



## **UTENOS TRIKOTAŽAS, AB**

**CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS**  
for the 6 months period ended 30 June 2016  
(UNAUDITED)

**Statements of financial position**

		<b>Group</b>		<b>Company</b>	
		<b>2016.06.30</b>	<b>2015.12.31</b>	<b>2016.06.30</b>	<b>2015.12.31</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	7	714	752	22	29
Property, plant and equipment	8	7 196	7 460	5 520	5 659
Investment property		110	111	110	111
Investments into subsidiaries		-	-	1 499	1 499
Receivables from subsidiaries		-	-	2 210	2 356
Deferred income tax asset		50	51	-	-
		<b>8 070</b>	<b>8 374</b>	<b>9 361</b>	<b>9 654</b>
<b>Current assets</b>					
Inventories	9	4 834	3 687	4 646	3 592
Trade receivables	10	1 294	1 109	953	827
Other receivables		186	305	112	129
Cash and cash equivalents	11	657	1 079	99	265
		<b>6 971</b>	<b>6 180</b>	<b>5 810</b>	<b>4 813</b>
<b>Total assets</b>		<b>15 041</b>	<b>14 554</b>	<b>15 171</b>	<b>14 467</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to the shareholders of the Company</b>					
Share capital		2 756	2 756	2 756	2 756
Revaluation surplus	12	3 206	3 241	1 773	1 793
Legal reserve	12	574	574	574	574
Reserve for acquisition of own shares	12	269	269	-	-
Foreign currency translation reserve	12	116	113	-	-
Cash flow hedge reserve	12	(42)	(42)	(42)	(42)
Accumulated retained earnings/ (losses)	12	(750)	(938)	(131)	(70)
		<b>6 129</b>	<b>5 973</b>	<b>4 930</b>	<b>5 011</b>
<b>Non-controlling interest</b>		<b>447</b>	<b>427</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>6 576</b>	<b>6 400</b>	<b>4 930</b>	<b>5 011</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	13	3 446	3 617	3 446	3 617
Borrowings from subsidiaries	13	-	-	2 422	1 922
Deferred income tax liabilities		332	351	189	193
Non-current portion of derivative financial instruments		28	28	28	28
Provisions for employee benefits		226	226	205	205
		<b>4 032</b>	<b>4 222</b>	<b>6 290</b>	<b>5 965</b>
<b>Current liabilities</b>					
Current portion of non-current borrowings	13	708	691	708	691
Current portion of derivative financial instruments		23	23	23	23
Trade payables		1 688	1 051	1 641	1 008
Payables to other related parties and subsidiaries		96	518	194	524
Income tax payable		1	10	-	4
Accrued expenses and other current liabilities	14	1 917	1 639	1 385	1 241
		<b>4 433</b>	<b>3 932</b>	<b>3 951</b>	<b>3 491</b>
<b>Total liabilities</b>		<b>8 465</b>	<b>8 154</b>	<b>10 241</b>	<b>9 456</b>
<b>Total equity and liabilities</b>		<b>15 041</b>	<b>14 554</b>	<b>15 171</b>	<b>14 467</b>

## Statements of comprehensive income

### Group

	Notes	January-June		April-June	
		2016	2015	2016	2015
Sales	6,15	9 735	8 458	4 772	4 118
Cost of sales	16	(7 982)	(7 327)	(3 964)	(3 609)
<b>Gross profit</b>		<b>1 753</b>	<b>1 131</b>	<b>808</b>	<b>509</b>
Selling expenses	17	(683)	(629)	(267)	(287)
General and administrative expenses	17	(872)	(846)	(401)	(416)
Other operating income	18	102	155	58	48
Other operating expenses	18	(15)	(16)	(7)	(9)
<b>Operating profit (losses)</b>		<b>285</b>	<b>(205)</b>	<b>191</b>	<b>(155)</b>
Finance income	19	34	667	18	542
Finance costs	19	(151)	(999)	8	(438)
<b>Profit (losses) before tax</b>		<b>168</b>	<b>(537)</b>	<b>217</b>	<b>(51)</b>
Income tax		5	8	3	2
<b>Net profit (losses)</b>		<b>173</b>	<b>(529)</b>	<b>220</b>	<b>(49)</b>
<b>Net profit (losses) attributable to:</b>					
Equity shareholders of the Company	20	153	(535)	206	(71)
Non-controlling interest		20	6	14	22
		<b>173</b>	<b>(529)</b>	<b>220</b>	<b>(49)</b>
<b>Other comprehensive income (loss)</b>					
Foreign currency translation gain (loss)		3	(46)	(5)	(163)
<b>Other comprehensive income (loss)</b>		<b>3</b>	<b>(46)</b>	<b>(5)</b>	<b>(163)</b>
<b>Total comprehensive income (loss) for the period</b>		<b>176</b>	<b>(575)</b>	<b>215</b>	<b>(212)</b>
<u>Basic/dilutive earnings per share</u>	20	<u>0,02</u>	<u>(0,06)</u>	<u>0,02</u>	<u>(0,01)</u>

## Statements of comprehensive income (cont'd)

### Company

	Notes	January-June		April-June	
		2016	2015	2016	2015
Sales	6,15	8 150	6 988	3 963	3 381
Cost of sales	16	(7 011)	(6 246)	(3 501)	(3 096)
<b>Gross profit</b>		<b>1 139</b>	<b>742</b>	<b>462</b>	<b>285</b>
Selling expenses	17	(671)	(578)	(277)	(262)
General and administrative expenses	17	(551)	(589)	(222)	(287)
Other operating income	18	60	40	41	22
Other operating expenses	18	(9)	(8)	(5)	(5)
<b>Operating profit (losses)</b>		<b>(32)</b>	<b>(393)</b>	<b>(1)</b>	<b>(247)</b>
Finance income	19	39	64	20	5
Finance costs	19	(92)	(107)	(50)	(19)
<b>Profit (losses) before tax</b>		<b>(85)</b>	<b>(436)</b>	<b>(31)</b>	<b>(261)</b>
Income tax		4	7	2	2
<b>Net profit (losses)</b>		<b>(81)</b>	<b>(429)</b>	<b>(29)</b>	<b>(259)</b>

**Statements of changes in equity**

Group	Share capital	Foreign currency translation reserve	Reserve for acquisition of own shares	Other reserve	Legal reserve	Revaluation surplus	Accumulated retained earnings/ (losses)	Total	Non-controlling interest	Total equity
<b>Balance as of 30 June 2015</b>	<b>2 753</b>	<b>130</b>	<b>269</b>	-	<b>574</b>	<b>3 273</b>	<b>(1 338)</b>	<b>5 661</b>	<b>425</b>	<b>6 086</b>
Net profit (loss)	-	-	-	-	-	-	267	267	1	268
Other comprehensive income	-	(17)	-	(42)	-	-	104	45	1	46
<b>Total comprehensive income (loss)</b>	-	<b>(17)</b>	-	<b>(42)</b>	-	-	<b>371</b>	<b>312</b>	<b>2</b>	<b>314</b>
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(32)	32	-	-	-
Effect of share capital conversion to euro	3	-	-	-	-	-	(3)	-	-	-
<b>Balance as of 31 December 2015</b>	<b>2 756</b>	<b>113</b>	<b>269</b>	<b>(42)</b>	<b>574</b>	<b>3 241</b>	<b>(938)</b>	<b>5 973</b>	<b>427</b>	<b>6 400</b>
Net profit (loss)	-	-	-	-	-	-	153	153	20	173
Other comprehensive income	-	3	-	-	-	-	-	3	-	3
<b>Total comprehensive income (loss)</b>	-	<b>3</b>	-	-	-	-	<b>153</b>	<b>156</b>	<b>20</b>	<b>173</b>
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(35)	35	-	-	-
<b>Balance as of 30 June 2016</b>	<b>2 756</b>	<b>116</b>	<b>269</b>	<b>(42)</b>	<b>574</b>	<b>3 206</b>	<b>(750)</b>	<b>6 129</b>	<b>447</b>	<b>6 576</b>

Company	Share capital	Legal reserve	Revaluation surplus	Other reserve	Accumulated retained earnings/ (losses)	Total
<b>Balance as of 30 June 2015</b>	<b>2 753</b>	<b>574</b>	<b>1 814</b>	-	<b>(463)</b>	<b>4 678</b>
Net profit (loss)	-	-	-	-	271	271
Other comprehensive income (loss)	-	-	-	(42)	104	62
Transfer of revaluation surplus to retained earnings	-	-	(21)	-	21	-
Effect of share capital conversion to euro	3	-	-	-	(3)	-
<b>Balance as of 31 December 2015</b>	<b>2 756</b>	<b>574</b>	<b>1 793</b>	<b>(42)</b>	<b>(70)</b>	<b>5 011</b>
Net profit (loss)	-	-	-	-	(81)	(81)
Other comprehensive income (loss)	-	-	-	-	-	-
Transfer of revaluation surplus to retained earnings	-	-	(20)	-	20	-
<b>Balance as of 30 June 2016</b>	<b>2 756</b>	<b>574</b>	<b>1 773</b>	<b>(42)</b>	<b>(131)</b>	<b>4 930</b>

**Statements of cash flows**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>				
Profit (loss) for the period	173	(529)	(81)	(429)
<b>Adjustments for non-cash items:</b>				
Depreciation and amortization	392	405	297	312
(Gain) on disposal of property, plant and equipment and investment property	(22)	(80)	(22)	(8)
Interest expense, net of interest income	64	52	53	42
Income tax (income) expense	(5)	8	(4)	7
<b>Changes in working capital:</b>	(1 079)	(318)	(1 032)	(372)
(Increase) decrease in inventories	(185)	(385)	(127)	(335)
Decrease (increase) in trade receivables	-	-	146	259
Decrease (increase) in receivables from subsidiaries	117	(19)	17	(21)
(Increase) decrease in other receivables and other current assets	215	959	302	602
(Increase) decrease in trade and other accounts payable	286	(185)	150	(21)
Increase (decrease) in taxes payable and other current liabilities	(10)	-	(10)	-
Income tax (paid)	<b>(54)</b>	<b>(92)</b>	<b>(311)</b>	<b>36</b>
<b>Net cash generated from operating activities</b>				
<b>Cash flows from investing activities</b>	(175)	(63)	(171)	(17)
Acquisition of property, plant and equipment	-	(9)	-	(9)
Proceeds from sale of property, plant and equipment	25	192	22	7
Interest received	-	-	30	30
<b>Net cash flows generated from (to) investing activities</b>	<b>(150)</b>	<b>120</b>	<b>(119)</b>	<b>11</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	201	3 044	701	3 044
Repayment of borrowings and financial lease payments	(355)	(3 207)	(355)	(3 207)
Interest paid	(64)	(52)	(82)	(72)
<b>Net cash flows from financing activities</b>	<b>(218)</b>	<b>(215)</b>	<b>264</b>	<b>(235)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(422)</b>	<b>(187)</b>	<b>(166)</b>	<b>(188)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1 079</b>	<b>955</b>	<b>265</b>	<b>218</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>657</b>	<b>768</b>	<b>99</b>	<b>30</b>

## Notes to the financial statements

### 1. General information

Utenos Trikotažas AB (hereinafter „the Company“) is a joint-stock company registered in the Republic of Lithuania on 6 December 1994. The address of its registered office is as follows:

Basanavičiaus str. 122,  
 Utena,  
 Lithuania

The Company is engaged in production of knit-wear and textile articles.

The shares of Utenos Trikotažas AB are listed on the Official List of the NASDAQ OMX Vilnius Stock Exchange.

As of 30 June 2016 and 31 December 2015 the shareholders of the Company were as follows:

	As of 30 June 2016		As of 31 December 2015	
	Number of shares held	Interest held (%)	Number of shares held	Interest held (%)
UAB Koncernas SBA	8 245	86.76	5 874	61.81
Investment Fund „Amber Trust“	-	-	1 347	14.18
Investment Fund „East Capital Asset“	527	5.55	527	5.55
Investment Fund „KJK Fund“	-	-	572	6.02
Other shareholders	731	7.69	1 183	12.44
	<b>9 503</b>	<b>100.00</b>	<b>9 503</b>	<b>100.00</b>

Of 9 June 2016, SBA Concern and investment funds Amber Trust, KJK Fund, Firebird Republic Fund and Firebird Avora Fund concluded a transaction regarding acquisition of shares of AB „Utenos trikotažas“, after which a portfolio AB „Utenos trikotažas“ shares owned by SBA Concern increased to 86.76%. The total transaction value amounts to almost 1.3 million euro.

All the shares are registered ordinary shares with a par value of EUR 0.29 each. As of 30 June 2016 and 31 December 2015 subsidiaries did not hold any shares of the Company. The Company did not hold its own shares within this period.

The consolidated group (hereinafter “the Group” ) consists of the Company and the following subsidiaries:

	Registered address	Group's share (%)		Profile
		30 June 2016	31 December 2015	
Šatrija AB	Vilniaus str. 5, Raseiniai	89,78	89,78	Sewing of clothes
Gotija UAB	Laisvės Str. 33, Kaunas	90,50	90,50	Retail trade
PAT MTF Mrija	Motroso Str. 13, Mukachov, Ukraine	98,95	98,95	Production of knitted articles

On 30 of June 2016 the average number of employees of the Group was 1 082, while on 30 of June 2015 it was 1 113 (on 31 of December 2015 - 1 148).

## 2. Form and contents of the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

## 3. Change in the accounting method of the Companies' and the Group's Non-current assets Buildings group

In order to achieve a more accurate accounting of the financial results in March 31, 2013 the Non-current assets Buildings group accounting method was changed to the fair value method, as the book value of the Companies' and the Group's Non-current assets Buildings group, which was carried at historical cost, less subsequent accumulated depreciation, had not corresponded with the buildings market value.

## 4. Consolidation

The consolidated financial statements of the Group include AB Utenos trikotažas and its subsidiaries as well as associated companies. The financial statements of the subsidiaries are prepared for the same reporting year, using consistent accounting policies.

Subsidiaries are consolidated from the date from which effective control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Group. All intercompany transactions, balances and unrealised gains and losses on transactions among the Group companies have been eliminated. The equity and net income attributable to non-controlling interests are shown separately in the statement of financial position and the statement of comprehensive income.

## 5. Financial risk factors

Due to the geo-political situation in Ukraine and significant drop in the value of UAH against EUR, the Management of the Group and the Company re-designated loan granted, related interests and other long term receivables as a part of net investment in Mrija PAT MTF. Accordingly gains (losses) arising from foreign exchange related to the monetary items considered to be part of net investment into foreign operation is accounted in Group's consolidated financial statements through other comprehensive income (loss).

Amount of monetary items attributed to net investment amounts to EUR 3.5 million and foreign currency exchange difference related to this amount for the 6 months of 2016 comprises EUR 0.187 million, which is accounted in the Group's consolidated financial statements through other comprehensive income.

### **Other comprehensive income (loss) from foreign currency translation included in the consolidated statements of changes in equity in other comprehensive income attributable to the equity holders of the Company:**

Foreign currency exchange difference on monetary items attributed to net investments	187
Foreign currency translation reserve on other items	(184)
<b>Other comprehensive income, net</b>	<b>3</b>

## 6. Segment information

The Group has three main business segments: production of knitted articles, production of working clothes and retail of knitted articles.

In assessing operational performance of segments the Group's Board takes into account the sales revenue, gross profit, EBITDA (earnings before financial activity result, taxes, depreciation and amortization), profit (loss) ratios, therefore the report on the Group's segments discloses these items in respect of each segment. As the Board also assesses other items of the statement of comprehensive income by each segment, these items are presented in the report on the Group's segments. Inter-segment transactions are eliminated on consolidation.



Below, there is a summary of major indicators for the main business segments of the Group included in the statement of comprehensive income for the years 2016 and 2015:

<b>of 30 June 2016</b>	<b>Production of knitted articles</b>	<b>Production of working clothes</b>	<b>Retail in knitted articles</b>	<b>Eliminations</b>	<b>Total</b>
External sales	8 129	1 508	98	-	9 735
Internal sales	188	-	-	(188)	-
<b>Total revenue</b>	<b>8 317</b>	<b>1 508</b>	<b>98</b>	<b>(188)</b>	<b>9 735</b>
<b>Gross profit</b>	<b>1 348</b>	<b>363</b>	<b>42</b>	<b>-</b>	<b>1 753</b>
<b>EBITDA</b>	<b>432</b>	<b>237</b>	<b>8</b>	<b>-</b>	<b>677</b>
<b>Profit (loss)</b>	<b>(14)</b>	<b>177</b>	<b>10</b>	<b>-</b>	<b>173</b>

<b>of 30 June 2015</b>	<b>Production of knitted articles</b>	<b>Production of working clothes</b>	<b>Retail in knitted articles</b>	<b>Eliminations</b>	<b>Total</b>
External sales	7 059	1 296	103	-	8 458
Internal sales	127	2	-	(129)	-
<b>Total revenue</b>	<b>7 186</b>	<b>1 298</b>	<b>103</b>	<b>(129)</b>	<b>8 458</b>
<b>Gross profit</b>	<b>854</b>	<b>233</b>	<b>44</b>	<b>-</b>	<b>1 131</b>
<b>EBITDA</b>	<b>74</b>	<b>119</b>	<b>9</b>	<b>-</b>	<b>202</b>
<b>Profit (loss)</b>	<b>(600)</b>	<b>60</b>	<b>11</b>	<b>-</b>	<b>(529)</b>

## 7. Non-current intangible assets

Amortization expenses of intangible assets are included within general and administrative expenses in profit and loss statement.

## 8. Non-current tangible assets

Depreciation of non-current tangible property amounted to EUR 392 thousand as of 30 June 2016, EUR 312 thousand are included into cost of sales in the Group's Profit (loss) statement. The remaining amounts were included in general and administrative expenses and inventories in the statement of financial position.

As of 30 June 2016 and 31 December 2015 the Companies' and the Group's Non-current assets Buildings group is recognized at fair value.

**9. Inventories**

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
Raw materials	1 760	1 638	1 375	1 262
Work in progress	1 918	1 140	1 885	1 139
Finished goods	1 721	1 584	1 657	1 572
Goods for resale	49	49	-	-
	<b>5 448</b>	<b>4 411</b>	<b>4 917</b>	<b>3 973</b>
Write-down to net realisable value:				
Opening balance	(724)	(731)	(381)	(402)
Change	110	7	110	21
Closing balance	(614)	(724)	(271)	(381)
	<b>4 834</b>	<b>3 687</b>	<b>4 646</b>	<b>3 592</b>

**10. Trade receivables**

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
Trade receivables, gross	1 409	1 224	1 047	921
Allowance for trade receivables:				
Opening balance	(115)	(134)	(94)	(113)
Change	-	19	-	19
Closing balance	(115)	(115)	(94)	(94)
	<b>1 294</b>	<b>1 109</b>	<b>953</b>	<b>827</b>

Changes in impairment allowance for doubtful trade receivables as of 30 June 2016 and 31 December 2015 were recorded within the Group's and Company's general and administrative expenses.

**11. Cash and cash equivalents**

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
Cash at bank and on hand	657	1 079	99	265
	<b>657</b>	<b>1 079</b>	<b>99</b>	<b>265</b>

## 12. Other reserves and retained earnings (deficit)

### Revaluation surplus

Revaluation surplus reflects the result of the revaluation (net of deferred tax) of the property, plant and equipment.

### Legal reserve

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 5 % of net profit of the Company calculated according to the Lithuanian Company's law, are compulsory until the reserve reaches 10 % of the share capital. As at 31 December 2015 and 2014 the legal reserve is fully formed by the Company. The legal reserve cannot be distributed as dividends but can be used to cover cumulated losses.

### Foreign currency translation reserve

The foreign currency translation reserve represents translation differences arising on consolidation of financial statements of foreign subsidiaries.

### Reserve for acquisition of own shares

In 2015 according to the decision of the shareholders of Šatrija AB the reserve for acquisition of own shares of EUR 300 thousand was formed.

### Cash flow hedge reserve

The Company's loan with DNB Bank is with floating interest rate that is linked to EURIBOR. On 26 November 2014 the Company signed interest rate swap contract with DNB Bank in order to avoid the interest rate fluctuations. The agreement is valid until 25 November 2019. The fair value of interest rate swap contract used for interest rate risk hedging was EUR 51 thousand as of 31 December 2015 and was accounted for under current (amounting EUR 28 thousand) and non-current liabilities (amounting EUR 23 thousand).

### Accumulated retained earnings (losses)

Pursuant to the provisions of the Law on Limited Liability Companies of the Republic of Lithuania, if the total of retained earnings at the beginning of the financial year and net profit (loss) for the year is negative, the General Shareholders' Meeting has to make a decision to cover these losses. Transfers to distributable results should be made in the following sequence:

transfer from reserves not used in the reporting financial year;  
 transfer from the compulsory legal reserve;  
 transfer from the share premium.

At the date of these financial statements the Company was not informed about any actions of the shareholders of the Co. regarding retained deficit.

The balances of other reserves as of 30 June 2016 and 31 December 2015 were as follows:

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
Revaluation surplus	3 206	3 241	1 773	1 793
Legal reserve	574	574	574	574
Reserve for acquisition of own shares	269	269	-	-
Foreign currency translation reserve	116	113	-	-
Cash flow hedge reserve	(42)	(42)	(42)	(42)
Accumulated retained earnings/ (losses)	(750)	(938)	(131)	(70)
	<b>3 373</b>	<b>3 217</b>	<b>2 174</b>	<b>2 255</b>

**13. Borrowings**

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
<b>Current</b>				
Current portion of non-current bank borrowings	708	691	708	691
	<b>708</b>	<b>691</b>	<b>708</b>	<b>691</b>
<b>Non-current</b>				
Borrowings from subsidiaries	-	-	2 422	1 922
Long-term bank borrowings	3 446	3 617	3 446	3 617
	3 446	3 617	5 868	5 539
<b>Total borrowings</b>	<b>4 154</b>	<b>4 308</b>	<b>6 576</b>	<b>6 230</b>

The Company's borrowings from subsidiaries consist of the loan granted by subsidiary Starija AB, amounting EUR 2 060 thousand with maturity as at 26 November 2019 and variable interest rate 12 month Euribor + 1.9 % and loan granted by subsidiary Gotija UAB, amounting EUR 362 thousand with maturity as at 26 November 2019 and variable interest rate 12 month Euribor + 1.9 %.

On 22 June 2015 Utenos trikotažas AB and DNB Bankas AB entered into agreement according to which the amount of credit granted increased by EUR 630 thousand. The credit amount increase was designed for an investment in equipment.

On 22 March 2016 the Company has signed the amendment with DNB bank AB, based on which the additionally granted amount of the loan was decreased to EUR 423 thousand and the interest rate determination principle was changed.

As at 31 December 2015 the bank borrowings were secured by property plant and equipment.

The interest rate for the borrowings is based on variable interest rate, therefore, in the opinion of management, the carrying amount of borrowings approximates their fair value.

**14. Accrued expenses and other current liabilities**

	Group		Company	
	2016.06.30	2015.12.31	2016.06.30	2015.12.31
Accrual for vacation reserve	797	631	488	373
Wages, salaries and social security	568	487	433	387
Amounts payable for services and non-current assets	231	196	233	239
Prepayments received	94	92	92	96
Taxes payable, except for income tax	61	121	39	97
Other liabilities	166	112	100	49
	<b>1 917</b>	<b>1 639</b>	<b>1 385</b>	<b>1 241</b>

**15. Revenue**
**Group**

	January- June		April-June	
	2016	2015	2016	2015
Revenue from sales of goods and services	9 577	8 450	4 624	4 115
Revenue from sales of materials	158	8	148	3
	<b>9 735</b>	<b>8 458</b>	<b>4 772</b>	<b>4 118</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
Revenue from sales of goods and services	7 999	6 982	3 816	3 379
Revenue from sales of materials	151	6	147	2
	<b>8 150</b>	<b>6 988</b>	<b>3 963</b>	<b>3 381</b>

**16. Cost of sales**
**Group**

	January- June		April-June	
	2016	2015	2016	2015
Wages and salaries and social security	3 594	3 409	1 716	1 688
Materials	2 882	2 321	1 308	1 216
Other overhead expenses	1 194	1 256	785	555
Depreciation and amortisation	312	341	155	150
	<b>7 982</b>	<b>7 327</b>	<b>3 964</b>	<b>3 609</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
Wages and salaries and social security	2 691	2 602	1 272	1 292
Materials	2 678	2 169	1 255	1 102
Other overhead expenses	1 399	1 199	852	585
Depreciation and amortisation	243	276	122	117
	<b>7 011</b>	<b>6 246</b>	<b>3 501</b>	<b>3 096</b>

**17. Selling general and administrative expenses**
**Group**

	January- June		April-June	
	2016	2015	2016	2015
<b>Selling expenses</b>				
Wages and salaries and social security	272	202	138	99
Advertising and marketing costs	114	135	42	54
Other selling expenses	297	292	87	134
	<b>683</b>	<b>629</b>	<b>267</b>	<b>287</b>
<b>General and administrative expenses</b>				
Wages and salaries and social security	404	384	212	187
Communications and consulting services	137	100	70	44
Depreciation and amortization	54	45	27	22
Security	51	44	26	23
Taxes other than income tax	44	31	19	17
Vehicles exploitation expenses	30	34	20	17
Services of financial institutions	27	22	11	13
Premises exploitation expenses	20	19	8	8
Travel expenses	10	22	3	9
Representation expenses	6	22	3	13
Impairment and write-off (reversal) of inventories	(74)	-	(92)	-
Other	163	123	94	63
	<b>872</b>	<b>846</b>	<b>401</b>	<b>416</b>
	<b>1 555</b>	<b>1 475</b>	<b>668</b>	<b>703</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
<b>Selling expenses</b>				
Wages and salaries and social security	239	166	120	80
Advertising and marketing costs	113	135	41	54
Other selling expenses	319	277	116	128
	<b>671</b>	<b>578</b>	<b>277</b>	<b>262</b>
<b>General and administrative expenses</b>				
Wages and salaries and social security	301	279	161	135
Communications and consulting services	110	76	58	32
Depreciation and amortization	28	18	14	10
Security	26	22	13	11
Services of financial institutions	24	19	9	11
Vehicles exploitation expenses	23	29	13	15
Taxes other than income tax	21	21	11	11
Premises exploitation expenses	18	15	7	6
Travel expenses	9	18	3	5
Representation expenses	5	21	2	13
Impairment and write-off (reversal) of inventories	(78)	-	(101)	-
Other	64	71	32	38
	<b>551</b>	<b>589</b>	<b>222</b>	<b>287</b>
	<b>1 222</b>	<b>1 167</b>	<b>499</b>	<b>549</b>

**18. Other income and expenses**
**Group**

	January- June		April-June	
	2016	2015	2016	2015
Gain from disposal of non-current assets	22	80	18	6
Rent income	11	11	6	7
Other income	69	64	34	35
<b>Other income</b>	<b>102</b>	<b>155</b>	<b>58</b>	<b>48</b>
Rent costs	(9)	(4)	(6)	5
Other expenses	(6)	(12)	(1)	(14)
<b>Other expenses</b>	<b>(15)</b>	<b>(16)</b>	<b>(7)</b>	<b>(9)</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
Gain from disposal of non-current assets	22	8	22	-
Rent income	9	11	4	7
Other income	29	21	15	15
<b>Other income</b>	<b>60</b>	<b>40</b>	<b>41</b>	<b>22</b>
Rent costs	(8)	(4)	(5)	5
Other expenses	(1)	(4)	-	(10)
<b>Other expenses</b>	<b>(9)</b>	<b>(8)</b>	<b>(5)</b>	<b>(5)</b>

**19. Finance costs, net**
**Group**

	January- June		April-June	
	2016	2015	2016	2015
Foreign exchange gain (loss)	(53)	(280)	62	131
Interest expenses	(64)	(52)	(36)	(27)
Interest income	-	-	-	-
	<b>(117)</b>	<b>(332)</b>	<b>26</b>	<b>104</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
Foreign exchange gain (loss)	(1)	(1)	(1)	8
Interest expenses	(82)	(72)	(44)	(37)
Interest income	30	30	15	15
	<b>(53)</b>	<b>(43)</b>	<b>(30)</b>	<b>(14)</b>

**20. Basic/dilutive earnings per share**

Profit (loss) per share reflect the Group's net profit/(loss), divided by the outstanding number of shares. Calculation of the profit/(loss) per share is presented below:

**Group**

	January- June		April-June	
	2016	2015	2016	2015
Profit/ (loss) attributable to the equity holders of the Group	153	(535)	206	(71)
Weighted average number of shares in issue (thousand)	9 503	9 503	9 503	9 503
<b>Basic / diluted earnings per share (in EUR)</b>	<b>0.02</b>	<b>(0.06)</b>	<b>0.02</b>	<b>(0.01)</b>

**Company**

	January- June		April-June	
	2016	2015	2016	2015
Profit/ (loss) attributable to the equity holders of the Group	(81)	(429)	(29)	(259)
Weighted average number of shares in issue (thousand)	9 503	9 503	9 503	9 503
<b>Basic / diluted earnings per share (in EUR)</b>	<b>(0.01)</b>	<b>(0.05)</b>	<b>(0.00)</b>	<b>(0.03)</b>

**21. Post balance sheet events**

There were no other post balance sheet events.