moved to new office and logistics premises at: Ukmerges g. 362, Vilnius.

The Annual shareholders meeting of APB Apranga held on 27 April 2018 has resolved to pay EUR 9 400 thousand in dividends and to pay EUR 180 thousand as annual bonuses for the year 2017.