Translation from Lithuanian

AB East West Agro

REFERENCE DOCUMENT

Relating to the public placement of newly issued 125,000 ordinary registered uncertificated shares with the nominal value of EUR 1 per share and the issue price of EUR 24, total nominal value EUR 125,000 and the issue price EUR 3,000,000

27 March 2017
Vilnius

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Introduction

This Reference Document provides the key information about the ordinary registered uncertificated shares issued by AB East West Agro that are publicly offered in Lithuania following Art. 4(2)(6) of the Law on Securities of the Republic of Lithuania and the requirements for drafting a Reference Document which is mandatory for public placement of medium sized issues and the description of cases where such document is not required as approved by Resolution No 03-45 (amendment to Resolution No 03-107 of 28 July 2016) of the Board of the Bank of Lithuania of 28 February 2013.

There will be no public placement of the New Shares in the Republic of Estonia and in the Republic of Latvia and following Art. (3)(2)(b) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC as finally amended by Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010, an offer of the New Shares will be addressed to less than 150 Investors per Member State, therefore no prospectus of the New Shares or other substituting document will be drafted.

This Reference Document is not considered to be a prospectus of securities within the meaning of the Law on Securities of the Republic of Lithuania and is not approved by the Bank of Lithuania.

This Reference Document makes an integral part of the subscription agreement for the ordinary registered shares newly issued by AB East West Agro.

The words used in the singular form in this Reference Document may also have the meaning of the plural form and vice versa.

The words starting with the first capital letter in this Reference Document have the meanings as specified below:

Share(-s)	means ordinary registered shares of the nominal value of EUR 1 issued by the Company as a whole or separate issues.
Company	means AB East West Agro.
EBT	means earnings before taxes.
EBITDA	means earnings before interest, taxes, depreciation and amortisation.
Reference Document	means this document which provides information about the Company, the New Shares offered thereby and the conditions of their public placement in Lithuania.
Investor	means a natural or legal entity that intends to acquire the New Shares offered by the Company.
New Share(-s)	means 125,000 units of ordinary registered uncertificated shares newly issued by the Company as a whole or separate issues of the nominal value of EUR 1 per share at the price of EUR 24 per issue and the total issue price making EUR 3,000,000 offered and placed on the basis of this Reference Document.
New Shares Subscription Agreement	means an agreement signed between the Company and the Investor whereby the Investor subscribes for the maximum number of the New Shares issued by the Company and acquired by the

	Investor and undertakes to pay for them.
Non-professional Investor(-s)	means all Investors other than Professional Investors.
Professional Investor(-s)	means a qualified investor as defined by Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC and by the national laws implementing this directive in the states where public or private placement of the New Shares takes place.
Certified Adviser	means AB FMĮ Orion Securities, legal entity No 122033915, registered address A.Tumėno g. 4, Vilnius, Lithuania, which is the Company's certified adviser with the aim to admit the Shares to trading in First North market.

1. Company information

1.1 Main information

Name:	AB East West Agro
Legal form:	Public limited liability company
Legal entity No:	300588407
Registration date:	4 August 2006
Registry:	Register of Legal Entities of the Republic of Lithuania
Registrar:	VĮ Registrų Centras (public enterprise Centre of Registers)
Registered address:	Verslo g. 2, Kumpių vil., Kaunas District., Republic of Lithuania
Telephone No:	+370 (37) 262318
E-mail address:	info@ewa.lt
Website:	www.ewa.lt
Information publishing source:	E-publication “Legal entities’ public statements” issued VĮ Registrų Centras
Authorised capital:	EUR 500,000
Number of shares:	500 000 ordinary registered uncertificated shares
Nominal value per share:	EUR 1
ISIN code	LT0000132060
The Company’s main business:	Trade in new agricultural machinery, trade and design of grain storage equipment, trade in manure removal equipment, trade in spare parts (original and non-original), agricultural machinery service works and technical maintenance
The Company’s trademark:	EWA, registered with the Register of Trademarks of the Republic of Lithuania (registration No 65173)

1.2 The Company’s group structure

The Company does not belong to a group of undertakings as defined by the Law of the Republic of Lithuania on Consolidated Financial Reporting by Groups of Undertakings. The Company does not have controlled undertakings. Also, the Company has not established any affiliates or representative offices.

The Company is a member of the Lithuanian Agricultural Machinery Association.

The Company’s aim is to create agricultural prosperity conditions, therefore every year the Company supports the international agriculture fair “Ką Pasėsi...”, offers nominal scholarships to encourage the development of students' engineering competences, organises innovation days to Lithuanian farmers. In 2014, Aleksandras Stulginskis University granted the Maecenas' title to the Company.

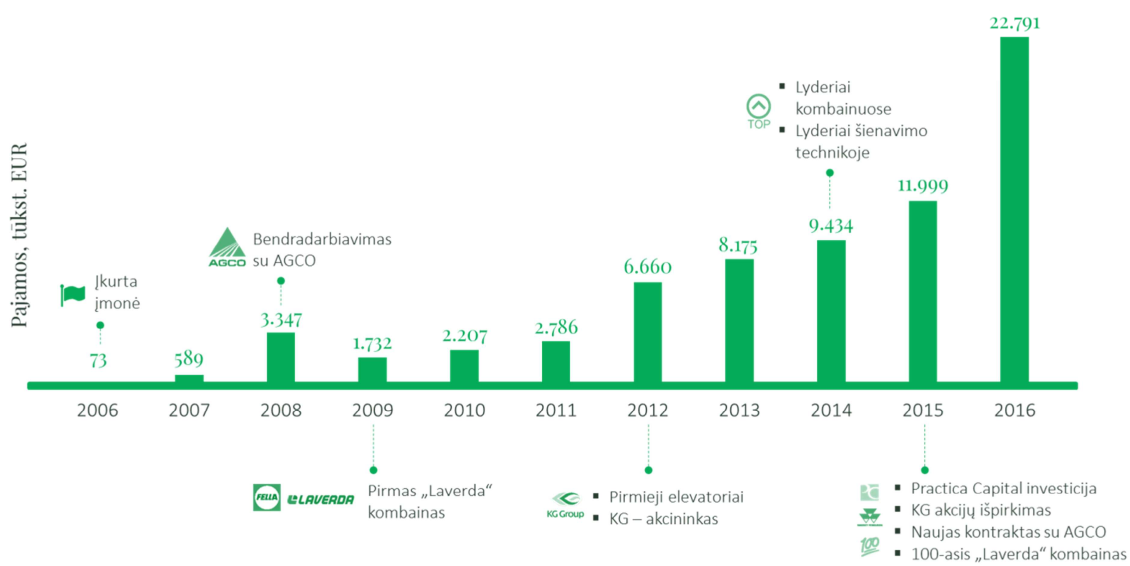
1.3 Brief history of the Company

2006	The Company was established and registered with the Register of Legal Entities of the Republic of Lithuania as a private limited liability company. After the establishment, the Company did not perform its main operations until 2008 but was engaged in wholesale of spare parts with Russia and Belarus.
2008	The Company started performing its main operations. The Company started cooperating with AGCO concern. The Company started representing Fella and Laverda trademarks.
2011	The Company started trading in grain drying and storage equipment.
2012	For strategic partnership purposes, some of the Company's Shares (51%) were sold to AB Kauno Grūdai. Additional financing enabled further development of trading in agricultural machinery, the first grain storage equipment units were sold.
2014	The Company became leader in Lithuania by sales of harvesters and mowers.
2015	Exceptionally successful year in the Company's business. The Company's sales of agricultural machinery went up by 80% year-on-year. The sales of Laverda grain harvesters saw a particular growth of 40 pcs per year and ensured the leader's position in the market for the second year in a row. The sales of tillage equipment were increasing too, especially Danish Dal-Bo rollers and French fertiliser distributors, and Sulky sowing machines. The Company's sales of German Fella feed mixers held 25% of the Lithuanian market in 2015. In November, the Company became an official exclusive representative of Massey Ferguson trademark, which belongs to AGCO concern, in Lithuania. Following almost three years of successful cooperation, AB Kauno Grūdai assigned the shares held thereby to the Company's founders and managers, i.e. Danas Šidlauskas and Gediminas Kvietkauskas who became the Company's shareholders holding 50% of the Company's Shares each. Soon afterwards Danas Šidlauskas and Gediminas Kvietkauskas invested all of their shares held in the Company in the newly established UAB EWA Group, thereby Danas Šidlauskas and Gediminas Kvietkauskas became sole shareholders of UAB EWA Group and UAB EWA Group became sole shareholder of the Company. The Company was granted a loan of EUR 1.5 million from venture capital fund Practica Venture Capital KŪB.
2016	The Company ended last year with almost doubled income and even more increased EBITDA. As part of the consistent implementation of the sales strategy, at the beginning of 2016 the Company started trading in Massey Ferguson tractors. The number of the Company's employees increased from 35 to 50. The Company became one of the three largest sellers of agricultural machinery

	by the number of sold tractors and grain harvesters.
2017	In February, the reorganisation of UAB East West Agro and UAB Ewa Group was completed during which UAB Ewa Group was incorporated to UAB East West Agro which continues operations following the reorganisation and who has taken over all assets, rights and obligations of UAB Ewa Group (including the rights and obligations assumed under agreements). Richard Markwell, general manager of MASSEY FERGUSON, awarded the Company with the year's most honourable BUSINESS ACHIEVEMENT AWARD for the fastest business growth in Europe. In March, the Company's reorganisation into a public limited liability company was completed. The Company's legal form was changed to prepare for the public offering of the New Shares.

The key moments of growth and business development in the Company's history are specified below.

Diagram 1. *The Company's history*



1.4 The Company's management

As of this Reference Document date, the Company's bodies are the general meeting of shareholders, a collegial management body, i.e. the management board (consisting of three members elected for 4 (four) years term) and the sole management body, i.e. the Company's manager. No collegial supervisory body, i.e. supervisory council, has been formed in the Company.

The competence of the Company's general meeting of shareholders, management board and manager complies with that provided by the Law on Companies of the Republic of Lithuania.

As of this Reference Document date, the below named persons are members of the Company's management bodies:

Table 1. *The Company's management bodies*

Name, surname	Position	Term of office start-date	Term of office end-date
Management Board			
Danas Šidlauskas	Chairman	06/03/2017	08/03/2021
Gediminas Kvietkauskas	Member	06/03/2017	08/03/2021
Aurelijus Rimkus	Member	06/03/2017	08/03/2021
Manager			
Gediminas Kvietkauskas	General Manager	27/07/2006	Indefinite

None of the Company's management members was held liable for violations of the laws regulating the market in financial instruments.

1.5 Authorised capital and shareholders

1.5.1 Authorised capital and number of shares

As of the Reference Document date, the Company's authorised capital amounts to EUR 500,000 and is divided into 500,000 Shares with the nominal value of EUR 1 per Share. Each Share gives 1 (one) vote in the Company's general meeting of shareholders. The Company's entire authorised capital is fully paid-in. The Company has not issued any shares of other classes.

The Company's Securities Accounts Manager is UAB FMĮ Orion Securities (i.e. certified adviser).

1.5.2 The Company's shareholders

The Company has 2 (two) shareholders who control 100% of the Company's Shares comprising the authorised capital and have the corresponding number of votes in the Company's general meeting of shareholders.

As of this Reference Document date, the list of Company's shareholders is provided in the table below:

Table 2. *The Company's shareholders*

Shareholder	Number of Shares held	Number of votes	Total nominal value of Shares held, EUR	Percentage of authorised capital and votes, %
Gediminas Kvietkauskas	250,000	250,000	250,000	50
Danas Šidlauskas	250,000	250,000	250,000	50
Total	**500,000**	**500,000**	**500,000**	**100**

The Companies shareholders have not signed a shareholders' agreement, an agreement on transfer of the voting rights, options or other analogous agreements, except for as much as provided by paragraph 1.6.2 of the loan agreement signed between the Company and Practica Venture Capital KŪB.

1.5.3 Restrictions to the Company's shares

As of this Reference Document date, following the maximum pledge agreement of 22 March 2017 the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas have pledged 490,000 of the Company's shares in favour of Practica Venture Capital KŪB to secure the fulfilment of the Company's obligations under the loan agreement of 27 November 2015 signed between the Company and Practica Venture Capital KŪB. This pledge of the Shares held by Gediminas Kvietkauskas and Danas Šidlauskas will remain after the public offering of the New Shares.

The Company's Shares issued and offered to the Investors on the basis of this Reference Document will not be pledged in favour of Practica Venture Capital KŪB.

1.6 Other persons who have influence on the Company

According to the Company's evaluation, the Company's two main creditors, i.e. Swedbank, AB, legal entity No 112029651, a bank incorporated and operating in accordance with the laws of the Republic of Lithuania, and Practica Venture Capital KŪB, legal entity No 302820676, a company incorporated and operating in accordance with the laws of the Republic of Lithuania, have indirect control and influence to the Company on the basis of the agreements signed.

1.6.1 Influence of Swedbank, AB

On 25 November 2015, the Company and Swedbank, entered into a credit agreement (with subsequent amendments and supplements) (**the Swedbank Credit Agreement**) whereby Swedbank, AB issued a credit of total EUR 5,000,000 (EUR 4,000,000 from which is for credit line and issuance of guarantees, EUR 1,000,000 for payment of dividends) to the Company and the Company undertook to repay all of the credit not later than by 22 March 2018.

Following the Swedbank Credit Agreement, Swedbank, AB has control of some of the Company‘s decisions as the Company cannot perform the following actions and/or take the following decisions without the consent of Swedbank, AB:

(a) Assume any obligations under credit, loan, guarantee issue, letter-of-credit opening, lease, leasing (financial lease), operating lease, factoring or other similar agreements with third persons or by use of obligations, bills of exchange, other securities or financial instruments or assume any other obligations with borrowing or lending features;

(b) Assume any obligations under guarantee, indemnity, collateral (mortgage) or other agreements that secure fulfilment of obligations;

(c) Make any investments in other legal entities;

(d) Assign and restrict ownership rights to the property pledged or to be pledged to Swedbank, AB or assign and restrict ownership rights to the long-term property owned by the Company if that can have material negative impact on the Company‘s business and/or economic-financial condition;

(e) Assign and rent out its company, business or part thereof, essentially change the business nature;

(f) Close accounts with Swedbank, AB, pledge the existing or future funds in those accounts, make any transactions whereby third persons would acquire rights to such funds, and otherwise restrict its right of ownership to such funds;

(g) Reduce the Company's authorised capital, pay out dividends, bonuses or make other payments from the profit or pay management, consulting fees or make other similar payments to the persons related to the Company or its participants;

(h) Make decisions on reorganisation, spin-off, restructuring or liquidation of the Company.

Making the above listed decisions, transactions or performing actions without the consent of Swedbank, AB will be considered to be a material breach of the Swedbank Credit Agreement on the grounds of which Swedbank, AB may terminate the Swedbank Credit Agreement before the maturity and/or claim for other remedies.

Before drafting this Reference Document, Swedbank, AB gave written permission to allocate dividends as planned after the public placement of the Shares following the procedure provided in this Reference Document.

1.6.2 Influence of Practica Venture Capital KŪB

On 27 November 2015, the Company, its shareholders Gediminas Kvietkauskas and Danas Šidlauskas signed a loan agreement (with subsequent amendments and supplements) with Practica Venture Capital KŪB (the **Practica Loan Agreement**) whereby Practica Venture Capital KŪB granted a loan of EUR 1,500,000 to the Company and the Company undertook to repay the loan by 27 November 2020.

Following the Practica Loan Agreement, Practica Venture Capital KŪB has a wide control of the various decisions/actions taken by the Company.

The Company's bodies cannot take the following decisions without the consent of Practica Venture Capital KŪB:

(a) increase or reduce the Company's authorised capital, issue any equity or debt securities of the Company, change the rights granted thereby or their nominal value, convert the Company's shares into a different class, acquire or assign own shares;

(b) amend the by-laws;

(c) change the Company's business goal or subject, terminate the business or materially change the business operations, assign the Company's business or an essential part thereof;

(d) approve the Company's sets of financial reports, approve the Company's budget or amendments thereto;

(e) distribute the profit (loss), pay out dividends or form, reduce or liquidate reserves;

(f) select or change an audit company;

(g) reorganise, spin-off, restructure or liquidate the Company or make the decision to initiate the Company's bankruptcy proceedings;

(h) change the warehouse financing limit set to the Company, except for the cases where the prohibition by Practica Venture Capital KŪB to perform this action, in case no recourse is applied to such additional financing, is not substantiated;

(i) enter into transactions where the amount of one transaction or the total amount of several related or homogenous transactions exceeds EUR 10,000, VAT excluded, for the cases where such transaction is made in course of the Company's ordinary economic activities and/or in the implementation of the pre-budgeted transactions approved by Practica Venture Capital KŪB;

(j) pledge (mortgage) any of the Company's assets or set other restrictions in respect thereof, provide guarantee or indemnity the fulfilment of other persons' obligations in any amount;

(k) make, amend or terminate any transactions between the Company and the shareholders or their related persons;

(l) make transactions in other than market prices, provide support or charity;

(m) repay before maturity any loan, credit granted to the Company or fulfil any other financial obligation of the Company, except for the pre-payment of the credit issued under the Swedbank Credit Agreement;

(n) take or grant loans or credits in any amount and of any type on behalf of the Company, enter into financial leasing, operating lease agreements, acquire or issue debt securities or other lending or borrowing instruments;

(o) establish the Company's subsidiaries, acquire or assign capital shares or voting rights in any other companies, institutions or organisations and other business or shares thereof;

(p) make, amend and terminate other transactions that are not provided in the approved budged of Practica Venture Capital KŪB;

(q) elect or recall the Company's manager and members of the Company's management board or other bodies formed by the Company and establish and change the conditions of their salary/incentives;

(r) take decisions listed in paragraphs (a)-(r), which are assigned to the competence of the Company as shareholder/interest holder of other companies.

In addition, the Practica Loan Agreement provides for the following restrictions to the activities of the Company and of its shareholders within the entire effective period of the Practica Loan Agreement:

(a) Practica Venture Capital KŪB is authorised to participate in all meetings of the Company's management board;

(b) Practica Venture Capital KŪB is authorised to delegate one person to take the position of the Company's management board member;

(c) Practica Venture Capital KŪB has the pre-emptive right to invest in the Company or finance it at the conditions that are not worse than those offered by third persons (Practica Venture Capital KŪB has waived in writing its pre-emptive right in respect of the public offering of the New Shares implemented on the basis of this Reference Document);

(d) shareholders Gediminas Kvietkauskas and Danas Šidlauskas are not authorised to assign the Company's Shares held thereby and the rights granted by such Shares or set any pledge, options, liens or other restrictions without prior written approval from Practica Venture Capital KŪB;

(e) In case of a material breach of the Practica Loan Agreement (as defined by the Practica Loan Agreement) where such breach is not eliminated within 45 days from the receipt date of the claim from Practica Venture Capital KŪB, all voting rights and other non-property rights held by the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas in the Company's general meetings of shareholders, which are granted to these shareholders by the Shares held in the Company, are assigned to Practica Venture Capital KŪB until full repayment of the loan;

(f) In case the shareholder Gediminas Kvietkauskas and/or Danas Šidlauskas acquire ownership to any newly issued Shares of the Company, Gediminas Kvietkauskas and Danas Šidlauskas will have to pledge them in favour of Practica Venture Capital KŪB to secure the fulfilment of the Practica Loan Agreement.

Making the above listed decisions, transactions or performing actions without the consent of Practica Venture Capital KŪB will be considered to be a material breach of the Practica Credit Agreement on the grounds of which Practica Venture Capital KŪB may terminate the Practica Credit Agreement before the maturity and/or claim for other remedies.

Before drafting this Reference Document, Practica Venture Capital KŪB gave written permission to issue the Shares and make public offering of the Shares to the Investors and allocate dividends as planned after the public placement of the Shares following the procedure provided in this Reference Document.

2. Business environment and factors influencing the Company’s business

2.1 Overall review of the business environment

Lithuania’s agricultural machinery market is dependent on the overall condition of the agricultural sector. Traditionally, Lithuania’s agricultural sector is important to the Lithuanian economy: in 2015, Lithuania stood 9th by the share of agriculture in the GDP among the EU-28 and was 2.2 times above the old member states (EU-15) and 1.9 times above the EU-28 average.

In 2004, when Lithuania joined the EU and became part of the Common Agricultural Policy (CAP), a rapid modernisation process started in the agricultural sector. In line with the direct payments and rural development programs, farms started to make more investments in modern agricultural machinery which led to the increasing productivity and farm efficiency ratios. Since Lithuania joined the EU back in 2004, an average farm has grown by 25% and the number of buyers of modern agricultural machinery has been increasing too.

According to the data of the Register of Tractors, Self-Propelled and Agricultural Machines and their Trailers, the number of objects in this register increased by 10% every year. The main reasons for growth of the number of objects in the above mentioned register are related to the necessity to increase the labour productivity. The comparative statistics shows that in 2015 the total value of agricultural products per hectare in Lithuania was 1.8 times lower than that in the neighbouring Poland, and compared to other member states of the EU, e.g. Germany, the differences are even more distinct showing a huge potential for the productivity growth. To achieve that Lithuanian farms will have to further increase their investments in modern agricultural machinery.

2.2 Factors determining the market growth

According to the Company’s management, in 2016 Lithuania’s new agricultural machinery market amounted to EUR 300 million. The Company’s growth also depends on the favourable growth perspectives of the agricultural market.

The Ministry of Agriculture of the Republic of Lithuania approved the EU measure to support farmers during 2014-2020 in the amount of EUR 100 million to be invested during this 7 years’ period which makes less than 5% of Lithuania’s agricultural machinery market share.

2.2.1 Increasing population

The demand for investments in agricultural machinery on the global markets is shaped by the increasing population. By 2050, the human population is likely to increase by 2.3 billion. In line with the increasing development level of the countries this will determine 70% growth of the global food demand.

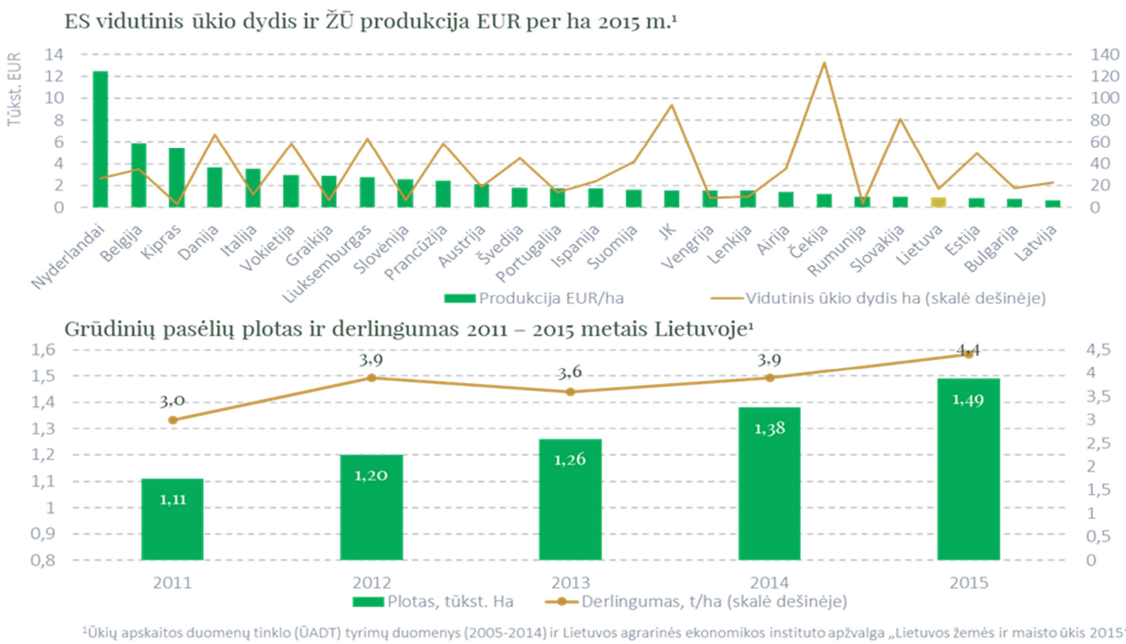
As the potential to expand fertile land area is limited, following the calculations presented by the United Nations' Food and Agriculture Organisation, 90% of the harvest growth is expected from increasing soil fertility: more intensive use of fertilisers and plant protection measures, application of smart technologies, and modernisation of agricultural machinery.

2.2.2 Lithuanian agricultural productivity

Lithuania's agricultural productivity is currently below the EU average. Lithuanian agricultural productivity per hectare is lower by 4 times on the average than that of the West European countries. From 2011 to 2015, the productivity of grain crops increased by more than 40% in Lithuania (from 3 t/ha to 4.4 t/ha on the average), however the country is still below the West European countries by up to 50%.

The growth in the area of grain crops increases the demand for agricultural machinery, however in order to achieve the productivity level similar to that of better developed countries, Lithuanian farms will have to increase investments, including investments in agricultural machinery.

Diagram 2. *Lithuanian agricultural productivity compared to the EU, per ha*



2.2.3 Increasing investments in agriculture

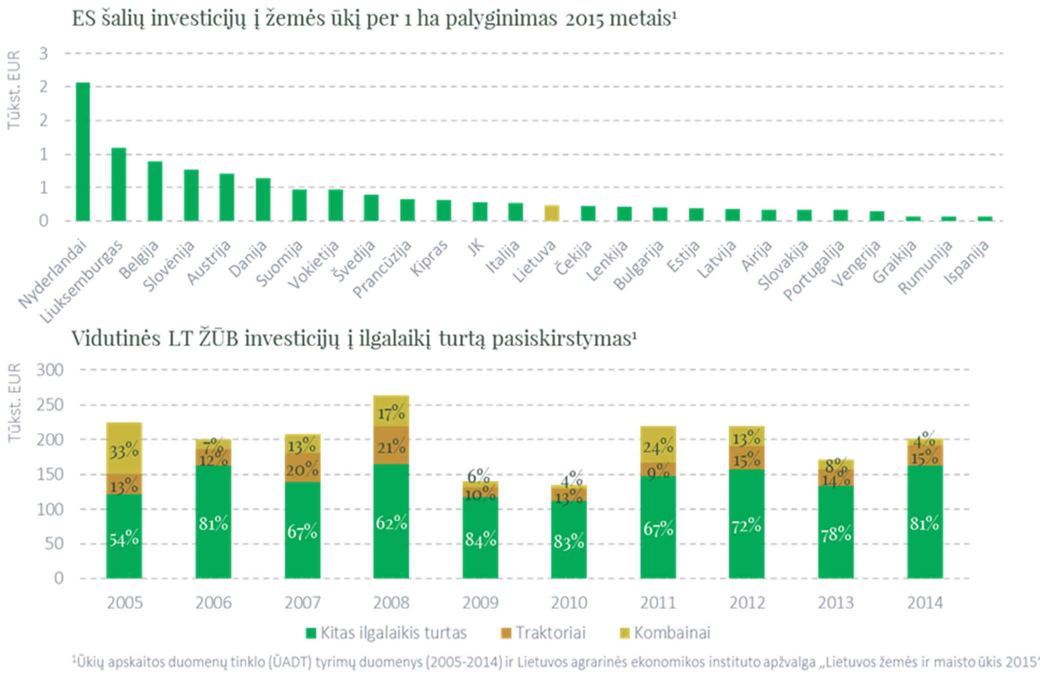
With the increasing investments in agriculture, Lithuania's tractors market has a potential to grow. By investments in agriculture Lithuania is lagging far behind the developed EU countries: an average Lithuanian farm's investments per 1 hectare are about 2.5 times lower than those of an average Danish farm.

Investments in machinery account for 19-46% of the total investments, the volume of this investment also depends on the macroeconomic climate.

The market of new professional agricultural tractors of international trademarks in Denmark (where the area of arable land and climate conditions are very similar to those in Lithuania) makes 3,500 pcs per year, while in Lithuania, based on the data provided by the trademark representatives, the sales stand at about 1,200 pcs per year.

With the growing farm investments and productivity, the Lithuanian tractors market is likely to increase by at least two times.

Diagram 3. *Average investments in agriculture in the EU countries and Lithuania*

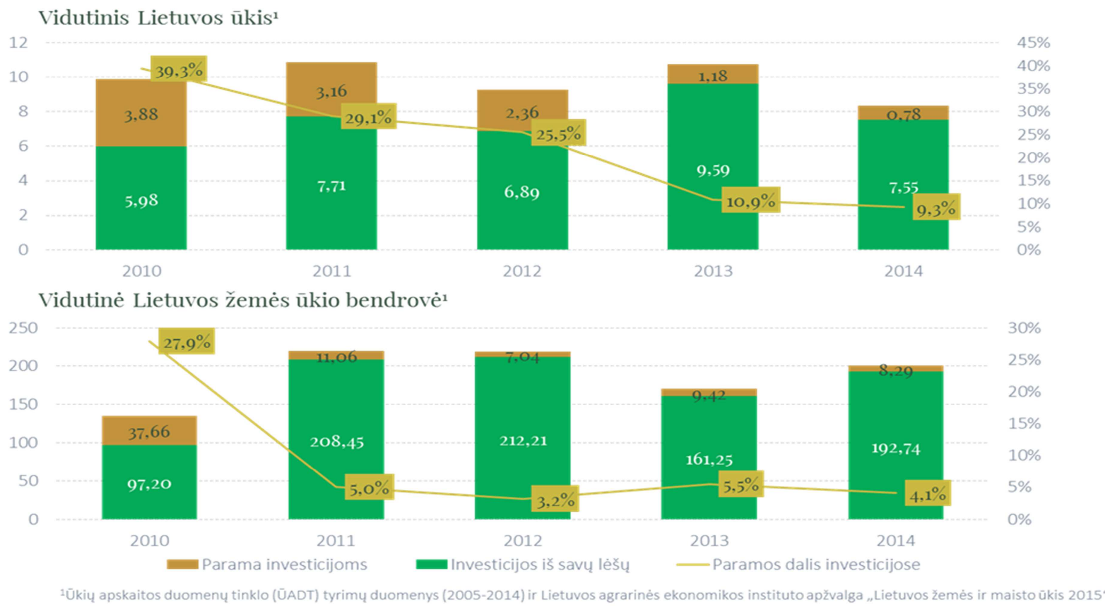


2.2.4 EU support

The access to the EU support does not have any impact on the demand for agricultural machinery. The share of the EU support in investments is decreasing: in 2014, the share of support in average agricultural investments accounted for 9%, in an average agricultural company - 4% (in 2010, 39% and 28% respectively). Agricultural companies, representing a more efficient management form than farms, invest more than farms and are less dependent on the EU support.

The EU support programmes may have a seasonal influence on the farms' investment decisions, however the long-term demand is maintained by the need to increase the farm efficiency, therefore farms invest irrespectively of the access to support.

Diagram 4. *Investments in Lithuanian farm and Lithuanian agricultural company*

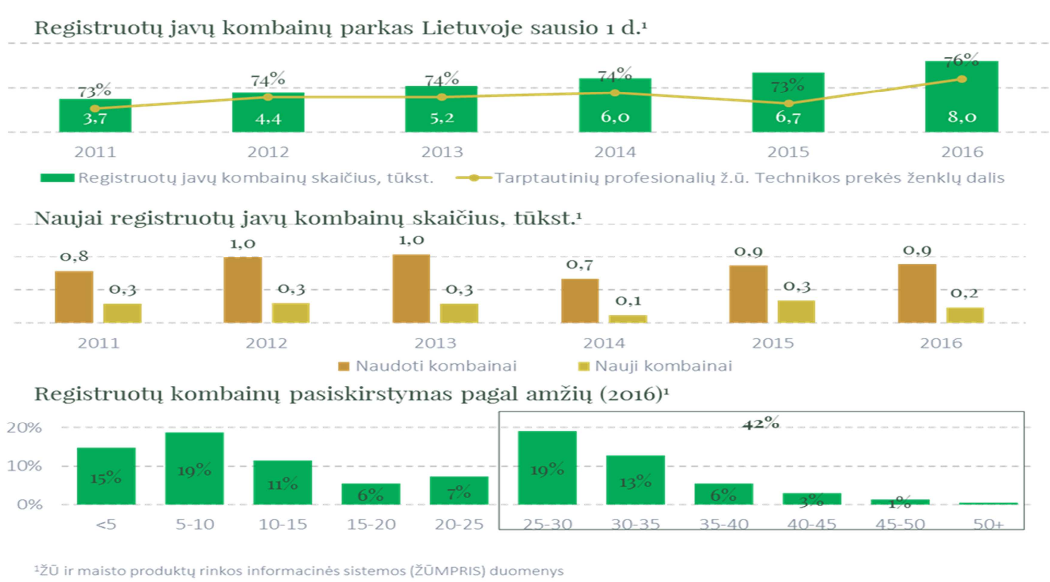


2.2.5 Size and structure of combine harvesters depot in Lithuania

Combine harvesters are machines of first necessity in crop production farms. Therefore, the depot of combine harvesters is growing rapidly in Lithuania. 76% of combine harvesters' depot consists of globally known international trademarks.

According to the Company's management, modern farms change their combine harvesters every 5 years. As 42% of registered combine harvesters, based on the data provided by Agriculture and Food Products Market Information System (**ŽŪMPRIS**), are older than 25 years, the need to renew them is still very high.

Diagram 5. *Combine harvesters' depot in Lithuania*

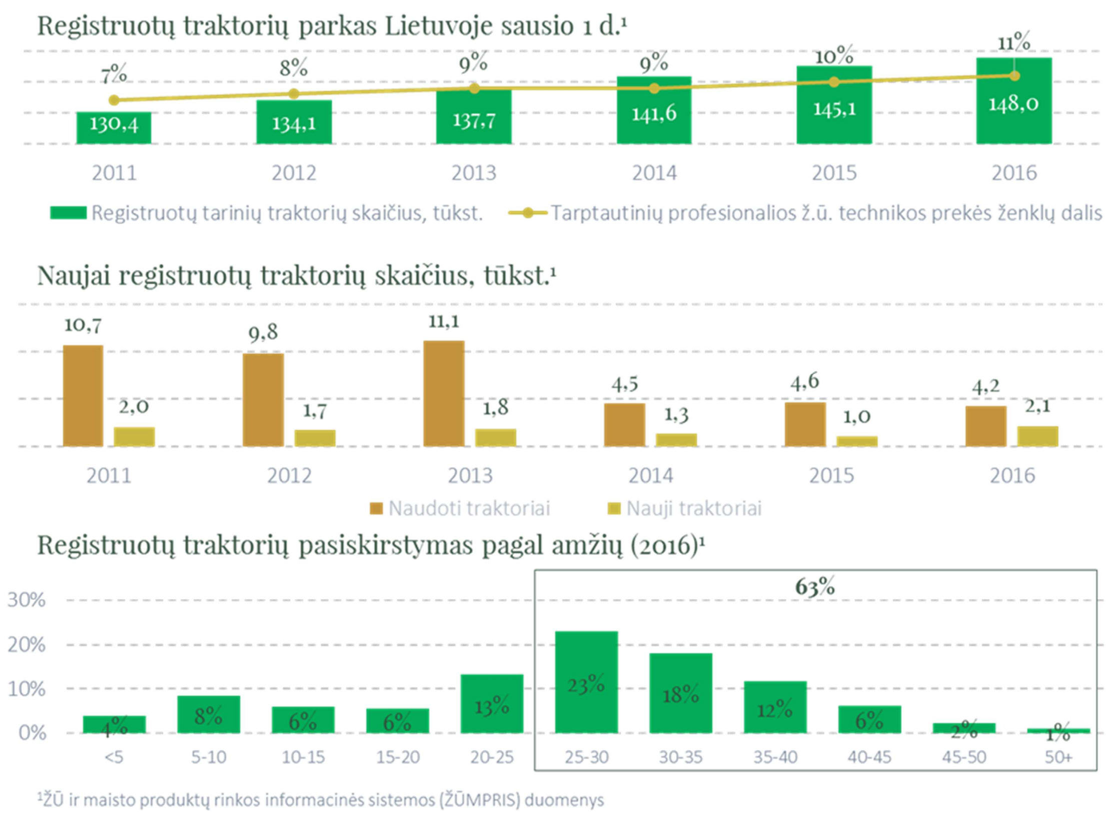


2.2.6 Size and structure of tractors depot in Lithuania

The trade in tractors continues throughout a year. Although the majority of tractors depots in Lithuania consist of old tractors made by manufacturers from the Commonwealth of Independent States (CIS), most of the newly registered tractors represent international trademarks.

According to ŽŪMPRIS, 63% of tractors' depot consists of tractors that are older than 25 years, this part of the depot is not suitable for professional agricultural business, therefore they will eventually have to be renewed.

Diagram 6. *Tractors' depot in Lithuania*



2.3 Overview of factors influencing the Company's business

According to the Company's management, the Company's business is most affected by the following factors:

Climate changes. Agriculture and related business is an area of increased risk due to the high dependence on the environmental impact. The air and soil temperature, humidity and precipitation, changing weather conditions have a direct impact on agricultural works, production profitability and successful use of agro-technical measures. If the climate conditions are not favourable, it is more and more difficult to forecast the harvest and also the earnings from the sale of agricultural products. With an uncertainty in forecasting the profit, agricultural entities find it difficult to plan acquisitions of new agricultural machinery. Therefore, the Company's business (sales) is directly influenced by the agricultural entities' optimistic or pessimistic sentiments depending on the climate conditions dominating in the particular year.

Production buying-in prices. According to the Statistics Lithuania, the agricultural products buying-in prices in 2016 increased by 7.5%. In Q4 2016, the agricultural products buying-in prices went up by 3.6% year-on-year. With the agricultural entities' increasing income from the buying-in prices, the Company's clients get more optimistic and also have more possibilities to renew agricultural machinery.

EU subsidies. The EU support for agriculture is currently provided under the Lithuanian Rural Development Programme 2014-2020. The programme provides for financial engineering measures to grant subsidised loans to agricultural entities. Agricultural entities (especially business start-ups) face a shortage of financing services in the market, therefore it is still relevant to continually use financial instruments and to apply more diverse forms thereof, and use them for a wider range of investments to encourage agricultural development. However, it is noteworthy that the EU support share in agricultural entities' investments is decreasing. The EU support programmes may have a seasonal influence on the farms' investment decisions however the long-term demand is maintained by the need to increase the farm efficiency, therefore farms invest irrespectively of the access to support.

EURIBOR change. EURIBOR (*Euro Interbank Offered Rate*) is the reference rate at which banks offer to lend unsecured funds in euros to other banks in the European inter-bank market. As the rate of a significant part of loans (including those issued to agricultural entities) is related to this rate, a rise of EURIBOR rate would increase the borrowing prices to entities. As a result, the Company's sales would be likely to go slightly down.

Political situation. This risk is related to losses resulting from the state-led politics. This risk is influenced by war, unrest or revolutions abroad, political instability (change of the Government, its priorities), embargo, blockade and boycott. The government decisions may be unfavourable to agricultural businesses, while events abroad may negatively influence the export of products and the imports of required materials. The government decisions on business regulation, e.g. subsidies and grants, influence the agricultural entities' need to invest in agricultural machinery.

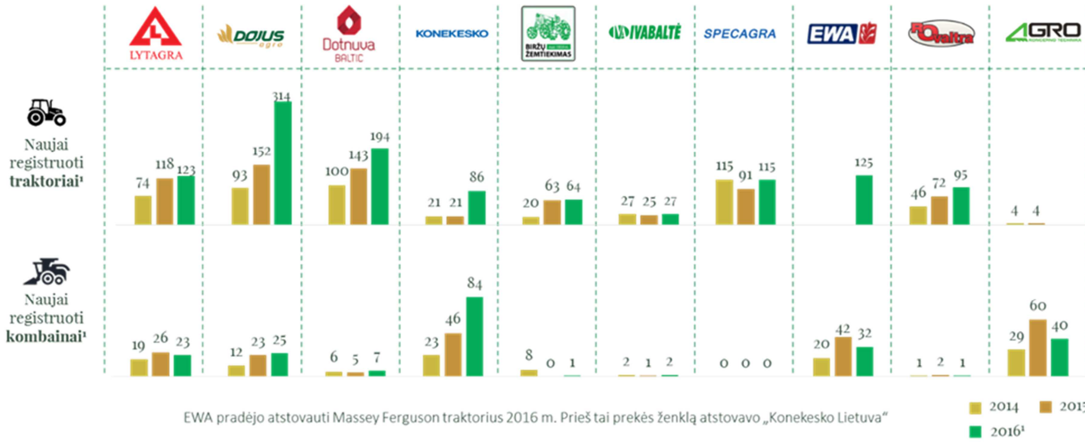
3. The Company's economic operations and financial information

3.1 Trends and perspectives of the Company's economic operations and financial conditions

3.1.1 General overview

From the very start of its operation the Company was successfully performing and expanding its business and adapted to the market conditions. In 2015, following the information about the number of sold tractors and combine harvesters submitted by Agriculture and Food Products Market Information System, the Company sold 25% of all newly registered professional trademark combine harvesters in Lithuania (in 2015 the Company did not trade in tractors). In 2016, the Company was among the three largest sellers of tractors and combine harvesters in Lithuania (machinery manufactured in CIS countries excluded). In 2016, the Company's sold tractors accounted for 11% of the overall market of international professional trademark tractors in Lithuania, while combine harvesters held 18% of the market. By the sales of tractors, only UAB DOJUS Agro and UAB Dotnuva Baltic were ahead of the Company. By sales of combine harvesters the Company comes second after UAB Konekesko Lietuva. The table below shows more detailed figures of tractors and combine harvester sales in Lithuania during 2014-2016.

Diagram 7. *Sales of tractors and combine harvesters in Lithuania during 2014-2016.*



1,148 tractors and 175 combine harvesters were newly registered in 2016 in Lithuania (only machinery of international trademarks intended for professional agricultural activities registered in the name of other than the sellers of the same machinery). When the Company started trading in Massey Ferguson tractors, the Company's sales income increased considerably. The Company intends to further increase the sales of machinery:

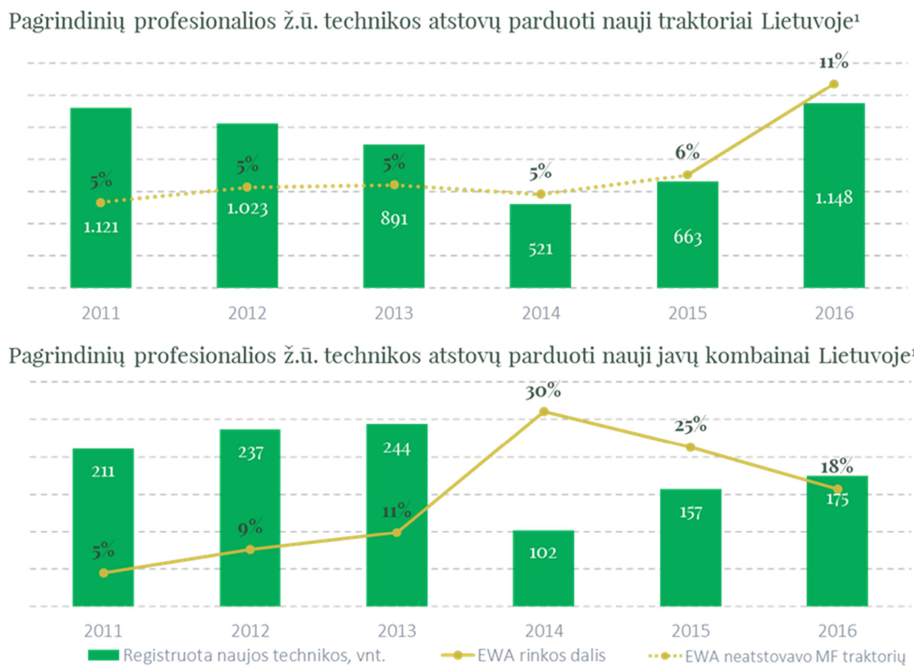
(a) 2017 plan: 65 combine harvesters, 170 tractors;

(b) 2020 plan: 76 combine harvesters, 250 tractors.

It should be noted that the increasing number of tractors sold by the Company continually increases the sales of implements that offer higher profitability compared to self-propelled machinery units.

The diagram below provides more detailed information about the tractor and combine harvester market shares held by companies in Lithuania.

Diagram 8. *Market share of the Company's represented trademarks*



[1]ŽŪ ir maisto produktų rinkos informacinės sistemos (ŽŪMPRIS) duomenys. Į statistiką neįtraukti ž.ū. technikos atstovų įmonėse registruoti traktoriai.

The Company expects to be among the leaders in agricultural machinery trading sector in the future and to further increase the market share in the sale of tractors and combine harvesters.

As the productivity of agricultural farms and companies is considerably lower in Lithuania compared to agricultural holdings operating in the West Europe, and agricultural machinery in our country is obsolete, it can therefore be assumed that entities operating in the agricultural sector in Lithuania will increase productivity by acquiring new agricultural machinery.

As for the challenges faced by the Company in its business, a strong competition within the occupied activity sector should be mentioned. On the other hand, although the market is rather competitive, it should be considered to be stable. It is quite difficult for new competitors to enter the market as all largest manufacturers of tractors and combine harvesters (global trademarks) are represented in the Lithuanian market. Trading and maintenance of tractor and combine harvester machinery requires suitable premises, labour; therefore, it is quite difficult for the manufacturers to find representatives who could provide high-quality and efficient trading and technical maintenance services to tractors and combine harvesters and would not compete with their trademarks. Respectively, manufacturers of agricultural machinery do not tend to change their partners in Lithuania successfully trading in their represented trademarks. The above listed circumstances create obstacles for new competitors to enter the market.

3.1.2 Current and nearest-future investments

In 2016, the Company started trading in Massey Ferguson tractors. Regional service centres are required to promote sales in the segment and to provide maintenance service to the machinery. In 2017-2018, the Company is planning to establish 5 (five) regional service centres. The company intends to rent most of the premises and to allocate up to EUR 200,000 to equip one service centre, EUR 1 million in total (the investments will be used to fit-out the premises, acquire the equipment and for working capital to cover salary payments and other operating expenses). The new service centres will have a positive influence on the growth of the Company's sales and income in Lithuania.

The first service centre will be opened in Kairiai, Šiauliai District. For the purpose of establishing this centre, the Company intends to acquire garage-warehouse premises located at Plento g. 51, Kairiai. A preliminary agreement is signed with the seller of the property on signing the purchase-sale agreement. The Company intends to acquire the property for the price of EUR 370,000 (the Value Added Tax is not applied). The plan is to sign the master purchase-sale agreement by 30 June 2017. The Company will have to pay the full purchase price within 3 (three) workdays from the master agreement date.

3.1.3 Current and nearest-future projects

Besides the regional service centres (see paragraph 3.1.2 of the Reference Document), the Company is not planning any other large projects.

In 2017, the Company intends to provide financing to the following support projects:

(a) Support to Aleksandras Stulginskis University: EUR 50,000;

(b) Support to racer Benediktas Vanagas: EUR 60,000.

3.1.4 Court proceedings

As of this Reference Document date, Kaunas District Court is investigating two cases involving the Company:

(a) Civil Case No 2-3312-1041/2017 for termination of the purchase-sale agreement. The Company stands as the respondent, claim amount: EUR 12,523.50;

(b) Civil Case No e2-629-199/2017 for adjudgment of the forfeit. The Company stands as the claimant, claim amount: EUR 18,334.26.

3.1.5 Requirements, obligations or events that can reasonably have a high impact on the Company's business perspectives

According to the Company's management, the Company's business perspectives will be highly influenced by the property purchase agreement referred to in paragraph 3.1.2 of the Reference Document, which will enable the Company to equip the first service centre in the premises located at Plento g. 51, Kairiai, as well as the Company's capability to equip 4 (four) other regional service centres.

Also, in 2018 the Company intends to expand its business to Latvia and Estonia. According to the plan, the business will be expanded by establishing the Company's representative offices individually or in cooperation with local partners, or through acquisitions. Depending on the chosen strategy, the business expansion may require up to EUR 3-10 million investments (establishing the representative offices, working capital, staff and other operating expenses, and setting an additional warehouse). For the business expansion financing purposes, the Company intends to increase financing from the bank and/or to attract additional capital through capital markets.

The Company has undertaken the obligation to repay the current portion of the long-term loan, which is EUR 333 336, and credit line amount of EUR 2 450 000 during the year of 2017. The Company has undertaken the obligation to repay outstanding long-term credit amount, which is EUR 444 440, at the end of 2018. The Company intends to extend this term and at the moment is negotiating with Swedbank, AB about the conditions for extending the term.

The Company has undertaken the obligation to repay the entire outstanding loan amount, which as of 31 December 2016 was EUR 1 756 601, to Practica Venture Capital KŪB at the end of 2020. The loan of Practica Venture Capital KŪB is subordinated in respect of the credit granted by

Swedbank, AB, therefore it will not be repaid before the settlement with Swedbank, AB is completed.

3.2 Main products sold and services offered by the Company

The Company's business is trade in agricultural machinery, trade and design of grain storage equipment, trade in manure removal equipment, servicing and maintenance of agricultural machinery, as well as trade in spare parts (both original and non-original).

The Company, being one of the strongest traders of professional agricultural machinery in Lithuania, focusses its services on natural and legal persons involved in agricultural activities and currently is servicing more than 1,500 agricultural machinery vehicles throughout Lithuania.

The Company sells both new and used agricultural machinery. The Company is among the leading traders in the combine harvester sales market. The Company's spare parts shop supplies spare parts of the machinery manufacturers represented by the Company as well as other manufacturers.

The Company also trades in grain storage equipment: dryers, storage towers, and grain transportation equipment, feed production equipment, grain ventilation systems, and also provides consulting on how to clean, dry, and store grain properly, selects the right technology for grain storage and implements storage projects ranging from the simplest to fully automated solutions. The Company also sells manure removal equipment: slurry mixers, slurry reservoirs, pumps, and slurry trucks.

To ensure timely and good-quality machinery maintenance services and to solve related technical problems efficiently the Company carries out technical servicing and maintenance works for agricultural machinery. Technical servicing is carried out following the technical requirements of the manufacturers. Testing devices and top quality tools are used to ensure the quality of the performed works.

The Company's successful activity is highly dependent on reliable manufacturers that ensure high quality, effective business management, consistent formation of the Company's image and visibility in the market. In addition, an important aspect in this business is the ability to adapt to the changing environment conditions: changeable weather conditions, production buying-in prices, land value leaps, political situations, and inconsistent measures for the European Union (EU) subsidies absorption.

3.3 Trademarks represented by the Company

The Company represents the following trademarks:

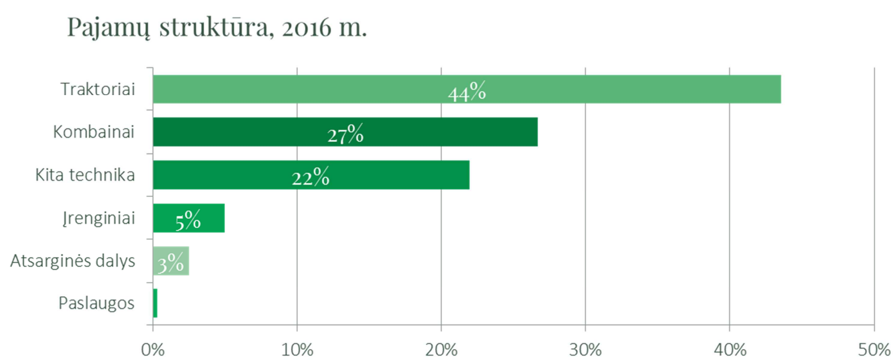
The Company's main partner AGCO is one of the largest suppliers of agricultural machinery in the world offering the highest range of machinery. In 2016, AGCO turnover amounted to USD 7.4 billion. The best-known AGCO trademarks are Massey Ferguson, Fendt, Challenger, Valtra, GSI, and Fella.

Massey Ferguson trademark is the world's leader by the number of units sold (together with TAFE tractors).

3.4 Information about the Company's income

The majority of the Company's income comes from sales of combine harvesters and tractors. Other agricultural machinery traded by the Company: mowing, fertilising, sowing, and tillage machinery. The remaining income comes from trade in spare parts as well as service and machinery rent services.

Diagram 9. *The company's income structure 2016*

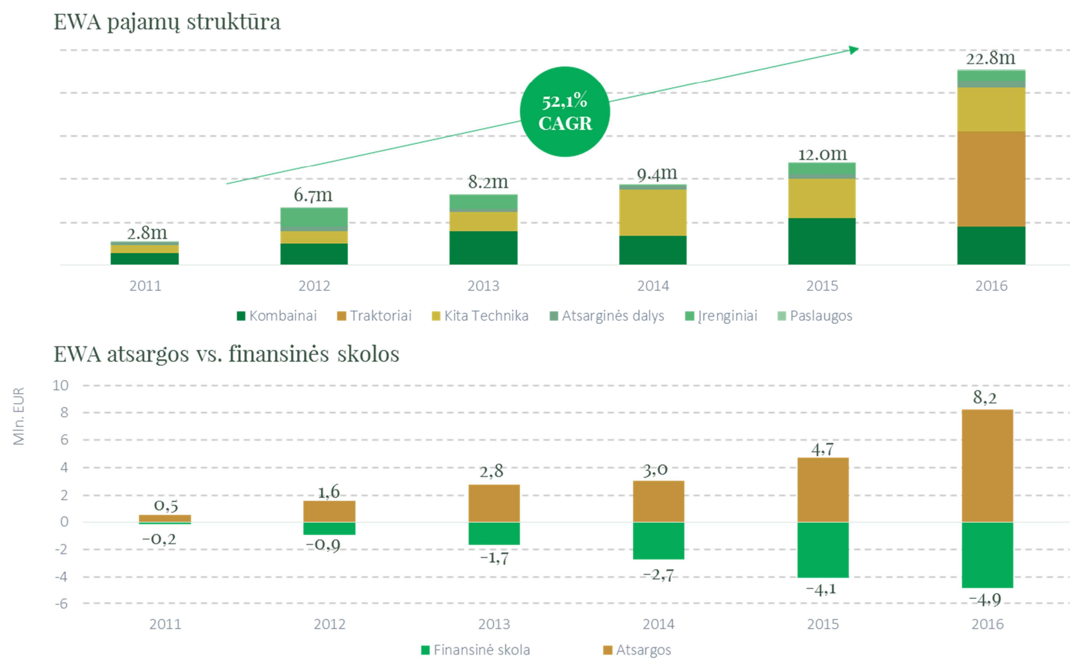


In 2011-2016, the Company's income increase by 52.1% per year on the average.

Trading in Massey Ferguson tractors started in 2016 accounted for the major increase in the Company's income. The management expects that the tractors' segment will be rapidly growing in 2017 too.

The Company's income depend on the warehouse size, therefore the Company's reserves and financial debts are proportionately growing with the increasing income. To ensure a sustainable growth, the working capital has to be strengthened, especially during the peak periods facing shortages of working capital.

Diagram 10. *The Company's income structure*



3.5 Key performance indicators of the previous two financial years

The Company's financial year coincides with the calendar year.

This Reference Document is accompanied by Annex 1 presenting the Company's financial statements for the previous two financial years, i.e. the year 2015 and 2016, including the auditor's reports. The Company's financial statements for the year 2015 and 2016 were audited by Moore Stephens Vilnius, UAB, auditor Dangutė Pranckėnienė, which unqualified auditor's opinion.

For the purposes of summary, the Company's key performance indicators for the year 2015 and 2016 are presented below. The sources of all the presented financial indicators are the Company's financial statements for the year 2015 and 2016.

Table 3. *The Company's key financial information of the previous two years*

Profit and loss statement		**EUR**
Indicator	**2015 y**	**2016 y**
SALES REVENUE	11.999.262	22.790.862
COST OF SALES	(9.963.013)	(18.911.708)
ALTERATION OF FAIR VALUE OF BIOLOGICAL ASSETS		
GROSS PROFIT (LOSS)	**2.036.249**	**3.879.154**
Cost of goods sold	(66.585)	(148.196)
General and administrative cost	(1.365.209)	(1.757.088)
Other operating revenue	96.014	113.735
Investment into shares of parent, subsidiary and associated companies revenue		
Other long-term investment and loan revenue		
Other interest and similar revenue	81.641	68.172

Loss on financial asset and short-term investment value		
Interest and similar expense	(145.302)	(425.005)
PRE-TAX PROFIT (LOSS)	**636.808**	**1.730.772**
Corporate tax	(89.656)	(209.885)
NET PROFIT (LOSS)	547.152	**1.520.887**

Balance		**EUR**
Indicator	**2015 y**	**2016 y**
FIXED ASSETS	**224.867**	**787.358**
INTANGIBLE ASSETS	6.320	14.403
R&D		
Prestige		
Software	6.111	7.477
Concession, patent, licencing, trademarks and other relevant rights		
Other intangible assets	209	6.926
Paid advances		
TANGIBLE ASSETS	186.630	720.760
Land		
Buildings and structures		
Machinery and equipment	57.389	598.964
Vehicles	88.212	32.700
Other equipment, appliances and tools	39.349	87.416
Investment assets		
Land		
Buildings		
Paid advances and ongoing construction (production) works of tangible assets	1.680	1.680
FINANCIAL ASSETS	31.917	31.917
Group of companies company shares		
Group of companies company loans		
Amounts payable by companies of group of companies		
Shares of associated companies		
Loans to associated companies		
Long-term investments		
Amounts payable in one year	31.917	31.917
Other financial assets		
OTHER LONG-TERM ASSETS		20.278
Deferred income tax assets		20.278
Biological assets		
Other assets		
SHORT-TERM ASSETS	**8.676.792**	**14.491.514**
Reserves	4.790.044	8.340.570
Raw materials, materials and consumables	797	963
Unfinished production and ongoing works		
Production		
Goods purchased for resale	4.737.197	8.220.848
Biological assets		
Long-term tangible assets for resale		

Paid advances	52.050	118.759
AMOUNTS PAYABLE IN ONE YEAR	3.471.790	6.032.550
Buyers‘ debts	3.067.282	5.608.026
Group of companies company loans		
Debts of associated companies		
Other payable amounts	404.508	424.524
Short-term investments		
Company shares of group companies		
Other investments		
MONEY AND ITS EQUIVALENT	414.958	118.394
FUTURE EXPENSES AND ACCRUED INCOME	**4.519**	**30.599**
TOTAL ASSETS	**8.906.178**	**15.309.471**

Balance		**EUR**
Indicator	**2015 y**	**2016 y**
EQUITY CAPITAL	**1.620.015**	**2.090.900**
CAPITAL	28.962	500.000
Authorised (subscribed) or main capital	28.962	500.000
Subscribed unpaid capital (-)		
Own shares (-)		
SHARE SUPPLEMENTS		
REVALUATION RESERVE		
RESERVE	2.896	2.896
Compulsory reserve or resources (reserve)	2.896	2.896
For acquisition of own shares		
Other reserves		
RETAINED PROFIT (LOSS)	1.588.157	1.588.004
Reporting year profit (loss)	547.152	1.520.887
Previous year profit (loss)	1.041.005	67.117
GRANTS, SUBSIDIES		
PROVISIONS		
Provisions of pensions and other relevant obligations		
Provisions of tax		
Other provisions		
AMOUNTS PAYABLE AND OTHER RELEVANT OBLIGATIONS	**7.210.516**	**13.193.855**
AMOUNTS PAYABLE IN ONE YEAR ANT OTHER LONG-TERM OBLIGATIONS	3.969.212	2.206.068
Debt obligations	1.519.212	1.761.628
Debts to credit institutions	2.450.000	444.440
Received advances		
Debts to suppliers		
Received advances		
Debts to suppliers		
Amounts payable pursuant to bills and vouchers		
Amounts payable to companies of group of companies		
Amounts payable to associated companies		
Other amounts payable and long-term obligations		
AMOUNTS PAYABLE IN ONE YEAR AND OTHER SHORT-TERM OBLIGATIONS	3.241.304	10.987.787

Debt obligations	15.109	14.186
Debts to credit institutions	519.148	3.167.396
Received advances	304.422	1.602.981
Debts to suppliers	1.880.896	4.957.216
Amounts payable pursuant to bills and vouchers		
Amounts payable to companies of group of companies		32.000
Amounts payable to associated companies		
Income tax obligations	28.485	203.252
Obligations in relation to employment relations	159.833	196.688
Other amounts payable and short-term obligations	333.411	814.068
ACCRUED CONSUMPTION AND FUTURE INCOME	**75.647**	**24.716**
EQUITY CAPITAL AND OBLIGATIONS ALTOGETHER	**8.906.178**	**15.309.471**

When the Company's clients, natural and legal persons, fail to fulfil financial liabilities to the Company, recovery of a debt is forwarded to lawyers of the Company. As regards the default, the Company brings it before a court of law. Following the court's final and binding decision, the instrument permitting enforcement is passed to a bailiff who initiates a forced recovery of the debt.

The Company's growth during the year 2012-2016 is reflected in the following table:

Table 4. *Key growth indicators of the Company in 2012-2016*

Key growth indicators					**k. EUR**
Indicator	**2012 y**	**2013 y**	**2014 y**	**2015 y**	**2016 y**
Sales	6.660	8.175	9.434	11.999	22.791
Growth in sales		*22,8 %*	*15,4 %*	*27,2 %*	*89,9 %*
Gross profit	931	1.335	1.204	2.036	3.879
Gross profit margin	*14,0 %*	*16,3 %*	*12,8 %*	*17,0 %*	*17,0 %*
EBITDA	245	450	385	855	2.267
EBITDA margin	*3,7 %*	*5,5 %*	*4,1 %*	*7,1 %*	*9,9 %*
Adjusted EBITDA	245	450	385	897	2.331
Margin of adjusted EBITDA	*3,7 %*	*5,5 %*	*4,1 %*	*7,5 %*	*10,2 %*
EBT	169	341	238	637	1.731
EBT margin	*2,5 %*	*4,2 %*	*2,5 %*	*5,3 %*	*7,6 %*
Net profit	130	288	216	547	1.521
Net profit margin	*2,0 %*	*3,5 %*	*2,3 %*	*4,6 %*	*6,7 %*
Indicator	**2012 y**	**2013 y**	**2014 y**	**2015 y**	**2016 y**
Asset	2.724	4.367	5.575	8.906	15.309
Long-term asset	146	240	200	225	787
Short-term asset	2.578	4.127	5.375	8.677	14.522
Cash	15	15	4	415	118
Liability	2.066	3.421	4.414	7.211	13.218
Long-term liability	65	89	75	3.969	2.206
Loan of private equity fund	0	0	0	1.519	1.756
Other financial debt	65	89	75	2.450	450
Short-term liability	2.002	3.332	4.339	3.241	11.012
Financial debt	887	1.614	2.666	534	3.182

Shareholders‘ ownership	658	946	1.162	1.620	2.091
Grants and subsidies	0	0	0	0	0
Financial debt/ Ownership	*1,45*	*1,80*	*2,36*	*2,52*	*2,58*
ROE	*20 %*	*30 %*	*19 %*	*34 %*	*73 %*
ROA	*5 %*	*7 %*	*4 %*	*6 %*	*10 %*
Net financial debt/ EBITDA	*3,82*	*3,75*	*7,13*	*4,78*	*2,32*

3.6 Adequacy of the working capital and liabilities of the Company

The table below contains information about the Company's working capital and liabilities of the year 2015-2016. The sources of all the presented financial indicators are the Company's financial statements for the year 2015 and 2016.

The Company‘s management believes that as at the date of preparation of this Reference Document, the working capital available to the Company is adequate for fulfilment of the current claims.

Table 5. *The Company's working capital in 2015-2016*

Working capital		
Turnover in days (comparing to earnings)	**2015 y**	**2016 y**
CURRENT ASSETS	**251,31**	**230,19**
Raw materials and consumables	0,02	0,02
Merchandise (warehouse)	144,10	131,66
Down payments	1,58	1,90
Accounts receivable	93,30	89,81
Other receivables	12,30	6,80
Current liability	**81,47**	**121,26**
Accounts payable	57,21	79,40
Customer deposits	9,26	25,67
Payroll related liabilities	4,86	3,15
Other payables and current liability	10,14	13,04
Remainder at the end of period, EUR	**2015 y**	**2016 y**
Current assets	**8.261.834**	**14.373.120**
Raw materials and consumables	797	963
Merchandise (warehouse)	4.737.197	8.220.848
Down payments	52.050	118.759
Accounts receivable	3.067.282	5.608.026
Other receivables	404.508	424.524
Current liability	**2.678.592**	**7.570.953**
Accounts payable	1.880.896	4.957.216
Customer deposits	304.422	1.602.981
Payroll related liabilities	159.833	196.688
Other payables and current liability	333.441	814.068
Financial debt		
Remainder of financial debt	4.503.469	5.387.650

Cash		
Cash balance	414.958	118.394

The Company's main providers of funds are Swedbank, AB and Practica Venture Capital KŪB.

According to the Swedbank credit agreement, Swedbank, AB granted total credit of EUR 5,000,000 to the Company, where (i) EUR 4,000,000 is granted as a credit line and intended to fund working capital, issuance of guarantees, opening of letters of credit and operation (**the Credit 1**) and (ii) EUR 1,000,000 is granted as a credit and is intended to fund payment of dividends (**the Credit 2**). Part of the credit line has been used as security according to the guarantee issued by Swedbank, AB on 12 December 2015 on behalf of AGCO International GMBH.

The Company undertook to repay Credit 1 until 25 November 2017, and Credit 2 until 22 March 2018.

Under the Swedbank credit agreement: (i) for Credit 1 EURIBOR is 6 months, however not lower than 0 per cent + interest rate of 3 per cent, commitment fee of 1,5 per cent from unused (untaken) credit line amount shall also be applicable, and (ii) for Credit 2 EURIBOR is 6 months, however not lower than 0 per cent + interest rate of 4 per cent, commitment fee of 1,5 per cent from unused (untaken) credit line amount shall also be applicable. During the validity term of the Swedbank credit agreement, certain requirements for capital adequacy and financial indicators have been set which shall be met by the Company. The Company's liabilities under the Swedbank credit agreement are secured by pledge of all the circulating inventories (with the minimum carrying amount of 3.5 million EUR), pledge of payment claim rights (as an asset complex) to receivables (up to 4 million EUR) and personal sureties of the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas (up to EUR 500,000 per each shareholder). It is noteworthy that currently the Company is in negotiation with Swedbank, AB for extension of the term for repayment of the loan.

According to the Practica loan agreement, Practica Venture Capital KŪB granted a loan of EUR 1,500,000 to the Company, which the Company undertook to repay until 27 November 2020. As of 31 December 2016 the outstanding amount of the loan is EUR 1 756 601. As at the date of this Reference Document, the interest rate of 14.11 per cent is applied to the Company, as laid down in the Practica loan agreement. Given the ratio between the Company's financial debt and EBITDA, the interest rate paid by the Company under the Practica loan agreement may be increased up to 17.06 per cent or 21.18 per cent. The Company's liabilities under the Practica loan agreement are secured by pledge of 490,000 shares owned by the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas.

The loan granted to the Company by Practica Venture Capital KŪB under the agreement of 27 November 2015 on subordination of the loan, concluded among the Company, Practica Venture Capital KŪB and Swedbank, AB, is subordinated by Swedbank, AB for the credit granted to the Company under the credit agreement with Swedbank, AB. Following the agreement on subordination of the loan, the parties have agreed that the Company shall make payments under the Practica loan agreement (repayments of the loan, interest etc.) in favour of Practica Venture Capital KŪB only having fully settled accounts with Swedbank, AB under to the Swedbank credit agreement, or having received a separate written consent of Swedbank, AB. Thus, the Company will fully repay the loan to Practica Venture Capital KŪB only after accounts will have been settled with Swedbank, AB.

According to data as at 31 December 2016 (i.e. not later than 90 days until preparation of this Reference Document), the Company's liabilities could be specified as follows:

(a) Non-current liabilities: a loan of EUR 444,440 from Swedbank, AB, a leasing liability of EUR 5,027 and a loan of 1,756,601 from Practica Venture Capital KŪB (with interest accrued thereon);

(b) Current liabilities: current portion of a long-term loan amounted to EUR 333,336, the credit line amounted to EUR 2,450,000.

(c) Other current liabilities: trade payables amounting to EUR 4,957,216, received prepayments amounting to EUR 1,602,981, income tax liabilities amounting to EUR 203,252, employment related liabilities amounting to EUR 196,688, other amounts payable (VAT payable) amounting to EUR 814,068.

3.7 Information about dividends

3.7.1 Historical information regarding payment of dividends

According to the decision of the Company's shareholders, for the Company's financial year 2015 the total amount of dividends of EUR 1,050,000, i.e. EUR 2 on each share, was distributed to the sole shareholder of the Company at that time UAB EWA Group. This was the first time in the Company's history when dividends were distributed. The total amount of dividends of EUR 1,019,000 was paid to UAB EWA Group. The remaining amount was annulled (offset) during reorganization when UAB EWA Group was merged to the Company".

3.7.2 Planned declaration of dividends immediately following placement of the New Shares

Provided that all New Shares are distributed to the Investors (i.e. the Company will issue and register the New Shares, whereas the Investors will pay the full price of issuing of 125,000 units of the New Shares), following placement of the New Shares the Company shall immediately call for the General Meeting during which it will be suggested to adopt a decision to distribute and pay interim dividends amounting to EUR 1 million to all the Company's shareholders, i.e. dividends of EUR 1,60 on each Share (having estimated that after issuing of the New Shares the Company's authorized capital will amount to EUR 625,000 and be divided into 625,000 Shares, 500,000 and 125,000 whereof will be owned by Gediminas Kvietkauskas and Danas Šidlauskas, and the Investors, respectively). During the Company's General Meeting of Shareholders, the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas undertake to vote for the decision to distribute and pay the decided amount specified in Section 3.7.2 of this Reference Document.

In the event of the Company's and its shareholders' Gediminas Kvietkauskas and Danas Šidlauskas decision that the number of New Shares to be placed for successful placement of the New Shares should be lower than 125,000 units, then the amount allocated for dividends under this Section 3.7.2 will be reduced in proportion to the number of the actually placed New Shares compared to 125,000 units planned for placement.

Before preparation of this Reference Document, Swedbank, AB and Practica Venture Capital KŪB issued an approval for the Company to distribute the dividends specified in Section 3.7.2 of this Reference Document.

3.7.3 Further payout of dividends

The Company has not approved any dividend payout policy, however, starting with the financial year 2018 the Company and its main shareholders Gediminas Kvietkauskas and Danas Šidlauskas plan to allocate at least 25 per cent of the Company's net profit of the reporting financial year for distribution and payout of dividends, less the loss accumulated (if any) during the previous financial year and corporate tax contributions to the reserves, as required by legislation, provided that approvals of fund providers of the Company (including Swedbank, AB and Practica Venture Capital KŪB) for such distribution and payout of dividends have been obtained, the Company does not plan essential investment during the current and next financial years, and no signs of recession are observed in the market. Such payout of dividends planned by the Company and its main shareholders Gediminas Kvietkauskas and Danas Šidlauskas should be treated as a plan rather than an obligation to payout dividends.

4. The major risk factors

The risk factors which are major as to the estimate of the Company's management in relation to the Company's activity and acquisition of the New Shares issued by the Company and offered for acquisition on the basis of this Reference Documents are set out below.

4.1 The main risk factors related to the Company and its activity

Supplier risk. This risk is related to the Company's dependence on the main supplier of agricultural machinery. In 2016, the Company's income from sales of Massey Ferguson combine harvesters and tractors accounted for 71 per cent of total income of the Company. Income from sales of Massey Ferguson production during the next year is planned to account for more than 2/3 of the Company's total income. The agricultural machinery of Massey Ferguson is manufactured by and the trademark of Massey Ferguson is owned by AGCO Corporation. The Company has concluded a contract with AGCO International GMBH established in Switzerland on non-exclusive distribution and sale of agricultural machinery. In the event of termination of the contract by AGCO International GMBH, the Company would lose a major part of its revenue as it would not be able to trade in Massey Ferguson agricultural equipment. Had AGCO International GMBH concluded a contract on sale of Massey Ferguson agricultural machinery with another distributor in Lithuania, the Company's income, allegedly, could also go down significantly as a result of new competition. Nonetheless, realization of such risks is unlikely, as the Company has successfully represented AGCO International GMBH in Lithuania by selling Massey Ferguson agricultural machinery since 2008, the Company coordinates its actions with AGCO International GMBH and plans growth. Furthermore, the Company has suitable infrastructure and qualified personnel engaged in sale and maintenance (technical service) of Massey Ferguson agricultural machinery. According to the estimates of the Company's management, there are no other players in the market which would have sufficient technical capacities and human resources, and at the same time, would not represent other manufacturers of agricultural machinery competing with the production of Massey Ferguson.

Risk of represented trademarks. In addition to the production of Massey Ferguson, the Company also represents other global manufacturers of agricultural machinery (Laverda, Schuitemaker, Hauer, Fella, Capello, Sulky, Dal-bo, Lindner, Agrolux, Feraboli, MaterMacc, Ilpersa, Permastore, GSI, Petkus, Giant, Sky) and sells their production. The Company maintains long-term mutually successful commercial relationship with the mentioned manufacturers of agricultural machinery, however, it has not formalised its agreements regarding sale-purchase of particular machinery in writing. Therefore, it is exposed to a risk that the Company's sales related to production of the mentioned manufacturers of agricultural machinery may go down after particular manufacturers terminate supply of their production. According to the estimates of the Company's management, this risk is small in the light of the facts that (a) it is difficult for new competitors to enter the market; (b) it is very unlikely that all the mentioned manufacturers of agricultural production will terminate cooperation with the Company at the same time; (c) the major part of the Company's revenue is generated from the sale of Massey Ferguson production.

Infrastructure risk. This risk arises from the fact that the Company rents premises for its operation from third parties, and it has not acquired ownership of such premises. The main administrative premises where the Company conducts its activity and the logistics warehouse is rented by the Company from one entity. The rent agreement has been concluded for the period of 5 (five) years by providing that the rent term begins on 1 January 2017. The Company exercises the priority right over other persons to extend the agreement after the expiry of the term, however, this does not eliminate the risk that the rent agreement may be terminated, or, after its expiry, it will not be renewed, and the Company will lose its principle premises where its activity is conducted.

Risk of losing the main shareholders' control. According to the Practica loan agreement, in the event of material breach, all voting rights and other non-property rights which are conferred by shares owned by the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas, will be transferred to Practica Venture Capital KŪB until full repayment of the granted loan.

Therefore, there is a risk that the main shareholders of the Company will lose the control over the Company. To minimize this risk, the Company and its principal shareholders will put effort to fulfil the provisions of the Practica loan agreement to full extent.

Market risk. This is a risk that the Company may incur loss due to unfavourable development of the market.

Competitive risk. This is a risk that competition in the market increases when new sellers of agricultural machinery competing with that sold by the Company enter the market.

Strategic risk. This risk arises due to external and internal factors which may have adverse impact on achievement of the Company's goals, consistency and continuity of the activity as a result of wrong estimate or absence thereof, failure to implement or unsuccessful implementation of the Company's strategic plans.

Interest rate risk. This is a risk that the Company's expenses related to payment for interest under the Swedbank credit agreement, the Practica loan agreement or other agreements regarding financial liabilities will increase as a result of change in the interest rate.

Liquidity risk. This is a risk that the Company will not be able to meet its financial obligations as they fall due.

Operating risk. It is a risk to incur loss due to improper implementation of the Company's internal control processes or failure to implement them, personnel's errors and illegal actions and disorders of the information systems, or due to impact of the external events. The main sources of the operational risk are as follows: human influence (illegal actions of the Company's personnel and those outside the Company); working conditions (breach of safe working conditions etc.); loss of property (fire, terrorism etc.).

Goodwill risk. It is a risk which may have a negative impact of the Company's income and equity due to unfavourable opinion about the Company's reputation which is formed by clients, parties of a transaction, investors.

Revenue risk. This risk arises from inefficient management, inability to secure adequate long-term profitability of the Company.

Risk of natural events. It is a risk that the Company's decrease in sales will result from bad weather conditions which have impact on poor harvest, which, accordingly, has a decisive influence on decrease of income and profitability of the main clients of the Company, i.e. farmers and companies engaged in agricultural activity. If the harvest is poor, farmers and agricultural companies tend to consider their financial liabilities with caution, therefore, a part of farmers refuses to purchase new agricultural machinery, or purchases used or cheaper machinery.

Political risk. It is a risk that the demand of agricultural machinery sold by the Company may reduce due to negative decisions in respect of business regulation, for example, payment of subsidies or grants, adopted by the Government or the Seimas, which influences the need of agricultural entities to invest in agricultural machinery.

4.2 The main risk factors related to acquisition of the New Shares

Placement risk. It is a risk that issuing of the New Shares made by the Company will not be fully placed. The issuing will not be considered as to have occurred if less than 125,000 units of the New Shares are placed, unless the Company and its shareholders Gediminas Kvietkauskas and Danas Šidlauskas alone decided otherwise. Having failed to place the issuing of the New Shares, agreements on subscription for the New Shares will be terminated without a separate expression of the Investors' will, whereas considerations paid by the Investors will be repaid to them within 7 (seven) working days after the Last Day of Placement of the New Shares.

Liquidity risk. It is a risk that Investors can incur loss when seeking to sell the held Shares as soon as possible or for quite a while. Liquidity and depth of the Lithuanian stock market contribute to the liquidity risk. However, taking into account that the issued Shares are planned to be enlisted for trading of First North, the alternative stock market of NASDAQ OMX, this risk will be reduced.

Listing risk. It is a risk that due to various reasons the Company may fail to enlist the Shares for trading of First North, the alternative stock market of NASDAQ OMX Vilnius, due to which secondary turnover of the Shares may become more difficult and it will be complicated for the Investors to sell the Shares. Furthermore, even if the Shares were enlisted for stock trading of First North, the alternative stock market of NASDAQ OMX Vilnius, active trading in the Company's shares might not form, which would also challenge sale thereof until the end of their redemption period.

Inflation risk. It is a risk that in the event of inflation the price of the Shares in the secondary market and the value may decrease.

Tax and legal risk. It is a risk that in the event of changes in legislation or the state taxation policy, the attractiveness of the Company's Shares may change in respect of all Investors or separate groups thereof, due to which liquidity and (or) price of the Shares may decrease.

5. Information about the publicly placed New Shares

5.1 Placed New Shares

The Company's issuing of the New Shares consists of 125,000 of newly issued Shares of the Company. The main information about issuing of the New Shares is as follows:

Type, class:	The Company's ordinary registered shares with the nominal value of EUR 1 each
Currency of the issuing:	EUR
Number of the offered New Shares:	125,000
Nominal value of each New Share:	EUR 1
Total nominal value of issuing of the New Shares:	EUR 125,000
The issuing price of each New Share:	EUR 24
The issuing price of all New Shares:	EUR 3,000,000
ISIN code	LT0000132060
Beginning of placement of the New Shares (beginning of concluding agreements on subscription for the New Shares):	3 April 2017
End of placement of the New Shares (the end of concluding agreements on subscription for the New Shares):	28 April 2017, i.e. 25 calendar days after beginning of placement of the New Shares.
Term for full payment for the New Shares applicable to the Unqualified	Within 3 business days as of the date of concluding an agreement on subscription for the New Shares,

Investors:	however, not later than until the end of placement of the New Shares, i.e. 28 April 2017.
Term for full payment for the New Shares applicable to the Qualified Investors:	Within 2 business days as of sending a notification about allocation of the New Shares to the Qualified Investors, however, not later than until 4 May 2017.
Date of allocation of the New Shares:	2 May 2017, i.e. within 1 business days after the end of placement of the New Shares.
Registration date of the New Shares:	Registration date of amended by the Company's Articles of Association in respect of increase of the Company‘s authorized capital by issuing the New Shares, however, not later than 17 May 2017.
Smallest number of the New Shares to be purchased by one Investor:	50 units
Maximum number of the New Shares to be purchased by one Investor:	41,666 units
Minimum number of the Shares to be placed in order to consider the issuing as fully completed:	125,000 units, unless the Company and its shareholders Gediminas Kvietkauskas and Danas Šidlauskas decided otherwise by a separate decision.
Planned beginning of listing the Shares in First North:	Until 22 May 2017

5.2 Basis and purpose of issuing of the New Shares

5.2.1 Basis of issuing of the New Shares

The basis of the Company‘s issuing of the New Shares is as follows: the decision of the Company's General Meeting dated 27 March 2017 according to which the Company's authorized capital should be increased from EUR 500,000 to EUR 625,000 by issuing the New Shares and offer such New Shares for subscription in the public.

5.2.2 Pricing principles of issuing of the New Shares

All Investors purchase the New Shares for EUR 24 per New Share. Cut in price will not apply.

The issuing prince of the New Shares has been fixed according to the decision of the Company's management.

5.2.3 Purposes of issuing the New Shares

According to the assessment of the Company's management, the purposes of issuing the New Shares are the following:

(a) ***Increasing the Company's market share in Lithuania.*** As it has been specified in Section 3.1.2 of this Reference Document, the Company plans to invest in opening of regional service centres. These centres are necessary to maintain sales in the tractor segment;

(b) ***Increasing the Company's working capital***. For further growth of the Company in Lithuania, it is necessary to fund the warehouse premises and guarantee adequate working capital during the high season periods;

(c) ***Long-term growth in other Baltic countries***. As it was indicated in Section 3.1.3 of this Reference Document, in 2018-2019 the Company plans expansion in Estonia and Latvia, therefore, the purpose of this issuing of the New Shares is to secure access to the capital markets in order to fund such expansion to the neighbouring countries by additional issuings;

(d) ***Raising visibility of the Company***. By publicly issuing the New Shares the Company seeks to increase its visibility in the market and raise attractiveness to investors;

(e) ***Payment of funds to the Company's shareholders.*** As it has been specified in Section 3.7.2 of the Reference Document, after issuing of the New Shares, dividends amounting to EUR 1 million will be allocated and paid out to all the Company's Shareholders (including the Investors).

5.3 Planned use of funds

The Company plans to use the funds received from issuing of the New Shares (i.e. 3 million EUR) for the following:

(a) development of regional centres described in Section 5.2.3(a) of this Reference Document: up to 1 million EUR;

(b) funding of working capital, as described in Section 5.2.3(c) of this Reference Document: 1 million EUR;

(c) pay-out of dividends, as described in Section 5.2.3(e) of this Reference Document: 1 million EUR.

5.4 Obligations undertaken by the Company and shareholders

5.4.1 Obligations regarding pay-out of dividends

The Company and its shareholders Gediminas Kvietkauskas and Danas Šidlauskas undertake to direct a part of funds related to issuing of the New Shares, amounting to 1 million EUR, towards allocation and pay-out of dividends to all the Company's shareholders (including the Investors), as described in Section 3.7.2 of this Reference Document.

5.4.2 Obligation regarding the optional tag-along right

The Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas (the **Transferring Shareholders**) assume an obligation in respect of the Investors and those persons who will acquire the New Shares from the Investors on the secondary market (the **Minority Shareholders**) that in case the Transferring Shareholders intend to transfer the Company's Shares held by them, accounting for more than 50 per cent of all the Company's Shares (the **Transferred Shares**) to a third party (the **Acquirer**), the Transferring Shareholders will submit a notice to the head of the Company and the Minority Shareholders about intended sale of the Transferred Shares (the **Sale Notice**), by indicating therein the main terms and conditions of such sale, including information about the potential Acquirer. The number of the Transferred Shares, the percentage of the holding in the Company's share capital, the price of each Transferred Share, term and conditions of payment/selling, the list of confirmations and guarantees submitted and other essential conditions of the planned sale.

Upon receipt of the Sale Notice, the Minority Shareholders will exercise the optional tag-along right (the **Optional Tag-Along Right**) to participate in sale of the Shares together with the Transferring Shareholders by expressing their wish to sell the Shares held by such Minority Shareholders together with the Transferred Shares sold by the Transferring Shareholders. When the Minority Shareholder expresses such wish, the Transferring Shareholders must guarantee that the Acquirer purchases the Shares held by other Minority Shareholders who expresses such wish together with the Transferred Shares (the **Optional Tag-Along Shares**) for the same price and under the same conditions which were agreed upon by the Transferring Shareholders and the Acquirer. The Minority Shareholder must notify the head of the Company and the Transferring Shareholders about his wish to exercise the Optional Tag-Along Right within a fixed term which should be at least 15 days and not longer than 30 days as of the date of sending the Sale Notice (the **Consent Period**), by notifying the Transferring Shareholder and the Company's head about it in writing. If the Minority Shareholder submits a notification about exercise of the Voluntary Tag-Along Right, the Transferring Shareholders do not have any right to transfer the Transferred Shares to the Acquirer, unless the Acquirer purchases the Optional Tag-Along Shares together with the Transferred Shares. Respective transactions of sale-purchase of the Shares must been made, the ownership of the Shares must be transferred to the Acquirer and the sale price of the Shares must be paid to the Transferring Shareholders and the Minority Shareholder exercising his Optional Tag-Along Right at the same time, under the terms and conditions specified in the Sale Notice. In the interest of clarity, if the Minority Shareholder exercises the Optional Tag-Along Right, he will have to submit and assume personal responsibility for confirmations and guarantees about the Shares held by the Minority Shareholder, their payment, legal acquisition and exempt from constraints, and confirmations and guarantees about the Company's activity typical to the market.

The Transferring Shareholders' obligation set out in Section 5.4.2 shall not apply in cases where:

(a) The Transferring Shareholders or any thereof intend to transfer the Shares held or a part thereof to each other.

(b) The Transferring Shareholders or any thereof intend to transfer the Shares held or a part thereof to a related party. The Related Party means (i) a party's spouse or partner under their registered or unregistered partnership, parents, foster-parents, brothers, half-brothers, sisters, half-sisters, children, foster-children, grandchildren or foster-children's children or foster-children and their spouses; and (ii) any other person directly or indirectly, including trough the persons specified above in item (i) or together with them, controlling such person, controlled by such person or controlled together with such person.

(c) The Transferring Shareholders or any thereof intend to transfer the Shares held or a part thereof by conducting public placement of the Shares and (or) enlisting the Shares for trading in the regulated markets.

5.4.3 Obligation to redeem the New Shares when the Company withdraws from First North

If, for whatever reason, the Company's main shareholders Gediminas Kvietkauskas and Danas Šidlauskas (the **Main Shareholders**) adopt a decision during the Company's General Meeting to terminate listing of the Shares in trading of First North (hereinafter the date of such decision is referred to as the **Withdrawal Date**), the Main Shareholders undertake to redeem all the New Shares from those Minority Shareholders (as they are described in Section 5.4.2 of this Reference Document) who will express a wish to sell the New Shares held by them to the Main Shareholders.

In such case, the Main Shareholders undertake to redeem the New Shares for the price fixed in accordance with the following principles:

(a) The purchase price of the New Shares must be not lower than the highest price of the Shares which were acquired by the Main Shareholders or any of them within the period of 12 months as of the Withdrawal Date, and not lower than the average weighted market value of the Shares on First North market during 6 months before the Withdrawal Date.

(b) If it is impossible to determine the price of the Shares following item (a), the price of the New Shares is determined taking into consideration the value of the New Shares fixed by an asset valuator from at least two perspectives (with regard to the percentage of the holding in the Company's share capital). The Company's head will select such an asset valuator at his own discretion.

The redemption price of the New Shares must be fixed within 30 days as of the Withdrawal Date. The Company's head must notify all the Minority Shareholders of the redemption price of the New Shares within the period of 15 days as of the date when the price was fixed, and, at the same time, present the basis for the pricing.

The Minority Shareholders must notify the Company's head of their right to sell the New Shares to the Main Shareholders within 15 days as of the date when the Company's head has sent a notification to the Minority Shareholders (the **Expiry of Exercise**). Sale-purchase transactions of the New Shares among the Main Shareholders and the Minority Shareholders who expressed their wish to sell the New Shares pursuant to Section 5.4.3 of this Reference Document must be concluded and the settlement for the New Shares must be made by paying the price in money within 3 months as of the Expiry of Exercise.

This item 5.4.3 of the Reference Document shall not apply if the reason for withdrawal from First North is listing of the Company's Shares on the regulated market of any country.

5.5 Rights conferred by the New Shares

The acquired New Shares will confer the same rights to all holders (Investors) of the New Shares of this issuing, as provided for by the Law on Companies of the Republic of Lithuania and other legislation effective in the Republic of Lithuania. After acquisition of the New Shares, the Investor becomes a shareholder of the Company. The Investor becomes a shareholder of the Company and acquires all property and non-property rights of a shareholder as of the date of registration of the Company's increased authorized capital by the nominal value of the New Shares with the Register of Legal Entities of the Republic of Lithuania and entry of records about acquisition of the New Shares in the Investors' personal securities accounts.

Each Investor who is (has become) the Company's shareholder shall be conferred the following property rights:

(a) to receive a part of the Company's profit (dividend);

(b) to receive the Company's funds when the authorised capital of the company is being reduced with a view to paying out the Company's funds to the shareholders;

(c) to receive shares of the Company without payment if the authorised capital is increased out of the Company's funds;

(d) to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the General Meeting decides to withdraw the pre-emption right for all the shareholders pursuant to procedure provided for in Law on Companies;

(a) to lend to the Company in the manner prescribed by law and under conditions prescribed by Law on Companies;

(b) to receive a part of assets of the Company in liquidation;

(c) other property rights established by Law on Companies of the Republic of Lithuania and other laws.

Each Investor who is (has become) the Company's shareholder shall be conferred the following non- property rights:

(a) to attend the General Meetings of the Company;

(b) to submit questions to the Company in advance regarding the matters on the agenda of the Company's General Meeting;

(c) to vote at General Meetings of the Company according to voting rights carried by their shares of the Company;

(d) to receive information about the Company as prescribed by laws;

(e) to file a claim with the court for reparation of damage resulting from the failure to discharge obligation or improper discharge of obligations prescribed by this Law and other laws and the Articles of Association of the Company, as well as in other cases laid down by laws, by the Company's head and the Board members;

(f) other non-property rights established by Law on Companies of the Republic of Lithuania and other laws.

5.6 Procedure for placement of the New Shares

5.6.1 Placement of the New Shares

The placement of the New Shares is understood as offering the New Shares to the Investors and conclusion of agreements on subscription for the New Shares with Investors.

The New Shares will be placed in Lithuania, Latvia and Estonia:

(a) In Lithuania, the New Shares will be placed publicly on the basis of this Reference Document;

(b) In placement of New Shares in Latvia and Estonia, pursuant to Article 3(2)(b) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC with latest amendments made by Directive 2010/78/EC of the European Parliament and of the Council of 24 November 2010, the offer of the New Shares will be addressed to fewer than 150 Investor in each country separately, therefore, a prospectus on the New Shares or any other substitute document will not be prepared.

An agreement on subscription for the New Shares shall be concluded only by (i) the Unqualified Investor whose securities account has been opened and managed by the Certified Adviser, and (ii) the Qualified Investor, whose personal securities account has been opened and managed by the Certified Adviser or any other person authorized to conduct activity of managing securities accounts in the Republic of Lithuania, the Republic of Estonia or Republic of Latvia.

Agreements on opening and management of securities accounts may be concluded with the Certified Adviser in any firm of the Certified Adviser, located at the addresses specified in item **Error! Reference source not found.**(a)-(b).

In Lithuania, the New Shares issued by the Company will be placed publicly, concluding agreements on subscription for the New Shares with the Investors willing to acquire the New Shares. The placement of New Shares will be carried out with the help of advertising in the media, as well as other in other dissemination channels (i.e. media and online media, web portals, blogs and social networks etc.).

To secure successful placement of the New Shares in Lithuania and provide maximum of information to potential Investors, all public information concerning the New Shares will be made publicly available before the beginning of placement of the New Shares.

The entity placing the New Shares is the Company. The Company will hire the Certified Adviser for placement of the New Shares.

5.6.2 Subscription for the New Shares

The Investor seeking to subscribe for and acquire the New Shares, must conclude an agreement on subscription for the New Shares with the Company following the form prepared by the Company.

Agreements on subscription for the New Shares may be signed as follows:

(a) when the Investor arrives at the office of the Certified Adviser located at A. Tumėno g. 4, Vilnius, Business Centre Vilniaus Vartai, floor 7, e-mail ipo@orion.lt, on working days at 8.30-17.30;

(b) when the Investor arrives at the office of the Certified Adviser located at Mindaugo pr. 50, Kaunas, e-mail ipo@orion.lt, on working days at 8.30-17.30;

(c) when the Investor located in Estonia or Latvia arrives at the head office of AS Redgate Capital, legal entity code 11532616, located at Parnu St 10, Tallinn, Estonia, as AS Redgate Capital will be authorized to collect documents and information from the Investors needed to conclude agreements on subscription for New Shares on the Certified Adviser's behalf;

(d) by submitting originals and copies of the Investor's documents needed for subscription for the New Shares at the contact addresses indicated in item (a) and (c) above. The Certified Adviser may require that the Investor submitted additional documents which are necessary for the Investor to legally subscribe for the New Shares. Thus, in case the Investor refuses to submit such additional documents, an agreement on subscription for the New Shares concluded with him may be terminated unilaterally without a separate notice.

Neither the Company's shareholders nor other persons are granted a right to pre-emptive subscription for the newly issued New Shares (this right was cancelled for the Company's shareholders having adopted a decision of the Company's General Meeting to issue the New Shares dated 27 March 2017, and the Company's creditor Practica Venture Capital KŪB waived its priority right to invest into the Company under the Practica loan agreement).

The New Shares will be treated as subscribed for as of the date of signing an agreement on subscription for the New Shares between the Company and the Investor.

The beginning of placement of the New Shares (the beginning of signing agreements on subscription for the New Shares) is 3 April 2017. The end of placement of the New Shares (the end of signing agreements on subscription for the New Shares) is 28 April 2017, i.e. 25 calendar days after the beginning of placement of the New Shares. The placement of the New Shares may be terminated before term if the whole issuing of the New Shares (i.e. 125,000 units of Shares) is placed (subscribed for) before the end of placement of the New Shares.

5.6.3 Payment for the New Shares

The issuing price of one New Share is 24 EUR. Specific consideration for the subscribed New Shares payable by the Investor is calculated by multiplying the number of the New Shares subscribed by the Investor under the agreement on subscription for the New Shares by the issuing price of one New Share.

The New Shares must be paid up in Euro. The New Shares may be paid up only by transfer (i.e. cash for the New Shares will not be accepted). The Investor shall transfer the consideration for the subscribed New Shares to the account specified below.

Details about the account to which the issuing price for the New Shares subscribed shall be transferred and the payment instruction are as follows:

(a) FMĮ UAB Orion Securities account No LT74 7044 0600 0602 4115, opened in the bank SEB Bankas, bank code 70440, SWIFT code (BIC) CBVILT2X;

(b) The following shall be indicated in the field of purpose of payment: payment for new shares of AB East West Agro.

Consideration for the subscribed New Shares shall be paid by:

(a) The Unqualified Investors within 3 (three) business days as of the date of concluding the agreement on subscription for the New Shares, however not later than until the end of placement of the New Shares, i.e. until 28 April 2017;

(b) The Qualified Investors within 2 (two) business days as of the date of sending the notification about distribution (allocation) of the New Shares among particular Qualified Investors, however, not later than until 4 May 2017.

In case where the Investor who has concluded an agreement on subscription for the New Shares fails to make a payment for the New Shares in accordance with the above-mentioned procedure, such agreement, without any separate expression of will of the parties to the agreement, will automatically be terminated and will cease to be valid. In case where the Investor who has concluded an agreement on subscription for the New Shares within the period for payment for the New Shares pays only a part of the issuing price of the New Shares subscribed for, such agreement, without any separate expression of will of the parties to the agreement, will automatically be terminated and will cease to be valid. In cases specified in this section, the Company repays the sums paid to the Investor within the period of 7 business days as of the end of the date of distribution (allocation) of the New Shares. With reference to the procedure specified herein, it is pointed out that the provisions of Article 45(12) of the Law on Companies of the Republic of Lithuania according to which if a subscriber fails to pay for the shares within the time limit set in the share subscription agreement, (i) it shall be deemed that the company itself acquired the shares and that the share subscription agreement entered into with that person is void; the contributions for the shares subscribed shall not be returned, (ii) the company must, within 12 months after the expiry of the time period laid down for share subscription, divest of the shares to other persons or reduce the authorised capital by cancelling the shares, shall not be applied.

If the agreement on subscription for the New Shares concluded with the Investor is terminated on other basis, the Company undertakes to repay the Investor the whole consideration paid for the New Shares. In case following section 5.6.4 of this Reference Document less of the New Shares were distributed to the Investor than it had been subscribed for by the Investor under the agreement on subscription for the New Shares, the Company would repay the Investor the consideration by transfer in proportion to the amount of the non-distributed New Shares. The sums specified in this section will be transferred to the Investor within 7 business days as of the date of the end of distribution (allocation) of the New Shares to the Investor's account from which the Investor transferred the funds to the Company.

Without any separate notice, the Company shall have a right to unilaterally terminate the concluded agreement on subscription of the New Shares with any of the Investors. When the Company terminates the agreement on subscription of the New Shares concluded with the Investor, the Company shall return the consideration for the New Shares paid by him within 7 business days as of the date of the end of distribution (allocation) of the New Shares to the Investor's account from which the Investor transferred the funds to the Company.

Interest charge for the Investor's funds paid under the agreements on subscription of the New Shares shall not apply.

5.6.4 Distribution of the New Shares to the Investors

The date of allocation (distribution) of the New Shares is 2 May 2017, i.e. within 1 (one) business day after the end of placement of the New Shares. Distribution of the New Shares to the Investors will be performed by the Company at its absolute discretion, having consulted with the Certified Adviser. The Company's decisions regarding distribution of the New Shares are binding on all the Investors. The Company will notify the Qualified Investors of distribution of the New Shares (or a decision not to distribute the New Shares) at their given e-mail addresses within 1 (one) business day as of allocation (distribution) of the New Shares. The Company will notify the Unqualified Investors of distribution (allocation) of the New Shares within 1 (one) business day as of allocation (distribution) of the New Shares by placing a public notice on the Company's website www.ewa.lt, specifying the proportion of the New Shares (i.e. 100 per cent or less) of the number of the New Shares subscribed by the Unqualified Investors is distributed to each Unqualified Investor.

If during the period of distribution of the New Shares the number of the New Shares subscribed for, paid-up and distributed coincides with the number of the New Shares to be issued (i.e. 125,000 units of New Shares), then the number of New Shares subscribed for and paid-up by the Investors under the agreements on subscription for the New Shares will be distributed to all of them (both the Qualified Investors and Unqualified Investors).

If during the period of distribution of the New Shares the number of the New Shares subscribed for is higher than the number to be issued (more than 125,000 New Shares), the Company will have an absolute right of its own discretion, having consulted with the Certified Adviser, to distribute the New Shares to the Investors and decide to which of them the New Shares will be distributed and in what proportion, and which agreements on subscription for the New Shares concluded with Investors will be terminated. However, in distribution of the New Shares the Company will seek to follow the following procedure for distribution of the New Shares to the Investors:

(a) First, the New Shares will be distributed to the Qualified Investors. The Company having its right of absolute discretion will decide to which Qualified Investors and in what proportions their subscribed and paid-up New Shares will be distributed. If the Company, exercising its right of discretion, decides that the New Shares will not be distributed to some of the Qualified Investors, the Company will unilaterally terminate the agreements on subscription for the New Shares concluded with such Qualified Investors without any period of notice.

(b) Second, the New Shares which were not distributed to the Qualified Investors or unsubscribed and (or) unpaid by the Qualified Investors will be distributed to the Unqualified Investors. If the Unqualified Investors conclude agreements on subscription for the New Shares regarding acquisition of a higher number of New Shares than it was to be distributed to the Unqualified Investors, the Company will not grant a right of pre-emption to any Unqualified Investor in respect of other Unqualified Investors, and the number of New Shares acquired by each Unqualified Investor will be proportionally reduced. Therefore, it is likely that the Unqualified Investor will acquire a proportionally lower number of New Shares subscribed for than he subscribed for under a specific agreement on subscription for the New Shares. For the avoidance of doubt, it is hereby confirmed that in case the Qualified Investors subscribe for, pay up the New Shares and the Company will decide to distribute all the New Shares to them, the New Shares subscribed and paid-up by the Unqualified Investors will not be distributed to them, the ownership of such New Shares will not be granted and all the agreements concluded by the Unqualified Investors regarding subscription for the New Shares, without any separate expression of the Parties', will be automatically treated as terminated and repealed.

(c) As the Investors can acquire only a whole number of the New Shares, if the number of the New Shares proportionally distributed to the Unqualified Investors is not a whole number of the New Shares (i.e. following a decimal point), then the New Shares will be distributed following the principle of proportionality as much as possible in order only a whole number of the New Shares would be distributed to the Unqualified Investors. If in distribution of the New Shares a number of the New Shares remains undistributed, which cannot be distributed to the Unqualified Investors in whole numbers, such remaining New Shares will be allocated to (not exceeding the number of the New Shares subscribed by the Unqualified Investor): (i) the Unqualified Investor which under the agreement on subscription for the New Shares was seeking to acquire the largest number of the New Shares compared to all the Unqualified Investors, or (ii) the Unqualified Investors which under agreements on subscription for the New Shares were seeking to acquire the largest number of New Shares, and their numbers of New Shares that they were seeking to acquire is the same (in this case, the Company at its own discretion will distribute the remaining New Shares to such Unqualified Investors, if the remaining number cannot be divided into equal parts).

Upon conclusion of the agreement on subscription for the New Shares, all Investors will have to confirm their understanding that a number of the New Shares distributed to them may be lower than that subscribed for and paid-up, or that the New Shares may not be allocated to them at all.

The Company enjoys an absolute right of discretion to: (i) refuse to conclude the agreement on subscription for the New Shares with any of the Investors, and (ii) allocate the New Shares to the Investors.

In case until the end of placement of the New Shares not all the New Shares are subscribed for and paid-up (i.e. less than 125,000 New Shares), the New Shares will not be issued, the issuing of the New Shares will be considered as not taken up on issue and cancelled, and the Company's authorized capital will not be increased, unless otherwise decided by a separate decision of the Company's shareholders Danas Šidlauskas and Gediminas Kvietkauskas, i.e. that the quantity of issuing of the New Shares will be equal to the number of the New Shares actually subscribed for and paid-up. If in case, as specified in this item, the New Shares are not issued, the Company's authorized capital will not be increased, all the agreements on subscription for the New Shares concluded between the Company and the Investors will be automatically considered as terminated and repealed without a separate expression of the parties' will.

The fact about the cancelled issuing will be published on the Company's website www.ewa.lt within 3 business days as of the end of placement of the New Shares. The Company will repay by transfer all the sums paid by the Investors before that within the period of 7 business days as of the last day of placement of the New Shares.

In any case of repaying the consideration to the Investor, the funds will be transferred to the Investor's account from which the Investor transferred the funds to the Company.

5.6.5 Placement and ownership of the New Shares

The New Shares are placed by increasing the Company's authorized capital, therefore, the New Shares will be considered as taken up on issue if the Investor, having concluded the agreement of subscription for the New Shares, pays them up following the terms and procedure laid down in the agreement of subscription for the New Shares, and the amended Company's Articles of Association are registered which reflect the increased authorized capital of the Company by issuing all the New Shares (or a part thereof).

The ownership of the New Shares subscribed and paid-up is transferred to the Investors when (i) the Company's Articles of Association are registered whereby the increased authorized capital of the Company is registered, and (ii) the ownership of the New Shares is recorded in the Investor's personal securities account.

Personal securities accounts are opened and managed for all Unqualified Investors by the Certified Adviser with whom the Company has concluded the agreement on organisation of public placement No ORN-EWA20160511-1, while the personal securities accounts of the Qualified

Investors are managed by a manager of personal securities accounts of their choice.

After the Company has registered the increase in the authorized capital with the Register of Legal Entities of the Republic of Lithuania, the Certified Adviser within the period of 3 working days will enter relevant records in the Investors' (the personal securities accounts whereof are managed by the Certified Adviser) confirming the Investor's ownership of the New Shares subscribed for and paid-up.

5.6.6 Provision of information

Information about the beginning and the end of placement of the New Shares, as well as other placement related events, will be provided at the addresses of the Certified Adviser (i) Tumėno g. 4, Vilnius, Business Centre Vilniaus Vartai, floor 7, phone +370 5 231 3833, e-mail info@orion.lt, and (ii) Mindaugo pr. 50, Kaunas, Žalgiris Arena, phone +370 687 73332, e-mail info@orion.lt, and published in the Company's website: www.ewa.lt.

5.6.7 Listing of the Shares

Subsequent to full placement of the New Shares and registration of the increase in the Company's authorized capital by the nominal value of the New Shares, the Company intends to apply for admission of all the Shares (including the New Shares) to the listing of the alternative securities market First North of NASDAQ OMX. After complete placement of issuing of the New Shares, secondary turnover of the New Shares will not be restricted.

5.7 Agreements concluded by the Company in regard to public placement of the New Shares and accounting of the Shares

On 11 May 2016, the Company concluded the Agreement No ORN-EWA20160511-1 with a Certified Adviser regarding organisation of public placement. The agreement is valid until 11 May 2017.

On 7 March 2017, the Company concluded the Agreement No ORN-EWA20170309-1 with a Certified Adviser, under which the mentioned company was appointed a manager of the Company's securities accounts. The agreement is valid for indefinite period of time.

On 21 March 2017, the Company concluded the Agreement No ORN-EWA20170321-1 with a Certified Adviser regarding provision of services of the Certified Adviser related to the admission of the Company's shares to trading in First North market. The agreement is valid for indefinite period of time.

6. Annexes

The following annexes are attached to this Reference Document:

(a) The Company's annual financial statements with the auditor's report for the year 2015;

(b) The Company's annual financial statements with the auditor's report for the year 2016.

7. Confirmations of responsible persons

The Company's Director General, the Company's shareholders Gediminas Kvietkauskas and Danas Šidlauskas, and the Certified Adviser, which, at the same time, provides services of accounting of the Company's securities, are responsible for fairness and completeness of information presented in this Reference Document.

I, Gediminas Kvietkauskas, Director General of the Company, the Board member and a shareholder, confirm that, as to my knowledge, the information presented in this Reference Document gives a true and fair view and no material information has been omitted.

/signature/
Gediminas Kvietkauskas
Director General, the Board member and
a shareholder of AB East West Agro

I, Danas Šidlauskas, the Board member and a shareholder of the Company, confirm that, as to my knowledge, the information presented in this Reference Document gives a true and fair view and no material information has been omitted.

/signature/
Danas Šidlauskas
Board member and a shareholder of
AB East West Agro

I, Alius Jakubėlis, Director of the Certified Adviser, FMĮ UAB Orion Securities, company code 122033915, confirm that, as to my knowledge, the information presented in this Reference Document gives a true and fair view and no material information has been omitted.

/signature/
Alius Jakubėlis
Director of FMĮ UAB Orion Securities