



UTENOS TRIKOTAŽAS, AB

CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS

for the 12 months period ended 31 December 2016

(UNAUDITED)

Statements of financial position

		Group		Company	
		2016.12.31	2015.12.31	2016.12.31	2015.12.31
ASSETS					
Non-current assets					
Intangible assets	7	744	752	75	29
Property, plant and equipment	8	7 046	7 460	5 378	5 659
Investment property		109	111	109	111
Investments into subsidiaries		-	-	1 499	1 499
Receivables from subsidiaries		-	-	2 140	2 356
Deferred income tax asset		58	51	-	-
		7 957	8 374	9 201	9 654
Current assets					
Inventories	9	4 217	3 687	4 113	3 592
Trade receivables	10	1 239	1 109	704	827
Other receivables		391	305	251	129
Short-term financial assets		600	-	600	-
Cash and cash equivalents	11	1 204	1 079	573	265
		7 651	6 180	6 241	4 813
Total assets		15 608	14 554	15 442	14 467
EQUITY AND LIABILITIES					
Equity attributable to the shareholders of the Company					
Share capital		2 756	2 756	2 756	2 756
Revaluation surplus	12	3 173	3 241	1 751	1 793
Legal reserve	12	574	574	574	574
Reserve for acquisition of own shares	12	269	269	-	-
Foreign currency translation reserve	12	113	113	-	-
Cash flow hedge reserve	12	(43)	(42)	(43)	(42)
Accumulated retained earnings/ (losses)	12	(31)	(938)	357	(70)
		6 811	5 973	5 395	5 011
Non-controlling interest		465	427	-	-
Total equity		7 276	6 400	5 395	5 011
LIABILITIES					
Non-current liabilities					
Borrowings	13	3 077	3 617	3 077	3 617
Borrowings from subsidiaries	13	-	-	2 422	1 922
Deferred income tax liabilities		412	351	274	193
Non-current portion of derivative financial instruments		28	28	28	28
Provisions for employee benefits		310	226	271	205
		3 827	4 222	6 072	5 965
Current liabilities					
Current portion of non-current borrowings	13	708	691	708	691
Current portion of derivative financial instruments		24	23	24	23
Trade payables		1 461	1 051	1 430	1 008
Payables to other related parties and subsidiaries		129	518	240	524
Income tax payable		23	10	8	4
Accrued expenses and other current liabilities	14	2 160	1 639	1 565	1 241
		4 505	3 932	3 975	3 491
Total liabilities		8 332	8 154	10 047	9 456
Total equity and liabilities		15 608	14 554	15 442	14 467

Statements of comprehensive income

Group

	Notes	January-December		October-December	
		2016	2015	2016	2015
Sales	6,15	22 790	18 922	6 088	4 847
Cost of sales	16	(18 015)	(15 528)	(4 613)	(3 934)
Gross profit		4 775	3 394	1 475	913
Selling expenses	17	(1 534)	(1 341)	(397)	(333)
General and administrative expenses	17	(1 950)	(2 010)	(665)	(664)
Other operating income	18	163	266	29	35
Other operating expenses	18	(22)	(43)	(4)	(14)
Operating profit (losses)		1 432	266	438	(63)
Finance income	19	484	577	444	9
Finance costs	19	(681)	(1 101)	(467)	(123)
Profit (losses) before tax		1 235	(258)	415	(177)
Income tax		(173)	(3)	(180)	(11)
Net profit (losses)		1 062	(261)	235	(188)
Net profit (losses) attributable to:					
Equity shareholders of the Company	20	1 027	(268)	233	(192)
Non-controlling interest		35	7	2	4
		1 062	(261)	235	(188)
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Foreign currency translation gain (loss)		3	(61)	19	(147)
Change in value of derivative financial instruments		(1)	(42)	(1)	(42)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		2	(103)	18	(189)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods					
Actuarial gains (losses) from the pensions reserve		(188)	104	(188)	104
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods		(188)	104	(188)	104
Other comprehensive income (loss)		(186)	1	(170)	(85)
Total comprehensive income (loss) for the period		876	(260)	65	(273)
<u>Basic/dilutive earnings per share</u>	20	0.11	(0.03)	0.02	(0.02)

Statements of comprehensive income (cont'd)
Company

	Notes	January-December		October-December	
		2016	2015	2016	2015
Sales	15	19 622	16 014	5 246	3 985
Cost of sales	16	(16 116)	(13 458)	(4 073)	(3 323)
Gross profit		3 506	2 556	1 173	662
Selling expenses	17	(1 439)	(1 238)	(372)	(308)
General and administrative expenses	17	(1 357)	(1 448)	(496)	(510)
Other operating income	18	83	70	11	14
Other operating expenses	18	(12)	(28)	(3)	(10)
Operating profit (losses)		781	(88)	313	(152)
Finance income	19	84	109	24	(37)
Finance costs	19	(183)	(200)	(46)	3
Profit (losses) before tax		682	(179)	291	(186)
Income tax		(111)	21	(116)	13
Net profit (losses)	20	571	(158)	175	(173)
Net profit (losses) attributable to:					
Equity shareholders of the Company	20	571	(158)	175	(173)
Non-controlling interest		-	-	-	-
		571	(158)	175	(173)
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Foreign currency translation gain (loss)		-	-	-	-
Change in value of derivative financial instruments		(1)	(42)	(1)	(42)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(1)	(42)	(1)	(42)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods					
Actuarial gains (losses) from the pensions reserve		(186)	104	(186)	104
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods		(186)	104	(186)	104
Other comprehensive income (loss)		(187)	62	(187)	62
Total comprehensive income (loss) for the period		384	(96)	(12)	(111)

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
Balance as of 31 December 2014	1 448	175	-	-	574	3 318	(579)	4 936	352	5 288
Net profit (loss) for the year	-	-	-	-	-	-	(268)	(268)	7	(261)
Other comprehensive income	-	(62)	-	(42)	-	-	104	-	1	1
Total comprehensive income (loss)	-	(62)	-	(42)	-	-	(164)	(268)	8	(260)
Effect of share capital	3	-	-	-	-	-	(3)	-	-	-
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(77)	77	-	-	-
Reserve for acquisition of own shares	-	-	269	-	-	-	(269)	-	-	-
Other increase in minority	-	-	-	-	-	-	-	-	67	67
Increase in share capital	1 305	-	-	-	-	-	-	1 305	-	1 305
Balance as of 31 December 2015	2 756	113	269	(42)	574	3 241	(938)	5 973	427	6 400
Net profit (loss) for the year	-	-	-	-	-	-	1 027	1 027	35	1 062
Other comprehensive income	-	-	-	(1)	-	-	(188)	(189)	3	(186)
Total comprehensive income (loss)	-	-	-	(1)	-	-	839	838	38	876
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(68)	68	-	-	-
Balance as of 31 December 2016	2 756	113	269	(43)	574	3 173	(31)	6 811	465	7 276

Company	Share capital	Legal reserve	Revaluation surplus	Other reserve	Accumulated retained earnings/ (losses)	Total
Balance as of 31 December 2014	1 448	574	1 855	-	(75)	3 802
Net profit (loss) for the year	-	-	-	-	(158)	(158)
Other comprehensive income (loss)	-	-	-	(42)	104	62
Effect of share capital conversion to euro	3	-	-	-	(3)	-
Transfer of revaluation surplus to retained earnings	-	-	(62)	-	62	-
Increase in share capital	1 305	-	-	-	-	1 305
Balance as of 31 December 2015	2 756	574	1 793	(42)	(70)	5 011
Net profit (loss) for the year	-	-	-	-	571	571
Other comprehensive income (loss)	-	-	-	(1)	(186)	(187)
Transfer of revaluation surplus to retained earnings	-	-	(42)	-	42	-
Balance as of 31 December 2016	2 756	574	1 751	(43)	357	5 395

Statements of cash flows

	Group		Company	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Cash flows from operating activities				
Profit (loss) for the period	1 062	(261)	571	(158)
Adjustments for non-cash items:				
Depreciation and amortization	813	767	616	586
(Gain) on disposal of property, plant and equipment and investment property	(22)	(116)	(22)	(5)
Impairment and write-off of inventories	19	(7)	39	(21)
Provisions for employees benefits	(86)	166	(104)	155
Impairment and write-off accounts receivable	(6)	-	-	-
Actuarial gains (losses)	(185)	-	(185)	-
Interest expense, net of interest income	118	118	101	99
Income tax (income) expense	173	3	111	(21)
Changes in working capital:				
(Increase) decrease in inventories	(125)	197	124	190
Decrease (increase) in trade receivables	-	-	217	394
Decrease (increase) in receivables from subsidiaries	(686)	(89)	(724)	17
(Increase) decrease in other receivables and other current assets	720	592	431	(100)
(Increase) decrease in trade and other accounts payable	71	(47)	88	183
Increase (decrease) in taxes payable and other current liabilities	(86)	(11)	(26)	(8)
Income tax (paid)	1 345	1 070	791	963
Net cash generated from operating activities				
Cash flows from investing activities				
Acquisition of property, plant and equipment	(412)	(800)	(321)	(670)
Proceeds from sale of property, plant and equipment	(65)	(23)	(60)	(23)
Interest received	22	255	22	33
	-	-	60	60
Net cash flows generated from (to) investing activities	(455)	(568)	(299)	(960)
Cash flows from financing activities				
Proceeds from borrowings from subsidiaries	-	-	-	102
Proceeds from borrowings	201	3 265	701	3 265
Repayment of borrowings and financial lease payments	(724)	(489)	(724)	(489)
Interest paid	(118)	(118)	(161)	(158)
Repurchase of bonds	-	(3 045)	-	(3 045)
Derivative financial instruments	-	9	-	9
Net cash flows from financing activities	(641)	(378)	(184)	(316)
Net increase in cash and cash equivalents	249	124	308	47
Cash and cash equivalents at the beginning of the period	955	955	265	218
Cash and cash equivalents at the end of the period	1 204	1 079	573	265

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

	As of 31 December 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
	9 503	100.00	9 503	100.00

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
		31 December 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 31 of December 2016 the average number of employees of the Group was 1 118, while on 31 of December 2015 it was 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 12 months of 2016 comprises EUR 303 thousand, 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, EUR	303 068
Foreign currency translation reserve on other items, EUR	(302 634)
Other comprehensive income EUR, net	434

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:

of 31 December 2016	Production of knitted articles	Production of working clothes	Retail in knitted articles	Eliminations	Total
External sales	19 534	3 027	229	-	22 790
Internal sales	524	5	-	(529)	-
Total revenue	20 058	3 032	229	(529)	22 790
Gross profit	3 913	758	104	-	4 775
EBITDA	1 712	504	33	(5)	2 244
Profit (loss)	698	330	34	-	1 062

of 31 December 2015	Production of knitted articles	Production of working clothes	Retail in knitted articles	Eliminations	Total
External sales	16 089	2 609	224	-	18 922
Internal sales	323	6	-	(329)	-
Total revenue	16 412	2 615	224	(329)	18 922
Gross profit	2 842	454	98	-	3 394
EBITDA	818	187	29	-	1 034
Profit (loss)	(354)	61	32	-	(261)

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 813 thousand as of 31 December 2016, EUR 629 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 31 December 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	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Raw materials	1 759	1 638	1 416	1 262
Work in progress	1 734	1 140	1 724	1 139
Finished goods	1 321	1 584	1 299	1 572
Goods for resale	52	49	-	-
	4 866	4 411	4 439	3 973
Write-down to net realisable value:				
Opening balance	(724)	(731)	(381)	(402)
Change	75	7	55	21
Closing balance	(649)	(724)	(326)	(381)
	4 217	3 687	4 113	3 592

10. Trade receivables

	Group		Company	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Trade receivables, gross	1 354	1 224	798	921
Allowance for trade receivables:				
Opening balance	(115)	(134)	(94)	(113)
Change	-	19	-	19
Closing balance	(115)	(115)	(94)	(94)
	1 239	1 109	704	827

Changes in impairment allowance for doubtful trade receivables as of 31 December 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	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Cash at bank and on hand	1 204	1 079	573	265
	1 204	1 079	573	265

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 52 thousand as of 31 December 2016 (EUR 51 thousand as of 31 December 2015) and was accounted for under current amounting EUR 28 thousand (EUR 2 thousand as of 31 December 2015) and non-current liabilities amounting EUR 24 thousand (EUR 23 thousand as of 31 December 2015).

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 31 December 2016 and 31 December 2015 were as follows:

	Group		Company	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Revaluation surplus	3 173	3 241	1 751	1 793
Legal reserve	574	574	574	574
Reserve for acquisition of own shares	269	269	-	-
Foreign currency translation reserve	113	113	-	-
Accumulated retained earnings/ (losses)	(31)	(938)	357	(70)
Cash flow hedge reserve	(43)	(42)	(43)	(42)
	4 055	3 217	2 639	2 255

13. Borrowings

	Group		Company	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Current				
Current portion of non-current bank borrowings	708	691	708	691
	708	691	708	691
Non-current				
Borrowings from subsidiaries	-	-	2 422	1 922
Long-term bank borrowings	3 077	3 617	3 077	3 617
	3 077	3 617	5 499	5 539
Total borrowings	3 785	4 308	6 207	6 230

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 2016 and 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	
	2016.12.31	2015.12.31	2016.12.31	2015.12.31
Accrual for vacation reserve	845	631	514	373
Wages, salaries and social security	577	487	461	387
Amounts payable for services and non-current assets	229	196	226	239
Taxes payable, except for income tax	150	121	128	97
Prepayments received	141	92	116	96
Other liabilities	218	112	120	49
	2 160	1 639	1 565	1 241

15. Revenue
Group

	January-December		October-December	
	2016	2015	2016	2015
Revenue from sales of goods and services	22 034	18 717	5 816	4 789
Revenue from sales of materials	756	205	272	58
	22 790	18 922	6 088	4 847

Company

	January-December		October-December	
	2016	2015	2016	2015
Revenue from sales of goods and services	19 112	15 819	5 058	3 931
Revenue from sales of materials	510	195	188	54
	19 622	16 014	5 246	3 985

16. Cost of sales
Group

	January-December		October-December	
	2016	2015	2016	2015
Wages and salaries and social security	7 609	7 043	1 855	1 775
Materials	6 731	5 935	1 142	1 772
Other overhead expenses	2 396	1 904	841	218
Cost of materials sold	650	15	650	15
Depreciation and amortisation	629	631	125	154
	18 015	15 528	4 613	3 934

Company

	January-December		October-December	
	2016	2015	2016	2015
Materials	6 492	5 497	1 457	1 516
Wages and salaries and social security	5 647	5 355	1 227	1 324
Other overhead expenses	2 861	2 096	672	354
Cost of materials sold	637	7	637	7
Depreciation and amortisation	479	503	80	122
	16 116	13 458	4 073	3 323

17. Selling general and administrative expenses
Group

	January-December		October-December	
	2016	2015	2016	2015
Selling expenses				
Wages and salaries and social security	574	430	151	115
Advertising and marketing costs	267	282	86	63
Other selling expenses	693	629	160	155
	1 534	1 341	397	333
General and administrative expenses				
Wages and salaries and social security	865	844	211	239
Communications and consulting services	298	288	99	116
Taxes other than income tax	126	54	46	6
Depreciation and amortization	114	96	33	27
Security	105	94	27	25
Vehicles exploitation expenses	68	74	20	19
Services of financial institutions	59	49	14	15
Premises exploitation expenses	36	37	10	12
Provisions for employee benefits	(86)	155	(86)	155
Travel expenses	32	35	13	9
Representation expenses	16	26	3	4
Impairment and write-off (reversal) of inventories	19	(7)	153	(7)
Other	298	265	122	44
	865	844	211	239
	3 484	3 351	1 062	997

Company

	January-December		October-December	
	2016	2015	2016	2015
Selling expenses				
Wages and salaries and social security	507	362	134	99
Advertising and marketing costs	265	280	84	63
Other selling expenses	667	596	154	146
	1 439	1 238	372	308
General and administrative expenses				
Wages and salaries and social security	649	620	152	169
Communications and consulting services	241	225	96	85
Taxes other than income tax	77	38	33	4
Depreciation and amortization	62	42	19	14
Services of financial institutions	54	44	13	13
Security	54	47	14	10
Vehicles exploitation expenses	54	58	16	15
Premises exploitation expenses	34	34	10	9
Provisions for employee benefits	(104)	154	(104)	154
Travel expenses	29	28	13	6
Representation expenses	13	21	4	3
Impairment and write-off (reversal) of inventories	39	(21)	168	(21)
Other	155	158	62	49
	1 357	1 448	496	510
	2 796	2 686	868	818

18. Other income and expenses
Group

	January-December		October-December	
	2016	2015	2016	2015
Gain from disposal of non-current assets	23	120	-	-
Rent income	21	19	5	4
Other income	119	127	24	31
Other income	163	266	29	35
Loss from disposal of non-current assets	-	(4)	-	(4)
Rent costs	(13)	(11)	(5)	(9)
Other expenses	(9)	(28)	1	(1)
Other expenses	(22)	(43)	(4)	(14)

Company

	January-December		October-December	
	2016	2015	2016	2015
Gain from disposal of non-current assets	22	9	-	1
Rent income	18	19	5	4
Other income	43	42	6	9
Other income	83	70	11	14
Loss from disposal of non-current assets	-	(4)	-	(4)
Rent costs	(11)	(11)	(4)	(4)
Other expenses	(1)	(13)	1	(2)
Other expenses	(12)	(28)	(3)	(10)

19. Finance costs, net
Group

	January-December		October-December	
	2016	2015	2016	2015
Foreign exchange gain (loss)	(79)	(406)	4	(77)
Interest expenses	(118)	(118)	(27)	(37)
Interest income	-	-	-	-
	(197)	(524)	(23)	(114)

Company

	January-December		October-December	
	2016	2015	2016	2015
Foreign exchange gain (loss)	2	8	2	(5)
Interest expenses	(161)	(159)	(38)	(48)
Interest income	60	60	14	19
	(99)	(91)	(22)	(34)

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-December		October-December	
	2016	2015	2016	2015
Profit/ (loss) attributable to the equity holders of the Group	1 027	(268)	233	(192)
Weighted average number of shares in issue (thousand)	9 503	9 503	9 503	9 503
Basic / diluted earnings per share (in EUR)	0.11	(0.03)	0.02	(0.02)

21. Post balance sheet events

There were no other post balance sheet events.