

RESPONSIBLE PERSONS CONFIRMATION

28.06.2019

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, Rytis Ignatavičius, Acting 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 FY2019 ended 31 May 2019, 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:

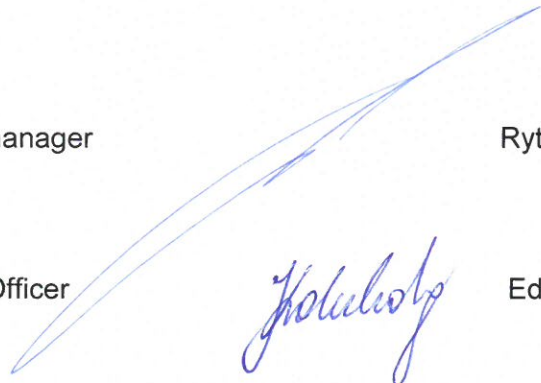
1. Interim Condensed Consolidated Financial Statement for the nine months of FY2019 ended May 31, 2019.

Acting general manager

Rytis Ignatavičius

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 FY2019 ENDED
MAY 31, 2019**

(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) 2019 ended May 31, 2019.

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 subsidiaries companies 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	aleksas.rimkus@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

Name of the issuer	Limited liability company (UAB) TRENDUVA
Code	304438643
Authorized capital	2 500 EUR
Share of (AB) Vilniaus Baldai in the company	100 %
Office address	T. Narbuto str. 5, LT - 08101 Vilnius
Telephone	(+370~5) 252 57 00
Fax	(+370~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Website	-
Legal form	Limited liability company

(all amounts are in EUR thousand unless otherwise stated)

Registration date and place	23 December 2016, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Type of activity	Real estate operations

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,
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:

Rytis Ignatavičius, Acting 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 Rytis Ignatavičius, Acting 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.

Rytis Ignatavičius, Acting general manager of VILNIAUS BALDAI AB

Edgaras Kabečius, Chief Financial Officer of VILNIAUS BALDAI AB

Date of signing the Report – 28 June 2019.

(all amounts are in EUR thousand unless otherwise stated)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE NINE MONTHS OF
FY2019 ENDED MAY 31, 2019**

The auditors reviewed the Financial Statement of 31.08.2018, while the Statements as of 31.05.2019 and 31.05.2018 are unaudited.

1. STATEMENT OF FINANCIAL POSITION

	31.05.2019	31.08.2018	31.05.2018
Assets			
Non - current assets			
Non - current tangible assets	32 304	20 587	18 129
Intangible assets	23	42	29
Deferred income tax asset	115	115	106
Total non - current assets	32 442	20 786	18 264
Current assets			
Inventories	9 184	7 134	7 301
Trade debtors	5 875	6 457	6 065
Current income tax prepayment	127	248	80
Loans granted	-	-	-
Other accounts receivable	894	1 280	1 322
Cash and cash equivalents	1 820	843	918
Total current assets	17 900	15 962	15 686
Total assets	50 342	36 748	33 950
Shareholders' equity and liabilities			
Capital and reserves			
Share capital	4 508	4 508	4 508
Legal reserve	451	451	451
Retained earnings	11 727	10 892	10 615
Total capital and reserves	16 686	15 851	15 574
Non - current liabilities			
Grants and subsidies	49	52	52
Total grants and subsidies	49	52	52
Provision for employee benefits	815	815	708
Loans and other interest bearing payables	2 373	7 873	3 137
Total non - current liabilities	3 188	8 688	3 845
Current liabilities			
Loans and other interest bearing payables	3 292	966	4 376
Debts to suppliers	18 398	8 064	7 158
Current income tax payable	-	-	-
Other liabilities	8 729	3 127	2 945
Total current liabilities	30 419	12 157	14 479
Total liabilities	33 607	20 897	18 324
Total equity and liabilities	50 342	36 748	33 950

(all amounts are in EUR thousand unless otherwise stated)

2. STATEMENT OF COMPREHENSIVE INCOME

	FY2019 I-III quarter, ended May 31	FY2018 I-III quarter, ended May 31	FY2019 III quarter, ended May 31	FY2018 III quarter, ended May 31
Revenue	60 017	49 629	20 763	18 239
Cost of sales	(55 216)	(44 411)	(18 939)	(16 436)
Gross profit	4 801	5 218	1 824	1 803
Distribution costs	(1 014)	(962)	(333)	(303)
Administrative costs	(2 609)	(2 078)	(795)	(785)
Other operating income, net	320	221	31	105
Profit from operating activities	1 498	2 399	727	820
Financial income	10	9	10	3
Financial costs	(132)	(72)	(59)	(44)
Financial income, net	(122)	(61)	(49)	(41)
Profit before taxes	1 376	2 337	678	779
Income tax	(230)	(357)	(99)	(117)
Profit (Loss) for the period	1 146	1 980	579	662
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1 146	1 980	579	662
Attributable to Owners of the Company:				
Profit (Loss)	1 146	1 980	579	662
Other comprehensive income	-	-	-	-
Total comprehensive income	1 146	1 980	579	662
Earnings per share (in EUR)	0.29	0.51	0.15	0.17

(all amounts are in EUR thousand unless otherwise stated)

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Obligatory reserve	Accrued earnings	Total
Balance as of 31 August 2016	4 508	451	-	6 307	11 266
Net profit	-	-	-	4 450	4 450
Other comprehensive income	-	-	-	(21)	(21)
Total comprehensive income	-	-	-	4 429	4 429
Dividends	-	-	-	(1 049)	(1 049)
Balance as of 31 August 2017	4 508	451	-	9 687	14 646
Net profit	-	-	-	2 263	2 263
Other comprehensive income	-	-	-	(9)	(9)
Total comprehensive income	-	-	-	2 254	2 254
Legal reserve accrual	-	-	-	-	-
Dividends	-	-	-	(1 049)	(1 049)
Balance as of 31 August 2018	4 508	451	-	10 892	15 851
Net profit	-	-	-	1 146	1 146
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1 146	1 146
Legal reserve accrual	-	-	-	-	-
Dividends	-	-	-	(311)	(311)
Balance as of 31 May 2019	4 508	451	-	11 727	16 686

(all amounts are in EUR thousand unless otherwise stated)

4. STATEMENT OF CASH FLOWS

	31.05.2019	31.05.2018
Net profit (loss)	1 146	1 980
Adjustments:		
Depreciation and amortization	1 269	1 148
Result on disposal, writing off, etc. of non-current	(3)	55
Changes in provisions	-	-
Interest (income) expenses	81	49
Deferred income tax (income) expenses	-	20
Income tax expenses	230	337
Other expenses (income)	2	2
Cash flows from ordinary activities before changes	2 725	3 591
Changes in trade receivables and other amounts	1 088	(1 926)
Changes in inventories	(2 049)	(808)
Changes in debts to suppliers and other liabilities	15 419	1 990
Income tax paid	-	-
Cash flows from operating activities	17 183	2 846
(Acquisition) of tangible non-current assets	(12 925)	(5 952)
Sale / writing of non-current tangible assets	(4)	-
Transfer (to) from time deposits	-	9
Grants received	-	-
Cash flows from investing activities	(12 929)	(5 943)
Loans (granted) / repaid	-	500
Loans received / (repaid)	(3 174)	3 638
Interest (paid) / received	(62)	(34)
Dividends (paid)	(41)	(1 043)
Cash flows from financing activities, net	(3 277)	3 061
Cash flows from operating, investing and financing	977	(36)
Cash and cash equivalents as of 1 September	843	954
Cash and cash equivalents as of 31 May	1 820	918

(all amounts are in EUR thousand unless otherwise stated)

5. FINANCIAL RESULTS OF ACTIVITIES

The Group Revenue stood at 60 017 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.

The Group Revenue stood at 20 763 thousand EUR during March – May of 2019. Net profit of the Group during March – May of 2019 was 579 thousand EUR, while EBITDA was 1 143 thousand EUR.

The Group Revenue stood at 49 629 thousand EUR during September of 2017 – May of 2018. Net profit of the Group during September of 2017 – May of 2018 was 1 980 thousand EUR, while EBITDA was 3 523 thousand EUR.

On March 13, 2019 VILNIAUS BALDAI AB subsidiary company Trenduva UAB and Invalda privatus kapitalas AB which owns 87,67% of VILNIAUS BALDAI AB shares has signed the short-term loan agreement for a period of 90 days up to the amount of 3 000 000 EUR, for the fulfillment of its obligations.

VILNIAUS BALDAI AB has completed the sale transaction of its second production unit real estate located at Šaltupio str. 9B in Vilnius for an amount of EUR 2 890 001 to the subsidiary of Invalda Privatus Kapitalas AB on May 31, 2019.

On June 21, 2019 VILNIAUS BALDAI AB and EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD) and AS "CITADELE BANKA", LITHUANIAN BRANCH has signed the long-term loan agreement up to the amount of 37 820 000 EUR for the construction of new production and warehousing facilities, equipment, technologies and development of the production base. Loan repayment term April 2027.

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

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