

PUBLIC COMMERCIAL COMPANY  
**APB “APRANGA”**

**SHARE PROSPECTUS  
SUMMARY**

VILNIUS

2009

*This Summary should be read as an introduction to the Share Prospectus (hereinafter, the "Prospectus").*

*Information contained in the Summary is based on and should be read in conjunction with the Prospectus, as a whole, including financial statements posted on the websites [www.apranga.lt](http://www.apranga.lt) and [www.crib.lt](http://www.crib.lt). Before making a decision to invest in securities, investors should consider the Prospectus as a whole. Where a claim relating to the information contained in the Prospectus is brought by an investor before a competent court of the Republic of Lithuania, the plaintiff investor may, under the legislation of the Republic of Lithuania, have to bear the costs of translating the documents submitted to the court before the legal proceedings are initiated. Civil liability for information contained in the Prospectus attaches to those persons who have prepared the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.*

*The Prospectus may be accessed on the Central Storage Facility website at [www.crib.lt](http://www.crib.lt), at the registered office of APB "Apranga" (Kirtimų g. 51, Vilnius), AB bankas "Finasta" (Maironio g. 11, Vilnius) and on APB "Apranga" and AB bankas "Finasta" websites at [www.apranga.lt](http://www.apranga.lt) and [www.finasta.lt](http://www.finasta.lt).*

**COMPANY IDENTIFICATION DETAILS**

|                   |  |
|-------------------|--|
| Name              | Public commercial company APB “Apranga”  |
| Legal form        | Public limited liability company   |
| Registered office | Kirtimų g. 51, Vilnius, Vilnius City Municipality                                |
| Telephone         | + 370 5 239 08 08  |
| Mobile            | +370 682 62 293  |
| Fax               | + 370 5 239 08 00  |
| E-mail address    | info@apranga.lt  |
| Website           | www.apranga.lt   |
| Company code      | 121933274  |
| VAT identifier    | LT219332716  |
| Register          | State Enterprise Centre of Registers, Vilnius branch, Švitrigailos g. 7, Vilnius |

**DEFINITIONS USED IN THE PROSPECTUS**

**Shares or Offered Shares** refers to the issue of 20 000 000 ordinary registered shares of APB “Apranga” of 1 litas nominal value each, launched by decision of the General Meeting of Shareholders of 30 April 2009.

**Apranga Group or the Group** refers to APB “Apranga”, private limited liability company “Apranga LT”, private limited liability company “Apranga BPB LT”, private limited liability company “Apranga PLT”, private limited liability company “Apranga SLT”, SIA “Apranga”, SIA “Apranga LV”, SIA “Apranga BPB LV”, SIA “Apranga PLV”, SIA “Apranga SLV2”, OÜ “Apranga 1”, OÜ “Apranga Estonia”, OÜ “Apranga BEE”, OÜ “Apranga PB Trade2” and OÜ “Apranga ST Retail2”.

**Company or APB “Apranga”** refers to public commercial company APB “Apranga”, identified by company code 121933274, having its registered office at Kirtimų g. 51, Vilnius, Vilnius City Municipality.

**Offering** refers to an offer relating to the Offered Shares, commencing on the day following the date of publication of a notice by the registrar of the Register of Legal Entities and continuing 14 calendar days thereafter.

**Offer Price** refers to the issue price of the Offered Shares: the issue price of one Share is 1 (one) litas, the total issue price of the Offered Shares is 20 000 000 (twenty million) litas.

**Rights Accounting Day** refers to the tenth working day after the General Meeting of Shareholders having adopted the decision to increase the capital, i.e. 15 May 2009.

**PERSONS HAVING PREPARED THE PROSPECTUS AND RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS**

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Responsibility for the correctness and completeness of information provided in the Prospectus rests with the following executives of APB "Apranga".

Rimantas Perveneckas, General Director.

Vaidas Savukynas, Chief Financial Officer.

AB "Finasta įmonių finansai", who prepared the Prospectus, confirms that the Prospectus contains accurate information provided to AB "Finasta įmonių finansai" by employees and executives of APB "Apranga". AB "Finasta įmonių finansai", represented by Algimantas Lekevičius, Director of AB "Finasta įmonių finansai", is responsible for the proper formalisation of information provided to it.

## 1. OFFER STATISTICS

|  |  |
|--|--|
| Company                                  | APB "Apranga"  |
| Type of issued securities                | Ordinary registered shares   |
| Number of issued securities              | 20 000 000 shares  |
| Nominal value of issued securities       | LTL 1  |
| Total nominal value of issued securities | LTL 20 000 000   |
| Currency of the issue                    | Litas  |
| Issue price of the issued securities     | LTL 1  |
| Total issue price                        | LTL 20 000 000   |
| Use of proceeds                          | Proceeds will be used on 15 June 2009 for the redemption of a LTL 20 million debenture issue with 730 days maturity, which was launched by decision of the Company's General Meeting of Shareholders of 27 April 2007. |

### Procedure for distribution and offering of the Shares

This Prospectus is prepared for the purpose of a public offering of shares to the Company's shareholders and for the admission of all the newly issued 20 000 000 ordinary registered shares of 1 litas nominal value each to the Main Trading List of AB NASDAQ OMX Vilnius.

The Offering of the newly issued shares will commence from the day following the date of publication of a notice by the registrar of the Register of Legal Entities.

During the Offering, the Company's shareholders may exercise their pre-emption right to acquire newly issued shares under the Main Share Subscription Agreement concluded with the Company and, if they so desire, to acquire additional shares under the Supplementary Share Subscription Agreement.

The maximum number of shares subscribed for by shareholders under the Main Share Subscription Agreement is proportional to the nominal value of shares held by them on the Rights Accounting Day.

Shareholders, who during the period of the Offering subscribe for the maximum number of shares under the Main Share Subscription Agreement, have the right to conclude Supplementary Share Subscription Agreements. Under Supplementary Share Subscription Agreements shareholders are entitled to acquire a number of shares not exceeding the difference between the total number of newly issued shares (20 000 000) and the number of shares subscribed for by the shareholder under the Main Share Subscription Agreement.

**The total issue price of the shares subscribed for under the Main Share Subscription Agreement shall be paid within the time limit ending on the working day following the closing of the Offering.** If the issue price of the shares subscribed for under the Main Share Subscription Agreement is not fully paid, the Agreement shall cease to exist and the partial payment of the issue price paid by the shareholder shall be refunded within 5 (five) working days after the closing of the Offering.

**The total issue price of the shares subscribed for under the Supplementary Share Subscription Agreement shall be paid within the time limit ending on the working day following the closing of the Offering.** If the shares subscribed for under the Main Share Subscription Agreement and the Supplementary Share Subscription Agreement are not fully paid, both the Main Share Subscription Agreement and the Supplementary Share Subscription Agreement shall cease to exist and the partial payment of the issue price paid by the shareholder shall be refunded within 5 (five) working days after the closing of the Offering.

**The shares subscribed for under the Main Share Subscription Agreement and the Supplementary Share Subscription Agreement have to be fully paid not later than on the working day following the closing of the Offering.** If the shares subscribed for under the Main Share Subscription Agreement are not fully paid, the Main Share Subscription Agreement and the Supplementary Share Subscription Agreement shall be not valid. If the shares subscribed for under the Main

Share Subscription Agreement are fully paid; however, the shares subscribed for under the Supplementary Share Subscription Agreement are not fully paid, the Supplementary Share Subscription Agreement shall be not valid and the shareholder shall acquire only the shares subscribed for under the Main Share Subscription Agreement.

If during the period of the Offering more than 20 000 000 shares are subscribed for and paid, the number of shares subscribed for under Supplementary Share Subscription Agreements shall be reduced for all the shareholders in proportion to the number of shares indicated in such Supplementary Share Subscription Agreements. The number of shares indicated in Supplementary Share Subscription Agreements shall be reduced by unilateral decision of the Board of the Company. The difference of the issue price of the shares provided for in the Supplementary Share Subscription Agreement and the shares allocated to the shareholder by decision of the Board shall be returned to the shareholder within 5 (five) working days from the closing of the Offering.

After the closing of the Offering, the shareholders shall be informed of the exact number of shares allocated to them in the manner specified by the shareholder in the Main Share Subscription Agreement and the Supplementary Share Subscription Agreement within two working days after the closing of the Offering.

#### **TIMETABLE FOR THE OFFERING OF SHARES**

Within 5 (five) working days from the date of approval of the Share Prospectus by the Securities Commission, a notice of the offer to acquire the Company's shares by right of pre-emption shall be published in the daily *Lietuvos Rytas*, specifying the time limit within which such a right may be exercised.

The Offering of the newly issued Company's shares shall commence on the day following the date of publication of a notice by the registrar of the Register of Legal Entities (the date of publication of such a notice shall not be included for the purpose of calculating the 14 days period) and shall continue for a period of 14 calendar days. The shareholders shall be informed of the public notice of the Register of Legal Entities through AB NASDAQ OMX Vilnius information system.

The Main and the Supplementary Share Subscription Agreements shall be concluded at the following places of business of AB bank "Finasta" representing APB "Apranga":

- Maironio g. 11, Vilnius, Vilnius City Municipality;
- Vytauto pr. 3, Kaunas, Kaunas City Municipality;
- S.Šimkaus g. 8, Klaipėda, Klaipėda City Municipality.

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## 2. RISK FACTORS

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This section presents key risk factors that are faced by the issuer and are related to the relevant share issue; however, the provided information should not be deemed to constitute a full and in all respects complete description of risk factors related to the Company and the Offered Shares.

### **Risks related to the issuer:**

**Macroeconomic risk:** The Lithuanian and the worldwide economy is currently experiencing a serious downturn that may produce material negative effects on the demand for the Company's retail services and, in turn, may worsen the financial condition of the Company. The Investor assumes the risk that the Company's financial performance may be adversely affected by the worsening macroeconomic environment, which may have a negative impact on the value and market price of the Offered Shares.

**Economic sector risk:** Whereas the Company mainly trades in other than necessity goods, it is attributable to the cyclical retail sector. Sectors of this type are relatively more sensitive to changes in the economic cycle.

### **Risk of increasing competition.**

**Credit markets risk:** Whereas the Company's activity to a considerable extent relies on external credits, there is a risk that introduction of stricter conditions of access to credits may have an adverse effect on the Company's financial condition and, in turn, to the value of the Offered Shares.

**Risk of the Company's solvency (creditworthiness):** This is the risk that the Company or the Group may fail to discharge its liabilities to creditors in a timely manner.

**Issuer's liquidity risk:** There is a risk that the Company may fail to cover current liabilities as they fall due, even if it disposes of its current assets.

**Risk of bad debts:** There is a risk that in the future the Company may have to record the impairment of amounts receivable due to bad debts, which may have an adverse effect of the value of the Offered Shares.

**Exchange rate risk and currency devaluation risk:** The Company may face the risk of changes in exchange rates that may affect sales, purchases and loans denominated in other currency than the litas, the lat, the kroon or the euro.

**Interest rate risk:** A potential risk that changes in the market interest rate may directly influence the Company's financial condition.

**Risk of impairment of invested capital value:** This is the likelihood that due to inefficient management of the capital structure (increasing/decreasing the authorised capital, changing the amount of dividend distribution, selling/purchasing relevant assets or otherwise decreasing/increasing financial liabilities or increasing/decreasing equity) the Company's investors may recover a lower amount than they have contributed.

**Risk of undersubscription of the issue:** The risk that the Company may fail to distribute the planned LTL 20 million share issue and thus may fail to attract the amount of funds it requires.

**Operational risk:** The risk to sustain losses due to intentional or unintentional conduct of its employees, customers and other third parties, due to inadequate or inoperative internal processes systems or other external factors. An integral part of the operational risk is the legal risk, i.e. risk to sustain losses due to failure to exercise or improper exercise of any existing or previous rights of the Company arising from different contracts or agreements, proceedings or laws.

### **Risk factors related to the acquisition of the share issue:**

**Liquidity risk:** The risk that investors having invested in the Offered Shares of the Company may sustain losses as a result of insufficient demand for the shares when they want to sell them on NASDAQ OMX Vilnius securities market. There are no intermediaries who undertake to ensure the liquidity of the issued shares on the secondary market.

**Share market risk:** The market price of issued shares is hard to predict as it may be constantly fluctuating, depending on the proportion of demand and supply on NASDAQ OMX Vilnius exchange. The investor assumes the risk that in the future it may be unable to sell the shares subscribed for at the subscription price.

**Dilution risk:** When the issue of 20 000 000 Company's ordinary registered shares of 1 litas nominal value each is fully distributed, the authorised capital of the Company will increase by 56.67 per cent. The shareholding interest of shareholders who will not acquire any Offered Shares during the Offering will drop by 36.17 per cent.

Risk factors related to the issuer and to the acquisition of the share issue are discussed in more detail in Section 2 of the Letter of Securities.

### 3. INFORMATION ABOUT THE ISSUER AND ITS OPERATIONS

The principal activity of the Group is retail sale of clothing.

The Group is consistently developing 5 chains of stores of different types:

- Economy – family fashion stores ("Apranga");
- Business fashion stores ("City");
- Young fashion stores;
- Prestige – luxury fashion stores;
- "Zara" franchise stores.

Core values and principles of the Company:

- the Group seeks to work only with the most rapidly growing and the most commercially successful worldwide trademarks or chains operating on different markets and acceptable to the Baltic market;
- the Group never makes a compromise when selecting the best locations for store operations;
- the Group endeavours to equip prospectively optimally-sized stores in line with the highest European design and technology requirements;
- the Group seeks to achieve optimum use of the potential of the market leader and rapid development opportunities in the competitive environment;
- our modern, fast growing and developing team of the Group needs professional business specialists and employees who are "crazy" about clothing;
- the Group is aware that there is always still a better way to serve a customer and to meet its needs and strives to achieve this.

#### Organisational Structure

As of 31 December 2008, the Group comprised of APB "Apranga" and 100% owned subsidiaries listed below:

| Name                 | Country   | Registered office            | Principal activities    |
|----------------------|-----------|------------------------------|-------------------------|
| UAB Apranga LT       | Lithuania | Kirtimų 51, Vilnius          | Retail sale of clothing |
| UAB Apranga BPB LT   | Lithuania | Kirtimų 51, Vilnius          | Retail sale of clothing |
| UAB Apranga PLT      | Lithuania | Kirtimų 51, Vilnius          | Retail sale of clothing |
| UAB Apranga SLT      | Lithuania | Kirtimų 51, Vilnius          | Retail sale of clothing |
| SIA Apranga          | Latvia    | Elizabetes 51, Riga          | Retail sale of clothing |
| SIA Apranga LV       | Latvia    | Elizabetes 51, Riga          | Retail sale of clothing |
| SIA Apranga BPB LV   | Latvia    | Elizabetes 51, Riga          | Retail sale of clothing |
| SIA Apranga PLV      | Latvia    | Elizabetes 51, Riga          | Retail sale of clothing |
| SIA Apranga SLV      | Latvia    | Elizabetes 51, Riga*         | Retail sale of clothing |
| OÜ Apranga           | Estonia   | Ravala 4/Laikmaa 15, Tallinn | Retail sale of clothing |
| OÜ Apranga Estonia   | Estonia   | Viru 4, Tallinn              | Retail sale of clothing |
| OÜ Apranga BEE       | Estonia   | Ravala 4/Laikmaa 15, Tallinn | Retail sale of clothing |
| OÜ Apranga PB Trade  | Estonia   | Ravala 4/Laikmaa 15, Tallinn | Retail sale of clothing |
| OÜ Apranga ST Retail | Estonia   | Ravala 4/Laikmaa 15, Tallinn | Retail sale of clothing |

\*The Company's address was changed from Terbatas 30, Riga.

#### Number of chain stores of the Group at the end of the relevant year:

| Country   | Total number of chain stores |      |      | Chain stores owned by the Group |      |      |
|-----------|------------------------------|------|------|---------------------------------|------|------|
|           | 2008                         | 2007 | 2006 | 2008                            | 2007 | 2006 |
| Lithuania | 71                           | 55   | 47   | 7                               | 7    | 7    |
| Latvia    | 23                           | 23   | 15   | -                               | -    | -    |
| Estonia   | 7                            | 5    | 3    | -                               | -    | -    |
| Total     | 101                          | 83   | 65   | 7                               | 7    | 7    |

#### 4. OPERATING AND FINANCIAL REVIEW AND PROSPECTS OF THE ISSUER

##### Overview of the issuer's operations

From the very start of its operations, the Apranga Group persistently and determinately sought to improve its performance in order to retain and strengthen its positions as the leading retailer of clothing on the Lithuanian and the Baltic markets, to perform against its targets and to increase the shareholders' equity value. The group successfully performed against its targets, implemented the largest ever development and investment programme in the history of the Group, and in 2008, for the forth consecutive year, the Group achieved more than 40 per cent retail turnover growth rates, which further strengthened the Group's competitive edge on the Baltic market.

##### Key financial information

| Key indicators of the Group                              | 2008    | 2007    | 2006    |
|--|---------|---------|---------|
| Sales revenue, in LTL thousand                           | 418 622 | 368 907 | 253 489 |
| Sales on foreign markets, in LTL thousand                | 139 087 | 126 621 | 85 843  |
| Gross profit, in LTL thousand                            | 186 203 | 167 948 | 114 178 |
| Gross profit margin                                      | 44.5%   | 45.5%   | 45.0%   |
| Earnings before tax, in LTL thousand                     | 17 466  | 30 042  | 21 050  |
| EBIT margin  | 4.2%    | 8.1%    | 8.3%    |
| Net profit, in LTL thousand                              | 13 784  | 24 923  | 17 436  |
| Net profit margin  | 3.3%    | 6.8%    | 6.9%    |
| EBITDA, in LTL thousand                                  | 41 822  | 48 499  | 34 516  |
| EBITDA margin  | 10.0%   | 13.1%   | 13.6%   |
| Current assets, in LTL thousand                          | 100 554 | 90 254  | 56 950  |
| Non-current assets, in LTL thousand                      | 112 892 | 112 277 | 86 213  |
| Current liabilities, in LTL thousand                     | 112 555 | 91 366  | 57 893  |
| Non-current liabilities, in LTL thousand                 | 5 513   | 23 547  | 18 782  |
| Equity, in LTL thousand                                  | 95 378  | 87 618  | 66 488  |
| Net cash flow from operating activities, in LTL thousand | 21 548  | 18 968  | 30 891  |
| Net cash flow from investing activities, in LTL thousand | -21 601 | -41 713 | -27 596 |
| Net cash flow from financial activities, in LTL thousand | 4 207   | 18 658  | 3 427   |
| Return on equity (ROE) at the end of the period          | 14.5%   | 28.4%   | 26.2%   |
| Return on assets (ROA) at the end of the period          | 6.5%    | 12.3%   | 12.2%   |
| Net debt to equity ratio                                 | 0.76    | 0.76    | 0.60    |
| Current ratio, times                                     | 0.9     | 1.0     | 1.0     |

*EBITDA = net profit + depreciation and amortisation + interest expenses.*

*ROA = net profit / assets.*

*ROE = net profit / shareholders' equity.*

*Liquidity ratio = current assets / non-current assets.*

*Net debt = non-current financial liabilities + current financial liabilities – cash and cash equivalents.*

##### Trends of the Company's financial condition

A decline in gross profit margin in 2008 was due to:

- failure to achieve original turnover targets as a result of a rapid worsening of the economic situation;
- an increase in the sale off share in total sales, attributable to a decline in consumption;
- a growing need for sales promotion measures for luxury goods;
- a sudden decline in consumption on the market of each Baltic country in the most profitable months for the clothing business from September to December.

A decrease in the net profit in 2008 was due to the following reasons:

- in 2008, turnover growth rates were lower than the pace of development of the chain, which resulted in a decline in efficiency of sales;
- the cost of rent of the expanded chain incremented by 29%,

- despite the measures adopted in order to optimise the number of employees, due to a rapid increase in employee salaries in 2007, in 2008 salary expenses grew by 20%, or 25% more than the revenue of the Group.

## 5. MANAGEMENT AND EMPLOYEES

The Company has a two-tier management system, consisting of the collegial management body, the Board, and a one-person management body, the chief executive officer (General Director) of the Company.

The Company's Board is comprised of 6 members who were elected for a term of 4 years by the General Meeting of Shareholders held on 26 April 2006.

The Company's chief executive officer (General Director) is Rimantas Perveneckas.

**Average number of the Group employees, by category:**

| Category of employees | Number of employees |       |      |
|-----------------------|---------------------|-------|------|
|                       | 2008                | 2007  | 2006 |
| Administration        | 124                 | 106   | 86   |
| Sales staff           | 1 439               | 1 281 | 869  |
| Logistics             | 73                  | 66    | 57   |
| Total employees       |                     |       |      |
| Total                 | 1 636               | 1 453 | 1013 |

## 6. MAJOR SHAREHOLDERS AND RELATED-PARTY TRANSACTIONS

### Structure of the Company's shareholders as of 23 April 2009

|                            | Number of shares | Shareholding interest<br>(per cent) |
|----------------------------|------------------|-------------------------------------|
| UAB "MG Baltic Investment" | 18 487 729       | 52.4                                |
| SWEDBANK AS customers      | 3 263 584        | 9.25                                |
| Other                      | 16 804 231       | 47.6                                |
| Total                      | 35 291 960       | 100.0                               |

The parent company of "MG Baltic Investment" is UAB Koncernas "MG Baltic". The ultimate controlling individual of the Group is Mr. D. J. Mockus.

### Group transactions with related parties and balances resulting from such transactions as of 31 December (in LTL thousand)

|                                      | Amounts payable |      |      | Amounts receivable |      |      | Revenue |      |      | Purchases |      |      |
|--------------------------------------|-----------------|------|------|--------------------|------|------|---------|------|------|-----------|------|------|
| Related parties                      | 2008            | 2007 | 2006 | 2008               | 2007 | 2006 | 2008    | 2007 | 2006 | 2008      | 2007 | 2006 |
| UAB "Mineraliniai vandenys"          | -               | -    | -    | -                  | -    | -    | 3       | -    | -    | 13        | 29   | 169  |
| UAB "Troja"                          | 149             | 143  | 141  | -                  | -    | -    | -       | -    | -    | 1468      | 1427 | 1439 |
| UAB "MG Baltic Investment"           | 45              | 49   | 31   | -                  | -    | 1    | -       | -    | -    | 476       | 473  | 461  |
| UAB "MG Valda"                       | 25              | 24   | 26   | -                  | -    | -    | -       | -    | -    | 245       | 278  | 262  |
| UAB "Palangos varūna"                | -               | -    | -    | 408                | 366  | 341  | -       | -    | -    | -         | -    | -    |
| UAB "Laisvas nepriklausomas kanalas" | 21              | 4    | 12   | -                  | -    | 6    | 49      | 80   | 52   | 246       | 367  | 347  |
| UAB "Neopress"                       | -               | 1    | -    | -                  | -    | -    | -       | -    | 8    | 68        | 102  | 58   |
| AB "Stumbras"                        | -               | -    | -    | -                  | -    | -    | -       | 3    | -    | -         | -    | -    |
| "Stumbras Poland S.A."               | -               | -    | -    | -                  | -    | -    | -       | 5    | -    | -         | -    | -    |
| Total                                | 240             | 221  | 210  | 408                | 366  | 348  | 52      | 88   | 60   | 2516      | 2676 | 2736 |
| Turnover share (per cent)            | 0.05            | 0.05 | 0.07 | 0.08               | 0.08 | 0.12 | 0.01    | 0.02 | 0.02 | 0.49      | 0.61 | 0.91 |

Major transactions with related parties mainly include lease, management services, advertising and centralised services.

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**7. FINANCIAL INFORMATION**

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The Company's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union. The amounts shown in the financial statements are presented in litas, the national currency of Lithuania, which is the Company's functional currency.

Independent auditor's report on the consolidated financial statements and the Company's financial statements for 2006 financial year contains a qualified audit opinion on the balance of non-current assets held for sale.

Independent auditor's reports on the consolidated financial statements of the Company and its subsidiaries for 2007 and 2008 financial year and the Company's financial statements for 2007 and 2008 financial year contain an unconditional audit opinion.

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**8. DETAILS OF THE OFFER AND THE ADMISSION TO TRADING OF SECURITIES**

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**Offer and admission to trading**

With a view that the Company's shareholders having acquired the newly issued shares have the possibility to trade in them on AB NASDAQ OMX Vilnius, immediately after registration of the increase of the Company's authorised capital with the Register of Legal Entities, an application will be filed to AB "Lietuvos centrinis vertybinių popierių depozitoriumas" (the Central Depository of Securities of Lithuania) for opening a general account for the newly issues shares and immediately linking it to the existing share issue of the Company, identified by securities ISIN code LT0000102337 and admitted to AB NASDAQ OMX Vilnius Main Trading List.

On the day following the day when AB "Lietuvos centrinis vertybinių popierių depozitoriumas" has linked the new issue of shares to the existing issue that is admitted to the Main Trading List and identified by securities ISIN code LT0000102337, the shares of the new issue will be capable of being traded on AB NASDAQ OMX Vilnius Main Trading List.

**Dilution**

After full distribution of the issue of 20 000 000 Company's ordinary registered shares of 1 litas nominal value, the Company's authorised capital will be divided from 35 291 960 litas to 55 291 960 litas. The Company's authorised capital will increase by 56.67 per cent.

The shareholding interest of the shareholders who will not acquire any Offered Shares during the Offering will drop by 36.17 per cent.

**Expenses of the issue**

Total Offering expenses (including value added tax) will amount from 39 000 litas to 206 500 litas, or from 0.195 to 1.033 per cent of the total revenue from the Offered Shares.

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**9. OTHER RELEVANT INFORMATION**

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**Articles of Association and the authorised capital**

The latest version of the Company's Articles of Association was registered with the Register of Legal Entities of the Republic of Lithuania on 15 May 2007; the registered authorised capital of APB "Apranga" is 35 291 960 (thirty-five million two hundred ninety-one thousand nine hundred sixty) litas. The Company's authorised capital is divided into 35 291 960 (thirty-five million two hundred ninety-one thousand nine hundred sixty) ordinary registered shares. The nominal value of one share issued by the Company is 1 (one) litas.

All the Company's shares are fully paid and they confer equal rights to their holders.

Neither the Company, nor its subsidiaries, have any shares in the Company.

The Company has not issued any convertible non-equity securities.