



## **UTENOS TRIKOTAŽAS, AB**

**CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS  
for the 9 months period ended 30 September 2016  
(UNAUDITED)**

**Statements of financial position**

		<b>Group</b>		<b>Company</b>	
		<b>2016.09.30</b>	<b>2015.12.31</b>	<b>2016.09.30</b>	<b>2015.12.31</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	7	704	752	29	29
Property, plant and equipment	8	7 021	7 460	5 401	5 659
Investment property		109	111	109	111
Investments into subsidiaries		-	-	1 499	1 499
Receivables from subsidiaries		-	-	2 115	2 356
Deferred income tax asset		50	51	-	-
		<b>7 884</b>	<b>8 374</b>	<b>9 153</b>	<b>9 654</b>
<b>Current assets</b>					
Inventories	9	4 010	3 687	3 886	3 592
Trade receivables	10	1 459	1 109	1 063	827
Other receivables		831	305	772	129
Cash and cash equivalents	11	1 207	1 079	668	265
		<b>7 507</b>	<b>6 180</b>	<b>6 389</b>	<b>4 813</b>
<b>Total assets</b>		<b>15 391</b>	<b>14 554</b>	<b>15 542</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	3 190	3 241	1 762	1 793
Legal reserve	12	574	574	574	574
Reserve for acquisition of own shares	12	269	269	-	-
Foreign currency translation reserve	12	97	113	-	-
Cash flow hedge reserve	12	(42)	(42)	(42)	(42)
Accumulated retained earnings/ (losses)	12	(93)	(938)	357	(70)
		<b>6 751</b>	<b>5 973</b>	<b>5 407</b>	<b>5 011</b>
<b>Non-controlling interest</b>		<b>461</b>	<b>427</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>7 212</b>	<b>6 400</b>	<b>5 407</b>	<b>5 011</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	13	3 231	3 617	3 231	3 617
Borrowings from subsidiaries	13	-	-	2 422	1 922
Deferred income tax liabilities		325	351	188	193
Non-current portion of derivative financial instruments		28	28	28	28
Provisions for employee benefits		226	226	205	205
		<b>3 810</b>	<b>4 222</b>	<b>6 074</b>	<b>5 965</b>
<b>Current liabilities</b>					
Current portion of non-current borrowings	13	738	691	738	691
Current portion of derivative financial instruments		23	23	23	23
Trade payables		1 428	1 051	1 383	1 008
Payables to other related parties and subsidiaries		181	518	447	524
Income tax payable		2	10	-	4
Accrued expenses and other current liabilities	14	1 998	1 639	1 470	1 241
		<b>4 370</b>	<b>3 932</b>	<b>4 061</b>	<b>3 491</b>
<b>Total liabilities</b>		<b>8 180</b>	<b>8 154</b>	<b>10 135</b>	<b>9 456</b>
<b>Total equity and liabilities</b>		<b>15 391</b>	<b>14 554</b>	<b>15 542</b>	<b>14 467</b>

## Statements of comprehensive income

### Group

	Notes	January-September		July-September	
		2016	2015	2016	2015
Sales	6,15	16 702	14 075	6 967	5 617
Cost of sales	16	(13 402)	(11 594)	(5 420)	(4 267)
<b>Gross profit</b>		<b>3 300</b>	<b>2 481</b>	<b>1 547</b>	<b>1 350</b>
Selling expenses	17	(1 137)	(1 008)	(454)	(379)
General and administrative expenses	17	(1 285)	(1 346)	(413)	(500)
Other operating income	18	134	231	32	76
Other operating expenses	18	(18)	(29)	(3)	(13)
<b>Operating profit (losses)</b>		<b>994</b>	<b>329</b>	<b>709</b>	<b>534</b>
Finance income	19	40	574	6	(93)
Finance costs	19	(214)	(979)	(63)	20
<b>Profit (losses) before tax</b>		<b>820</b>	<b>(76)</b>	<b>652</b>	<b>461</b>
Income tax		7	11	2	3
<b>Net profit (losses)</b>		<b>827</b>	<b>(65)</b>	<b>654</b>	<b>464</b>
<b>Net profit (losses) attributable to:</b>					
Equity shareholders of the Company	20	794	(68)	641	466
Non-controlling interest		33	3	13	(2)
		<b>827</b>	<b>(65)</b>	<b>654</b>	<b>464</b>
<b>Other comprehensive income (loss)</b>					
Foreign currency translation gain (loss)		(16)	22	(19)	68
<b>Other comprehensive income (loss)</b>		<b>(16)</b>	<b>22</b>	<b>(19)</b>	<b>68</b>
<b>Total comprehensive income (loss) for the period</b>		<b>811</b>	<b>(43)</b>	<b>635</b>	<b>532</b>
<u>Basic/dilutive earnings per share</u>	20	0.08	(0.01)	0.07	0.05

**Statements of comprehensive income (cont'd)**
**Company**

	Notes	January-September		July-September	
		2016	2015	2016	2015
Sales	6,15	14 377	12 029	6 227	5 041
Cost of sales	16	(12 043)	(10 136)	(5 032)	(3 890)
<b>Gross profit</b>		<b>2 334</b>	<b>1 893</b>	<b>1 195</b>	<b>1 151</b>
Selling expenses	17	(1 067)	(930)	(396)	(352)
General and administrative expenses	17	(861)	(937)	(310)	(348)
Other operating income	18	72	56	12	16
Other operating expenses	18	(9)	(18)	-	(10)
<b>Operating profit (losses)</b>		<b>469</b>	<b>64</b>	<b>501</b>	<b>457</b>
Finance income	19	60	86	21	23
Finance costs	19	(138)	(143)	(46)	(36)
<b>Profit (losses) before tax</b>		<b>391</b>	<b>7</b>	<b>476</b>	<b>444</b>
Income tax		5	9	1	2
<b>Net profit (losses)</b>		<b>396</b>	<b>16</b>	<b>477</b>	<b>446</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 September 2015</b>	<b>2 756</b>	<b>198</b>	<b>269</b>	-	<b>574</b>	<b>3 257</b>	<b>(859)</b>	<b>6 195</b>	<b>422</b>	<b>6 617</b>
Net profit (loss)	-	-	-	-	-	-	(196)	(196)	4	(192)
Other comprehensive income	-	(85)	-	(42)	-	-	101	(26)	1	(25)
<b>Total comprehensive income (loss)</b>	-	<b>(85)</b>	-	<b>(42)</b>	-	-	<b>(95)</b>	<b>(222)</b>	<b>5</b>	<b>(217)</b>
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(16)	16	-	-	-
<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)	-	-	-	-	-	-	794	794	33	827
Other comprehensive income	-	(16)	-	-	-	-	-	(16)	1	(15)
<b>Total comprehensive income (loss)</b>	-	<b>(16)</b>	-	-	-	-	<b>794</b>	<b>778</b>	<b>34</b>	<b>812</b>
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(51)	51	-	-	-
<b>Balance as of 30 September 2016</b>	<b>2 756</b>	<b>97</b>	<b>269</b>	<b>(42)</b>	<b>574</b>	<b>3 190</b>	<b>(93)</b>	<b>6 751</b>	<b>461</b>	<b>7 212</b>

Company	Share capital	Legal reserve	Revaluation surplus	Other reserve	Accumulated retained earnings/ (losses)	Total
<b>Balance as of 30 September 2015</b>	<b>2 756</b>	<b>574</b>	<b>1 803</b>	-	<b>(7)</b>	<b>5 126</b>
Net profit (loss)	-	-	-	-	(177)	(177)
Other comprehensive income (loss)	-	-	-	(42)	104	62
Transfer of revaluation surplus to retained earnings	-	-	(10)	-	10	-
Effect of share capital conversion to euro	-	-	-	-	-	-
<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)	-	-	-	-	396	396
Other comprehensive income (loss)	-	-	-	-	-	-
Transfer of revaluation surplus to retained earnings	-	-	(31)	-	31	-
<b>Balance as of 30 September 2016</b>	<b>2 756</b>	<b>574</b>	<b>1 762</b>	<b>(42)</b>	<b>357</b>	<b>5 407</b>

**Statements of cash flows**

	<b>Group</b>		<b>Company</b>	
	<b>30 September</b>	<b>2015</b>	<b>30 September</b>	<b>2015</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	827	(65)	396	(429)
<b>Adjustments for non-cash items:</b>				
Depreciation and amortization	602	574	458	312
(Gain) on disposal of property, plant and equipment and investment property	(23)	(119)	(22)	(8)
Interest expense, net of interest income	92	81	78	42
Income tax (income) expense	(7)	-	(5)	7
<b>Changes in working capital:</b>	<b>(323)</b>	<b>(70)</b>	<b>(298)</b>	<b>(372)</b>
(Increase) decrease in inventories	(351)	(284)	(236)	(335)
Decrease (increase) in trade receivables	-	-	242	259
Decrease (increase) in receivables from subsidiaries	(500)	41	(619)	(21)
(Increase) decrease in other receivables and other current assets	524	543	572	602
(Increase) decrease in trade and other accounts payable	(62)	(92)	(47)	(21)
Increase (decrease) in taxes payable and other current liabilities	(25)	-	(25)	-
Income tax (paid)	<b>754</b>	<b>609</b>	<b>494</b>	<b>36</b>
<b>Net cash generated from operating activities</b>				
<b>Cash flows from investing activities</b>	<b>(211)</b>	<b>(233)</b>	<b>(190)</b>	<b>(17)</b>
Acquisition of property, plant and equipment	(10)	(23)	(10)	(9)
Proceeds from sale of property, plant and equipment	26	255	26	7
Interest received	-	-	45	30
<b>Net cash flows generated from (to) investing activities</b>	<b>(195)</b>	<b>(1)</b>	<b>(129)</b>	<b>11</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	201	3 070	701	3 044
Repayment of borrowings and financial lease payments	(540)	(3 371)	(540)	(3 207)
Interest paid	(92)	(81)	(123)	(72)
<b>Net cash flows from financing activities</b>	<b>(431)</b>	<b>(382)</b>	<b>38</b>	<b>(235)</b>
<b>Net increase in cash and cash equivalents</b>	<b>128</b>	<b>226</b>	<b>403</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>1 207</b>	<b>1 181</b>	<b>668</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 September 2016 and 31 December 2015 the shareholders of the Company were as follows:

	As of 30 September 2016		As of 31 December 2015	
	Number of shares held	Interest held (%)	Number of shares held	Interest held (%)
Koncernas SBA UAB	7 295	76,76	5 874	61,81
Investment Fund Amber Trust	-	-	1 347	14,18
Algirdas Šabūnas	950	10,00	-	-
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, Koncernas SBA UAB and Investment Funds Amber Trust, KJK Fund, Firebird Republic Fund and Firebird Avora Fund concluded a transaction regarding acquisition of shares of Utenos trikotažas AB, after which a portfolio Utenos trikotažas AB shares owned by Koncernas SBA UAB increased to 86.76%. The total transaction value amounts to almost 1.3 million euro.

Of 2 September 2016, Algirdas Šabūnas acquired 950 300 units of Utenos Trikotažas AB shares from the Koncernas SBA UAB. During the transaction, 0.55 EUR were paid for shares with a 0.29 EUR nominal value.

All the shares are registered ordinary shares with a par value of EUR 0.29 each. As of 30 September 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 September 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 September 2016 the average number of employees of the Group was 1 084, while on 30 of September 2015 it was 1 107 (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 Utenos trikotažas AB 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 9 months of 2016 comprises EUR 1.475 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	1 475
Foreign currency translation reserve on other items	(1 491)
<b>Other comprehensive income, net</b>	<b>(16)</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 September 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	14 333	2 221	148	-	16 702
Internal sales	365	-	-	(365)	-
<b>Total revenue</b>	<b>14 698</b>	<b>2 221</b>	<b>148</b>	<b>(365)</b>	<b>16 702</b>
<b>Gross profit</b>	<b>2 669</b>	<b>566</b>	<b>65</b>	-	<b>3 300</b>
<b>EBITDA</b>	<b>1 196</b>	<b>386</b>	<b>14</b>	-	<b>1 596</b>
<b>Profit (loss)</b>	<b>512</b>	<b>298</b>	<b>17</b>	-	<b>827</b>

  

<b>of 30 September 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	12 084	1 841	150	-	14 075
Internal sales	244	6	-	(250)	-
<b>Total revenue</b>	<b>12 328</b>	<b>1 847</b>	<b>150</b>	<b>(250)</b>	<b>14 075</b>
<b>Gross profit</b>	<b>2 121</b>	<b>296</b>	<b>64</b>	-	<b>2 481</b>
<b>EBITDA</b>	<b>784</b>	<b>107</b>	<b>12</b>	-	<b>903</b>
<b>Profit (loss)</b>	<b>(113)</b>	<b>32</b>	<b>16</b>	-	<b>(65)</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 602 thousand as of 30 September 2016, EUR 504 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 September 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	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
Raw materials	1 702	1 638	1 342	1 262
Work in progress	1 386	1 140	1 368	1 139
Finished goods	1 426	1 584	1 382	1 572
Goods for resale	45	49	-	-
	<b>4 559</b>	<b>4 411</b>	<b>4 092</b>	<b>3 973</b>
Write-down to net realisable value:				
Opening balance	(724)	(731)	(381)	(402)
Change	175	7	175	21
Closing balance	(549)	(724)	(206)	(381)
	<b>4 010</b>	<b>3 687</b>	<b>3 886</b>	<b>3 592</b>

**10. Trade receivables**

	Group		Company	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
Trade receivables, gross	1 574	1 224	1 157	921
Allowance for trade receivables:				
Opening balance	(115)	(134)	(94)	(113)
Change	-	19	-	19
Closing balance	(115)	(115)	(94)	(94)
	<b>1 459</b>	<b>1 109</b>	<b>1 063</b>	<b>827</b>

Changes in impairment allowance for doubtful trade receivables as of 30 September 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	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
Cash at bank and on hand	1 207	1 079	668	265
	<b>1 207</b>	<b>1 079</b>	<b>668</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. 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 Bankas AB is with floating interest rate that is linked to EURIBOR. On 26 November 2014 the Company signed interest rate swap contract with DNB Bankas AB 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 September 2016 and 31 December 2015 were as follows:

	Group		Company	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
Revaluation surplus	3 190	3 241	1 762	1 793
Legal reserve	574	574	574	574
Reserve for acquisition of own shares	269	269	-	-
Foreign currency translation reserve	97	113	-	-
Cash flow hedge reserve	(42)	(42)	(42)	(42)
Accumulated retained earnings/ (losses)	(93)	(938)	357	(70)
	<b>3 995</b>	<b>3 217</b>	<b>2 651</b>	<b>2 255</b>

**13. Borrowings**

	Group		Company	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
<b>Current</b>				
Current portion of non-current bank borrowings	738	691	738	691
	<b>738</b>	<b>691</b>	<b>738</b>	<b>691</b>
<b>Non-current</b>				
Borrowings from subsidiaries	-	-	2 422	1 922
Long-term bank borrowings	3 231	3 617	3 231	3 617
	<b>3 231</b>	<b>3 617</b>	<b>5 653</b>	<b>5 539</b>
<b>Total borrowings</b>	<b>3 969</b>	<b>4 308</b>	<b>6 391</b>	<b>6 230</b>

The Company's borrowings from subsidiaries consist of the loan granted by subsidiary Satrija 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 Bankas 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	
	2016.09.30	2015.12.31	2016.09.30	2015.12.31
Accrual for vacation reserve	741	631	472	373
Wages, salaries and social security	562	487	423	387
Amounts payable for services and non-current assets	271	196	266	239
Prepayments received	110	92	108	96
Taxes payable, except for income tax	86	121	53	97
Other liabilities	228	112	148	49
	<b>1 998</b>	<b>1 639</b>	<b>1 470</b>	<b>1 241</b>

## 15. Revenue

### Group

	January- September		July-September	
	2016	2015	2016	2015
Revenue from sales of goods and services	16 218	13 928	6 641	5 478
Revenue from sales of materials	484	147	326	139
	<b>16 702</b>	<b>14 075</b>	<b>6 967</b>	<b>5 617</b>

### Company

	January- September		July-September	
	2016	2015	2016	2015
Revenue from sales of goods and services	14 055	11 888	6 056	4 906
Revenue from sales of materials	322	141	171	135
	<b>14 377</b>	<b>12 029</b>	<b>6 227</b>	<b>5 041</b>

## 16. Cost of sales

### Group

	January- September		July-September	
	2016	2015	2016	2015
Wages and salaries and social security	5 754	5 268	2 160	1 859
Materials	5 589	4 163	2 707	1 842
Other overhead expenses	1 555	1 686	361	430
Depreciation and amortisation	504	477	192	136
	<b>13 402</b>	<b>11 594</b>	<b>5 420</b>	<b>4 267</b>

### Company

	January- September		July-September	
	2016	2015	2016	2015
Wages and salaries and social security	4 420	4 031	1 729	1 429
Materials	5 035	3 980	2 357	1 811
Other overhead expenses	2 189	1 744	790	545
Depreciation and amortisation	399	381	156	105
	<b>12 043</b>	<b>10 136</b>	<b>5 032</b>	<b>3 890</b>

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

	January- September		July-September	
	2016	2015	2016	2015
<b>Selling expenses</b>				
Wages and salaries and social security	423	315	151	113
Advertising and marketing costs	181	219	67	84
Other selling expenses	533	474	236	182
	<b>1 137</b>	<b>1 008</b>	<b>454</b>	<b>379</b>
<b>General and administrative expenses</b>				
Wages and salaries and social security	654	605	250	221
Communications and consulting services	199	172	62	72
Depreciation and amortization	81	69	27	24
Taxes other than income tax	80	48	36	17
Security	78	69	27	25
Vehicles exploitation expenses	48	55	18	21
Services of financial institutions	45	34	18	12
Premises exploitation expenses	26	25	6	6
Travel expenses	19	26	9	4
Representation expenses	10	22	4	-
Impairment and write-off (reversal) of inventories	(134)	-	(60)	-
Other	179	221	16	98
	<b>1 285</b>	<b>1 346</b>	<b>413</b>	<b>500</b>
	<b>2 422</b>	<b>2 354</b>	<b>867</b>	<b>879</b>

**Company**

	January- September		July-September	
	2016	2015	2016	2015
<b>Selling expenses</b>				
Wages and salaries and social security	373	263	134	97
Advertising and marketing costs	181	217	68	82
Other selling expenses	513	450	194	173
	<b>1 067</b>	<b>930</b>	<b>396</b>	<b>352</b>
<b>General and administrative expenses</b>				
Wages and salaries and social security	497	451	196	172
Communications and consulting services	145	140	35	64
Taxes other than income tax	44	34	23	13
Depreciation and amortization	43	28	15	10
Services of financial institutions	41	31	17	12
Security	40	34	14	12
Vehicles exploitation expenses	38	43	15	14
Premises exploitation expenses	24	24	6	9
Travel expenses	16	22	7	4
Representation expenses	9	18	4	3
Impairment and write-off (reversal) of inventories	(129)	-	(51)	-
Other	93	112	29	35
	<b>861</b>	<b>937</b>	<b>310</b>	<b>348</b>
	<b>1 928</b>	<b>1 867</b>	<b>706</b>	<b>700</b>

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

	January- September		July-September	
	2016	2015	2016	2015
Gain from disposal of non-current assets	23	119	1	39
Rent income	16	15	5	4
Other income	95	97	26	33
<b>Other income</b>	<b>134</b>	<b>231</b>	<b>32</b>	<b>76</b>
Rent costs	(8)	(2)	(6)	2
Other expenses	(10)	(27)	3	(15)
<b>Other expenses</b>	<b>(18)</b>	<b>(29)</b>	<b>(3)</b>	<b>(13)</b>

**Company**

	January- September		July-September	
	2016	2015	2016	2015
Gain from disposal of non-current assets	22	15	-	4
Rent income	13	33	4	12
Other income	37	8	8	9
<b>Other income</b>	<b>72</b>	<b>56</b>	<b>12</b>	<b>16</b>
Rent costs	(7)	(2)	1	2
Other expenses	(2)	(16)	(1)	(12)
<b>Other expenses</b>	<b>(9)</b>	<b>(18)</b>	<b>-</b>	<b>(10)</b>

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

	January- September		July-September	
	2016	2015	2016	2015
Foreign exchange gain (loss)	(82)	(324)	(28)	(44)
Interest expenses	(92)	(81)	(29)	(29)
Interest income	-	-	-	-
	<b>(174)</b>	<b>(405)</b>	<b>(57)</b>	<b>(73)</b>

**Company**

	January- September		July-September	
	2016	2015	2016	2015
Foreign exchange gain (loss)	-	9	1	11
Interest expenses	(123)	(111)	(41)	(39)
Interest income	45	45	15	15
	<b>(78)</b>	<b>(57)</b>	<b>(25)</b>	<b>(13)</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- September		July-September	
	2016	2015	2016	2015
Profit/ (loss) attributable to the equity holders of the Group	794	(68)	641	466
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>0.08</b>	<b>(0.01)</b>	<b>0.07</b>	<b>0.05</b>

**Company**

	January- September		July-September	
	2016	2015	2016	2015
Profit/ (loss) attributable to the equity holders of the Group	396	16	477	446
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>0.04</b>	<b>0.00</b>	<b>0.05</b>	<b>0.05</b>

**21. Post balance sheet events**

There were no other post balance sheet events.