



Linus AB

Company code 147689083
S. Kerbedžio 23, Panevezys

November 30, 2017

CONFIRMATION OF RESPONSIBLE PERSONS

Following 22 article of the Law of Securities of Lithuanian Republic and acc.to the requirements of the Board of Lithuanian Bank regulations for periodic and additional information submission and presentation, we, Daiva Minkeviciene, director of Linas AB, and Ausra Silinyte, chief accountant of Linas AB, hereby confirm that, to the best of our knowledge, interim consolidated financial statements of Linas AB Group of companies of the nine months of 2017 prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The interim consolidated financial statements of the nine months of 2017 give a true and fair view of Linas AB and consolidated property of Group of companies, liabilities, financial position, profit (loss) and cash flows. Interim financial statements were not audited.

Director of Linas AB



Chief accountant of Linas AB



A handwritten signature in blue ink, appearing to be "Daiva Minkeviciene".

Daiva Minkeviciene

A handwritten signature in blue ink, appearing to be "A. Silinyte".

Ausra Silinyte



LINAS AB
INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
OF THE NINE MONTHS OF 2017

2017 09 30

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Formulated according to TFAS, not audited

Current period 01 01 2017 - 30 09 2017

EUR

Article No.	Article	2017-09-30	2016-12-31
	Assets		
A.	Fixed assets	3.553.455	3.254.560
1.	Intangible assets	25.759	31.173
1.1.	Assets arising from development	0	0
1.2.	Goodwill	0	0
1.3.	Software	25.759	31.173
1.4.	Concessions, patents, licences, trade marks and similar rights	0	0
1.5.	Other intangible assets	0	0
1.6.	Advance payments	0	0
2.	Tangible assets	2.227.200	1.907.085
2.1.	Land	0	0
2.2.	Buildings and structures	1.324.617	1.395.166
2.3.	Machinery and plant	421.773	341.963
2.4.	Vehicles	48.013	53.932
2.5.	Other equipment, fittings and tools	16.896	12.524
2.6.	Investment property	415.901	0
2.6.1.	Land	415.901	0
2.6.2.	Buildings	0	0
2.7.	Advance payments and tangible assets under construction (production)	0	103.500
3.	Financial assets	1.300.243	1.316.049
3.1.	Shares in entities of the entities group	0	0
3.2.	Loans to entities of the entities group	0	0
3.3.	Amounts receivable from entities of the entities group	0	0
3.4.	Shares in associated entities	0	0
3.5.	Loans to associated entities	1.268.306	1.284.099
3.6.	Amounts receivable from the associated entities	31.581	31.581
3.7.	Long-term investments	290	290
3.8.	Amounts receivable after one year	66	79
3.9.	Other financial assets	0	0
4.	Other fixed assets	253	253
4.1.	Assets of the deferred tax on profit	253	253
4.2.	Biological assets	0	0
4.3.	Other assets	0	0
B.	Current assets	6.723.074	7.259.916
1.	Stocks	4.610.093	3.974.070
1.1.	Raw materials, materials ir consumables	2.591.079	2.292.200
1.2.	Production and work in progress	67.488	17.826
1.3.	Finished goods	1.902.843	1.522.539
1.4.	Goods for resale	4.919	821
1.5.	Biological assets	0	0
1.6.	Fixed tangible assets held for sale	0	0
1.7.	Advance payments	43.764	140.684
2.	Amounts receivable within one year	1.563.378	3.057.565
2.1.	Trade debtors	1.199.136	2.218.823
2.2.	Amounts owed by entities of the entities group	0	0
2.3.	Amounts owed by associates entities	58.755	615.097
2.4.	Other debtors	305.487	223.645
3.	Short-term investments	0	0
3.1.	Shares in entities of the entities group	0	0
3.2.	Other investments	0	0
4.	Cash and cash equivalents	549.603	228.281
C.	Prepayments and accrued income	22.948	38.713
	Total assets	10.299.477	10.553.189

Article No.	Article	2017-09-30	2016-12-31
	Equity and liabilities		
D.	Equity	7.700.761	7.355.651
1.	Capital	6.971.307	6.971.307
1.1.	Authorised (subscribed) or primary capital	6.971.307	6.971.307
1.2.	Subscribed capital unpaid (-)	0	0
1.3.	Own shares (-)	0	0
2.	Share premium account	0	0
3.	Revaluation reserve	0	0
4.	Reserves	170.290	170.290
4.1.	Compulsory reserve	290	290
4.2.	Reserve for acquiring own shares	0	0
4.3.	Other reserves	170.000	170.000
5.	Retained profit (loss)	559.164	214.054
5.1.	Profit (loss) for the reporting year	345.110	649.114
5.2.	Profit (loss) brought forward	214.054	(435.060)
6.	Adjustments due to exchange rate change	0	0
7.	Non-controlled part	0	0
E.	Grants, subsidies	0	737
F.	Provisions	0	0
1.	Provisions for pensions and similar obligations	0	0
2.	Provisions for taxation	0	0
3.	Other provisions	0	0
G.	Amounts payable and other liabilities	2.598.716	3.188.591
1.	Amounts payable after one year and other long-term liabilities	663.158	663.158
1.1.	Debenture loans	0	0
1.2.	Amounts owed to credit institutions	663.158	663.158
1.3.	Payments received on account	0	0
1.4.	Trade creditors	0	0
1.5.	Amounts payable under the bills and checks	0	0
1.6.	Amounts payable to the entities of the entities group	0	0
1.7.	Amounts payable to the associated entities	0	0
1.8.	Other amounts payable and long-term liabilities	0	0
2.	Amounts payable within one year and other short-term liabilities	1.935.558	2.525.433
2.1.	Debenture loans	0	0
2.2.	Amounts owed to credit institutions	44.211	176.842
2.3.	Payments received on account	23.734	45.780
2.4.	Trade creditors	775.956	687.762
2.5.	Amounts payable under the bills and checks	0	0
2.6.	Amounts payable to the entities of the entities group	0	0
2.7.	Amounts payable to the associated entities	792.590	1.205.064
2.8.	Liabilities of tax on profit	0	25.681
2.9.	Liabilities related to employment relations	207.288	261.329
2.10.	Other amounts payable and short-term liabilities	91.779	122.975
H.	Accruals and deferred income	0	8.210
	Total equity and liabilities	10.299.477	10.553.189

Director



Daiva Minkeviciene

Chief accountant



Ausra Silinyte

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

Formulated according to TFAS, not audited
Current period 01 01 2017 - 30 09 2017

EUR

Article No.	Article	01-09 months of 2017	01-09 months of 2016	III rd quarter of 2017	III rd quarter of 2016
1.	Net turnover	9.280.722	9.236.138	2.683.409	2.914.832
1.1.	Income for sold goods	9.102.535	8.854.089	2.630.324	2.839.922
1.2.	Income for sold services	178.187	382.049	53.085	74.910
2.	Cost of sales	(7.553.287)	(7.447.563)	(2.196.105)	(2.394.666)
2.1.	Cost price of sold production	(7.448.138)	(7.212.232)	(2.165.114)	(2.351.703)
2.2.	Cost price of sold services	(105.149)	(235.331)	(30.991)	(42.963)
3.	Fair value adjustments of the biological assets	0	0	0	0
4.	GROSS PROFIT (LOSS)	1.727.435	1.788.575	487.304	520.166
5.	Selling expenses	(579.534)	(496.955)	(163.205)	(151.843)
6.	General and administrative expenses	(957.473)	(921.886)	(306.323)	(325.599)
7.	Other operating results	180.702	190.995	66.116	77.929
7.1.	Income	701.721	808.150	192.492	229.198
7.2.	Expenses	(521.019)	(617.155)	(126.376)	(151.269)
8.	Income from investments to the shares of parent, subsidiaries and associated entities	0	0	0	0
9.	Income from other long-term investments and loans	26.640	26.738	8.977	8.978
10.	Other interest and similar income	2	3	0	0
11.	The impairment of the financial assets and short-term investments	0	0	0	0
12.	Interest and other similar expenses	(52.662)	(7.213)	(17.798)	(539)
13.	PROFIT (LOSS) BEFORE TAXATION	345.110	580.257	75.071	129.092
14.	Tax on profit	0	0	0	0
15.	PROFIT (LOSS) BEFORE NON-CONTROLLED PART	345.110	580.257	75.071	129.092
16.	NON-CONTROLLED PART	0	0	0	0
17.	NET PROFIT (LOSS)	345.110	580.257	75.071	129.092
18.	OTHER COMPREHENSIVE INCOME	0	0	0	0
19.	Earnings (loss) per share	0,01	0,02	0,00	0,01

Director



Daiva Minkeviciene

Chief accountant



Ausra Silinyte

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Current period 01 01 2017 - 30 09 2017

EUR

	Paid up authorised capital	Share premium account	Own shares (-)	Revaluation reserve (results)		Legal reserve		Other reserve	Retained profit (loss)	Adjustments due to exchange rate change	Non-controlled part	Total
				Fixed tangible assets	Financial assets	Compulsory reserve	Reserve for acquiring own shares					
	1	2	3	4	5	6	7	8	9	10	11	12
Remainder on 31 December, 2015	6.971.307	0	0	0	0	290	0	173.772	(441.761)	0	0	6.703.608
Correction result of major errors									2.929			2.929
Recalculated remainder on 31 December, 2015	6.971.307	0	0	0	0	290	0	173.772	(438.832)	0	0	6.706.537
Profit (loss) not recognised in the statement of profit or loss and other comprehensive income												0
Net profit (loss) of the reporting period									580.257			580.257
Formed reserves								170.000	(170.000)			0
Liquidates reserves								(173.772)	173.772			0
Remainder on 30 September, 2016	6.971.307	0	0	0	0	290	0	170.000	145.197	0	0	7.286.794
Profit (loss) not recognised in the statement of profit or loss and other comprehensive income												0
Net profit (loss) of the reporting period									68.857			68.857
Formed reserves												0
Liquidates reserves												0
Remainder on 31 December, 2016	6.971.307	0	0	0	0	290	0	170.000	214.054	0	0	7.355.651
Profit (loss) not recognised in the statement of profit or loss and other comprehensive income												0
Net profit (loss) of the reporting period									345.110			345.110
Formed reserves								170.000	(170.000)			0
Liquidates reserves								(170.000)	170.000			0
Remainder on 30 September, 2017	6.971.307	0	0	0	0	290	0	170.000	559.164	0	0	7.700.761

Director



Daiva Minkeviciene

Chief accountant



Ausra Silinyte

CONSOLIDATED STATEMENT OF CASH FLOWS

Current period 01 01 2017 - 30 09 2017

Formed in direct pattern, not audited

EUR

Article No.	Articles	01-09 months of 2017	01-09 months of 2016
I.	Cash flows from operating activities		
I.1.	Cash inflows of the reporting period (VAT included)	11.319.607	10.076.805
I.1.1.	Cash inflows from customers	11.034.529	9.944.197
I.1.2.	Other inflows	285.078	132.608
I.2.	Cash outflows of the reporting period	(10.818.211)	(9.192.502)
I.2.1.	Cash paid to suppliers of raw materials, goods and services (VAT included)	(9.490.789)	(8.006.218)
I.2.2.	Cash outflows related to employment relations	(1.157.895)	(1.073.467)
I.2.3.	Taxes paid into the budget	(69.208)	(25.454)
I.2.4.	Other payments	(100.319)	(87.363)
	Net cash flows from operating activities	501.396	884.303
II.	Cash flows from investing activities		
II.1.	Acquisition of fixed assets (excluding investments)	(46.345)	(227.180)
II.2.	Disposal of fixed assets (excluding investments)	0	0
II.3.	Acquisition of long-term investments	0	0
II.4.	Disposal of long-term investments	0	0
II.5.	Loans granted	0	0
II.6.	Loans recovered	38.433	0
II.7.	Dividends received	0	0
II.8.	Interest received for loans granted and investment	0	0
II.9.	Other increases in cash flows from investing activities	170	0
II.10.	Other decreases in cash flows from investing activities	0	0
	Net cash flows from investing activities	(7.742)	(227.180)
III.	Cash flows from financing activities		
III.1.	Cash flows related to entity's owners	0	0
III.1.1.	Issue of shares	0	0
III.1.2.	Owner's contributions to cover losses	0	0
III.1.3.	Purchase of own shares	0	0
III.1.4.	Dividends paid	0	0
III.2.	Cash flows related to other financing sources	(155.535)	(1.031)
III.2.1.	Increase in financial debts	418.065	0
III.2.1.1.	Loans received from credit institutions	418.065	0
III.2.1.2.	Loans received from associated and third parties	0	0
III.2.1.3.	Issue of bonds	0	0
III.2.2.	Decrease in financial debts	(573.600)	(1.031)
III.2.2.1.	Loans returned to credit institutions	(550.696)	0
III.2.2.2.	Loans returned to associated and third parties	0	0
III.2.2.3.	Redemption of bonds	0	0
III.2.2.4.	Interest paid	(22.904)	(1.031)
III.2.2.5.	Finance leases payments	0	0
III.2.3.	Interests received for bank accounts	0	0
III.2.4.	Increase in other liabilities of the entity	0	0
III.2.5.	Decrease in other liabilities of the entity	0	0
III.3.	Other increases in cash flows from financing activities	0	808
III.4.	Other decreases in cash flows from financing activities	(727)	(149)
	Net cash flows from financing activities	(156.262)	(372)
IV.	Adjustments due to exchange rates on the balance of cash and cash equivalents	(16.070)	(1.455)
V.	Increase (decrease) of net's cash flows	321.322	655.296
VI.	Cash and cash equivalents at the beginning of the period	228.281	336.986
VII.	Cash and cash equivalents at the end of the period	549.603	992.282

Director



Daiva Minkeviciene

Chief accountant



Ausra Silinyte

EXPLANATORY MEMORANDUM OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

30 September, 2017

1. General

The Linas company was launched in 1957. A public limited company Linas (further called the Company) was registered on 8 March, 1993, the number of registration is 003429, registration code 147689083, the data are stored with the Register of Legal Entities. The Company is the company of limited property liability. Address: S.Kerbedzio Street 23, Panevezys; LT-35114. Telephone (370-45) 506100, fax (370-45) 506345. E-mail address: office@linas.lt; web page: www.linas.lt.

As of 30th of September, 2017, the Linas AB group of companies (further called as the Group) consisted of holding company Linas AB and it's affiliated company UAB Lino apdaila. UAB Lino apdaila was registered on May 23, 2008 at Legal entity register, registration No.114552, company code 301733421. Affiliated company is registered at address S. Kerbedzio Street 23, Panevezys. AB Linas own 100 % of affiliated company shares.

The shares of Linas AB are included into the current sales list of AB NASDAQ OMX Vilnius.

Authorized capital of Linas AB is 6.971.307,10 Eur, it is divided into 24.038.990 ordinary registered shares the nominal value of which is 0,29 Eur, there are no issued and not paid shares. There were no changes in authorized capital during accounting period.

The Company and its affiliated company do not have subsidiaries and representatives.

On 30th of September, 2017 the average number of listed employees of the Group was 159, on 30th of September, 2016 – 155 employees.

The main activity of the Group – sales of textile items and supply of textile production services. AB Linas activity is sales of linen textile items; other activity of the company – management of financial asset (shares and lend loans), supply of thermal energy, rent of property. The main activity of UAB “Lino apdaila” is the supply of textile production services, i.e. sewing services of textile products. All textile production weaving, finishing, linen yarns dyeing services supplied to the Group by the third parties.

Linus AB group of companies offers to the customer all yarn dyeing, weaving, finishing and sewing services from the linen yarn preparation for weaving to final product presentation. The main incomes of Group of companies of nine months of year 2017 were received from the services of textile items production and textile items sales activities. Linas AB group of companies sold linen

textile goods and services for 9.281 thousand Eur during the 9 months of 2017. Comparing to the 9 months of 2016 the volume of sales increased by 45 thousand Eur or 0,5 %.

During the 9 months of 2017 the Group's main activity result was 190 thousand Eur profit and the result of the 9 months of 2016 was 370 thousand Eur profit.

During the 9 months of year 2017 the Group ordered to produce or to treat technologically: linen and tow yarns – 56 tons (9 months of year 2016 – 65 tons); raw fabrics – 579 thousand mtrs (9 months of year 2016 – 627 thousand mtrs); ready made fabrics – 1.536 thousand mtrs (9 months of year 2016 – 1.575 thousand mtrs). 32,7 % of all produced fabrics were used for sewn items during 9 months of year 2017 (9 months of year 2016 – 36,2 %).

During 9 months of year 2017 the Group produced 917 thousand pcs sewn items (during 9 months of year 2016 – 901 thousand pcs), using 541 thousand mtrs of ready made fabrics (during 9 months of year 2016 – 564 thousand mtrs). The volume of exports during 9 months of 2017 was 81,2 % of the total product sales.

Increase in prices of basic raw materials purchased and increased sales, general and administrative costs has affected results of Group main activities for 9 months of the year 2017 as compared to the same period of the year 2016.

AB "Linus" Group of companies offers linen, half linen, white, dyed, printed, jacquard, double-sided, striped and checked fabrics, various fabric weaving and finishing methods for home textile and garments. 43,5 % of all products are sold as sewn items. Produced items are ecologically clean and have exceptional characteristics. AB "Linus" group of companies produces and supplies reliable linen textile items for the customers who evaluate natural and modern combination, high quality of products, flexibility, production acc.to the individual orders, execution speed of orders.

During nine months of 2017 the Group received 345 thousand Eur profit before taxation, the result of the same period of 2016 was 580 thousand Eur profit.

145 thousand Eur credit sum is granted to the Company acc.to the account lending contract which was signed between the bank and AB "Linus" on 2012 04 10. Company's reserves, the balancing value of which are 1.448 thousand Eur acc.to the mortgage sheets, are mortgaged for the credit sum. UAB "Lino apdaila" is guarantee for all credit sum and term to ensure credit sum. The validation term of account credit contract is till March 31, 2018. Alternate interests are paid for used credit, which are accounted as three months term Eur EURIBOR plus bank margin.

Acc.to the financial obligations limit contract signed between the bank and AB "Linus" on 07 10 2013, the credit of 290 thousand Eur is granted to the Company, for which company resources are mortgaged with the latest mortgage, the balance value of which acc.to the mortgage sheets are 1.448 thousand Eur. For the insurance of credit sum the warranty for all credit sum and term is received from UAB "Lino apdaila". The validation term of the financial obligations limit

contract is till October 10, 2017. Alternate interests are paid for used credit, which are accounted as six months term Eur EURIBOR plus bank margin.

According to the credit agreement, concluded on 26 09 2016 between the bank and Linas AB, the credit, amounting to EUR 840 thousand, was granted to the Company. In order to ensure the performance of the Company's obligations to the bank the maximum mortgage agreement was concluded, according to which the immovable property of Linas AB is mortgaged and suretyship of Lino Apdaila UAB is granted for the entire amount and period of credit. The time period of the credit agreement is till 15 September 2021. Alternate interests are paid for used credit, which are accounted as six months term Eur EURIBOR plus bank margin.

On 27 January 2017 Kaunas Regional Court made the decision as regards termination of activities of the bankrupt Nordic Investicija UAB (enterprise registration number 135442762). On 14 March 2017 the bankrupt Nordic Investicija UAB was signed out from the Register of Legal Entities. During reporting period the bankrupt Nordic Investicija UAB covered to the Company the loans in the amount of EUR 38 thousand.

Mortgages (the plots of land, owned by NI Žalesa UAB, enterprise registration number: 301166743, and R. Lenčiauskas's Individual Enterprise, enterprise registration number: 126064655) to Linas AB in accordance with mortgage sheets for the loans, provided by the bankrupt Nordic Investicija UAB, are accounted in the financial position statement of previous reporting period in the article of the amounts, receivable over one year's period the item of debt of associated companies EUR 410 thousand, referring to the conclusions by the independent property valuers.

By the Debt Settlement Agreement of 21 June 2017 a land plot owned by NI Zalesa, UAB was transferred to Linas, AB for 110 thousand EUR. By the Agreement of 4 July 2017 Linas, AB took over the land plot for 304 thousand EUR from Ramunas Lenciauskas into ownership.

The land plots have been mortgaged to Linas, AB in accordance with mortgage deeds for loans granted by Nordic investicija, BUAB, so the amounts of acquisition of the property settle cover the loan granted by Nordic investicija, BUAB.

From September 1, 2017 Vilita Skersiene starts to work as the director of UAB "Lino apdaila" and changes previous director Lina Mikelioniene.

Only significant information is presented in this explanatory memorandum which reflects accounting period economic operations and economic events which have the impact on financial state and results of the Group's accounting period. Data presented in interim financial statements and explanatory memorandum are corresponding International Financial Reporting Standards (IFRS) which are accepted to apply in the European Union (there are no deviation from international standards).

2. Accounting policy

The Group executes accounting and prepares financial statements in accordance with the legal provisions of bookkeeping and accounting, and financial reporting of the Republic of Lithuania, as well as other relevant provisions, including International Financial Reporting Standards (IFRS) which are accepted to apply in the European Union (EU).

Accounting policy was not changed during the interim accounting period. The same accounting guidelines, accounting methods and rules are the same for interim financial statements as for annual financial statements. Accounting policy of Group of companies is more explained in the explanatory letter of financial statements of year 2016.

2.1. Accounting of investment property

Investment property is held to earn rentals or for capital appreciation or both. Investment property is recognised only when it is probable that the future economic benefits that are associated with the investment property will flow to the Group; and the cost of the investment property can be measured reliably. The Group evaluates under this recognition principle all its investment property costs at the time they are incurred. These costs include costs incurred initially to acquire an investment property and costs incurred subsequently to add to, replace part of, or service a property. All other costs of day-to-day servicing are recognized as general and administrative expenses in the statement of profit or loss and other comprehensive income for the period in which they are incurred.

An investment property is measured initially at its cost. Transaction costs are included in the initial measurement. After initial recognition the Group uses the cost model for all of its investment property – investment property is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation of investment property is calculated in the Group using the straight-line method.

Depreciation of investment property is calculated on yearly basis by applying a depreciation rate, which are indicated paying attention to the planned useful time of property's servicing, to the planned intensity of property's usage, to the surrounding of it's usage, foreseen property's liquidity value and other factors.

Upon transfer of the investment property by the Group's companies the result of such transaction, either profit or losses from transfer of property, is being registered. The outcome is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss in the period of the disposal, which is attributed to not typical, i.e. other activity incomes or costs.

The fair value of investment property revealed in financial statements and established according to market features is based on assessment of an independent property appraiser. If the fair value significantly differs from its book value, recalculations are to be made.

More information on investment property has been disclosed in note 3.2. to the Memorandum.

3. Notes of the memorandum

3.1. The information about the changes Group's long-term intangible assets and long-term tangible assets is presented in tables 1 and 2.

3.2. The status of the investment property during the reporting period is presented in table 3 "Changes of investment property".

By the Debt Settlement Agreement of 21 June 2017 the land plot owned by NI Zalesa, UAB (company registration number 301166743) that has been mortgaged to Linas, AB in accordance with mortgage deeds for the loans granted by Nordic investicija, BUAB was transferred to Linas, AB for 110 thousand EUR.

By the Agreement of 4 July 2017 Linas, AB took over the land plot for 304 thousand EUR from Ramunas Lenciauskas into ownership. This land plot has been mortgaged to Linas, AB in accordance with mortgage deeds for the loan granted by Nordic investicija, BUAB, so the amount of acquisition of the property settles cover the loan granted by Nordic investicija, BUAB.

These land plots are regarded as held for capital appreciation rather than for short-term sale in the ordinary course of business.

The Letter of 30 August 2017 of the Authority of Audit, Accounting, Property Valuation and Insolvency Management under the Ministry of Finance of the Republic of Lithuania concluded, that during the inspection it was established, that the reports on the valuation of the pledged land plots did not comply with the requirements of Article 22 of the Law on the Bases of Property and Business Valuation of the Republic of Lithuania. AB Linas applied to the asset valuation company with a request to correct the immovable property valuation reports in order to bring them in line with the requirements of the legal acts governing asset valuation. Significant event after last interim accounting period day is more explained in the note 3.9. of explanatory letter.

3.3. Usual business income of the Group comprises the revenues generated by the sale of the products, i.e. fabrics, sewn items, yarn; by provision of production manufacturing services. The information about textiles items production business branches and geographical areas segments disclosed in tables 4 and 5. It is impossible to attribute property and liabilities of the Group to abstracted segments.

3.4. The information on Group's selling, general and administration expenses (Table 6 "Selling expenses, general and administration expenses").

3.5. The information on the cost and revenues of other activity of the Group (Table 7 "Other activity").

3.6. Financial and investment activity of the Group, revenues and costs shown by material items in table 8 "Financial and investment activity".

3.7. Basic the profit for one share is calculated dividing net profit (loss) of period in weighted average of ordinary shares issued during the period. The Group hasn't potentially converting ordinary shares, so the diluted profit attributed to one share correspond the basic profit which is given for one share. The information about the profit which is given for one share is presented in table (Table 9 "Earnings (loss) per share").

3.8. The monetary assets and liabilities items were converted into Eur at the currency rate of the balance making date.

3.9. There are significant events after last interim accounting period day.

The asset valuation company re-evaluated the land plot taken from UAB "NI Žalesa" (company code 301166743) and submitted a property valuation report, in which the market value at the date of valuation of asset (23 October, 2017) is 68 thousand Euros. The value of the asset is less than its balance amount, therefore the asset's balance amount of 111 thousand Euros is reduced to its recoverable amount. The reduction is recognized as an impairment losses.

The Response of 20 October 2017 of the Authority of Audit, Accounting, Property Valuation and Insolvency Management under the Ministry of Finance of the Republic of Lithuania - the Honor Court concludes that the evaluation actions in preparing the report on the evaluation of the real estate (land plots taken from Ramunas Lenciauskas) are in compliance with the requirements established by legal acts regulating property valuation. The balance value of this land plot is 305 thousand Euros. In the Real Estate Valuation Report, the market value at the date of valuation of the asset (26 January, 2017) is 288 thousand Euros. The depreciation of the land plot is insignificant and therefore its value is not diminished.

On September 22, 2017 the creditor meeting decided to execute Ramunas Lenciauskas individual company (company code 126064655) bankruptcy procedure not acc.to the juridical order. On November 3, 2017 Ramunas Lenciauskas individual company obtained the status of bankrupted company.

Table 1

CHANGES OF LONG-TERM INTANGIBLE ASSETS

EUR

Indicators	Assets arising from development	Goodwill	Software	Concessions, patents, licences, trade marks and similar rights	Other intangible assets	Advance payments	Total
Residual value at the end of previous financial year			31.173	0	0	0	31.173
a) Procurement cost price of fixed intangible assets							
At the end of previous financial year			105.236	0	1.296	0	106.532
Changes of financial year			0	0	0	0	0
· Procurement of assets			0	0	0	0	0
· Written-off property because of the accounting evaluation change (-)			0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)			0	0	0	0	0
· Transcription from one article to another +/(-)			0	0	0	0	0
At the end of interim accounting period			105.236	0	1.296	0	106.532
b) Amortization							
At the end of previous financial year			74.063	0	1.296	0	75.359
Changes of financial year			5.414	0	0	0	5.414
· Written-off property because of the accounting evaluation change (-)			0	0	0	0	0
· Financial year amortization			5.414	0	0	0	5.414
· Restorational records (-)			0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)			0	0	0	0	0
· Transcription from one article to another +/(-)			0	0	0	0	0
At the end of interim accounting period			79.477	0	1.296	0	80.773
c) Residual value at the end of interim accounting period (a) - (b)			25.759	0	0	0	25.759

Table 2

CHANGES OF LONG-TERM TANGIBLE ASSETS

EUR

Indicators	Land	Buildings and structures	Machinery and plant	Vehicles	Other equipment, fittings and tools	Advance payments and tangible assets under construction (production)	Total
Residual value at the end of previous financial year	0	1.395.166	341.963	53.932	12.524	103.500	1.907.085
a) Procurement of cost price fixed tangible assets							
At the end of previous financial year	0	1.406.342	1.177.468	168.605	45.767	103.500	2.901.682
Changes of financial year	0	0	134.231	3.618	8.222	(103.500)	42.571
· Procurement of assets	0	0	31.731	3.618	9.536	0	44.885
· Written-off property because of the accounting evaluation change (-)	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	(1.000)	0	(1.314)	0	(2.314)
· Transcription to short-time assets +/-	0	0	0	0	0	0	0
· Transcription from one article to another +/-	0	0	103.500	0	0	(103.500)	0
At the end of interim accounting period	0	1.406.342	1.311.699	172.223	53.989	0	2.944.253
b) Revaluation							
At the end of previous financial year	0	0	0	0	0	0	0
Changes of financial year	0	0	0	0	0	0	0
· Increase (decrease) of value +/-	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0	0	0	0	0
· Transcription from one article to another +/-	0	0	0	0	0	0	0
At the end of interim accounting period	0	0	0	0	0	0	0
c) Depreciation (-)							
At the end of previous financial year	0	11.176	835.505	114.673	33.243	0	994.597
Changes of financial year	0	70.549	54.421	9.537	3.850	0	138.357
· Written-off property because of the accounting evaluation change (-)	0	0	0	0	0	0	0
· Depreciation of financial year	0	70.549	55.421	9.537	5.164	0	140.671
· Restorational records (-)	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	(1.000)	0	(1.314)	0	(2.314)
· Transcription from one article to another +/-	0	0	0	0	0	0	0
At the end of interim accounting period	0	81.725	889.926	124.210	37.093	0	1.132.954
d) Decrease of value							
At the end of previous financial year	0	0	0	0	0	0	0
Changes of financial year	0	0	0	0	0	0	0
· Decrease of value of financial year	0	0	0	0	0	0	0
· Restoration records (-)	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0	0	0	0	0
· Transcription from one article to another +/-	0	0	0	0	0	0	0
At the end of interim accounting period	0	0	0	0	0	0	0
e) Residual value at the end of interim accounting period (a) + (b) - (c) - (d)	0	1.324.617	421.773	48.013	16.896	0	1.811.299

Table 3

CHANGES OF INVESTMENT PROPERTY

EUR

Indicators	Land	Buildings	Total
Residual value at the end of previous financial year	0	0	0
a) Procurement of cost price investment property			
At the end of previous financial year	0	0	0
Changes of financial year	415.901	0	415.901
· Procurement of assets	414.100	0	414.100
· Expenditures directly attributable to property acquisition costs (legal services)	1.801	0	1.801
· Assets, transferred to other individuals and discarded (-)	0	0	0
· Transcription to short-time assets +/-)	0	0	0
At the end of interim accounting period	415.901	0	415.901
b) Revaluation			
At the end of previous financial year	0	0	0
Changes of financial year	0	0	0
· Increase (decrease) of value +/-)	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0
· Transcription from one article to another +/-)	0	0	0
At the end of interim accounting period	0	0	0
c) Depreciation (-)			
At the end of previous financial year	0	0	0
Changes of financial year	0	0	0
· Depreciation of financial year	0	0	0
· Restorational records (-)	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0
At the end of interim accounting period	0	0	0
d) Decrease of value			
At the end of previous financial year	0	0	0
Changes of financial year	0	0	0
· Decrease of value of financial year	0	0	0
· Restoration records (-)	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0
· Transcription from one article to another +/-)	0	0	0
At the end of interim accounting period	0	0	0
e) Residual value at the end of interim accounting period (a) + (b) - (c) - (d)	415.901	0	415.901

Table 4

INFORMATION ABOUT SEGMENTS OF TEXTILE PRODUCTS PRODUCTION BUSINESS

Indicators	Segments (production, goods, types of activity)										All enterprises	
	Fabrics		Sewn products		Yarns		Production services					
	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016
Income	5.030.635	4.749.063	4.039.630	4.067.095	32.270	37.931	178.187	382.049	9.280.722	9.236.138		
Cost price	3.921.739	3.708.415	3.495.245	3.470.316	31.154	33.501	105.149	235.331	7.553.287	7.447.563		
Gross profit (losses)	1.108.896	1.040.648	544.385	596.779	1.116	4.430	73.038	146.718	1.727.435	1.788.575		
Selling expenses, general and administrative expenses									1.537.007	1.418.841		
Profit (losses) on main activity	1.108.896	1.040.648	544.385	596.779	1.116	4.430	73.038	146.718	190.428	369.734		

EUR

Table 5

INFORMATION ABOUT GEOGRAPHICAL SEGMENTS OF TEXTILE ITEMS PRODUCTION

Indicators	Segments (regions)										All enterprises	
	Scandinavian countries		European countries		USA		Lithuania		Other countries			
	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016	01-09 months of 2017	01-09 months of 2016
Income	1.915.826	2.239.719	4.379.081	4.228.351	227.686	426.958	1.744.041	1.349.045	1.014.088	992.065	9.280.722	9.236.138
Cost price	1.468.099	1.708.275	3.742.531	3.564.583	143.940	267.339	1.352.945	1.052.512	845.772	854.854	7.553.287	7.447.563
Gross profit (losses)	447.727	531.444	636.550	663.768	83.746	159.619	391.096	296.533	168.316	137.211	1.727.435	1.788.575
Selling expenses, general and administrative expenses											1.537.007	1.418.841
Profit (losses) on main activity	447.727	531.444	636.550	663.768	83.746	159.619	391.096	296.533	168.316	137.211	190.428	369.734

EUR

Table 6

SELLING EXPENSES, GENERAL AND ADMINISTRATIVE EXPENSES

EUR

Run No.	Indicators	01-09 months of 2017	01-09 months of 2016
1	Selling expenses	579.534	496.955
1.1	Expenses on commissions	194.050	161.635
1.2	Expenses on transporting of sold production	54.097	77.923
1.3	Expenses on production advertising and fair	91.357	80.482
1.4	Expenses on sales number employees wage and other with employees related relations	206.196	142.142
1.5	Evaluate of customers creditworthiness and insurance costs of marketable credits	16.558	14.535
1.6	Other sales expenses	17.276	20.238
2	General and administrative expenses	957.473	921.886
2.1	Expenses related with employees wage and other with employees related relations	476.927	443.080
2.2	Training costs of administration employees	5.704	11.319
2.3	Rent, exploitation and repairing expenses	243.650	284.099
2.4	Expenses of security services	24.437	24.437
2.5	Expenses of deterioration and amortization of non-current asset	58.074	19.267
2.6	Expenses of info technologies	19.434	25.023
2.7	Connection expenses	9.301	7.907
2.8	Expenses of bank services	14.452	11.582
2.9	Legal services expenses	10.980	13.084
2.10	Expenses of support provided	8.452	12.286
2.11	Expenses of social guarantees, stated in collective agreement	865	750
2.12	Representation expenses	10.644	10.284
2.13	Expenses of activity tax	4.557	4.522
2.14	Low-value assets acquisition expenses	9.196	7.347
2.15	Uncertain debts expenses	0	0
2.16	Various other general and administrative expenses	60.800	46.899
3	TOTAL SELLING EXPENSES, GENERAL AND ADMINISTRATIVE EXPENSES	1.537.007	1.418.841

Table 7

OTHER ACTIVITY		EUR	
Run.No.	Indicators	01-09 months of 2017	01-09 months of 2016
1.	INCOME OF OTHER ACTIVITY - TOTAL Specification of significant amount:	701.721	808.150
1.1.	Profit of non-current asset transferring	0	7.000
1.2.	Income of various storages selling	45.110	81.416
1.3.	Income of rent	159.838	116.522
1.4.	Income for accounting and administration services	30.600	30.600
1.5.	Income for thermal heating supply	449.431	571.608
1.6.	Earnings from advance payments of buyers written off financial accounting	15.294	0
1.7.	Various other non-typical activity income	1.448	1.004
2.	EXPENSES OF OTHER ACTIVITY - TOTAL Specification of significant amount:	521.019	617.155
2.1.	Loss of non-current asset transferring		
2.2.	Net cost of sold various storages	22.149	49.152
2.3.	Net cost of rent	87.537	55.293
2.4.	Costs for accounting and administration services	28.820	28.704
2.5.	Costs for thermal heating supply	382.372	483.882
2.6.	Various other non-typical activity expenses	141	124
3.	RESULTS OF OTHER ACTIVITY (1-2)	180.702	190.995

Table 8

FINANCIAL AND INVESTMENT ACTIVITY		EUR	
Run.No.	Indicators	01-09 months of 2017	01-09 months of 2016
1.	FINANCIAL AND INVESTMENT ACTIVITY INCOME - TOTAL Specification of significant amount:	26.642	26.741
1.1.	Investments incomes into the shares of patronise, patronized and associated companies		
1.2.	Incomes of other long-term investments and loans	26.640	26.738
1.2.1.	Income of other interests	26.640	26.738
1.2.2.	Income of bank interests		
1.3.	Incomes of other interest or similar incomes	2	3
1.3.1.	Fines and penalties for the drawn debts	0	0
1.3.2.	Positive result of changes of currency exchange	0	0
1.3.3.	Income of other financial-investment activity	2	3
2.	FINANCIAL AND INVESTMENT ACTIVITY EXPENSES - TOTAL Specification of significant amount:	52.662	7.213
2.1.	Value decrease of financial property and short-term investments		
2.1.1.	Financial assets depreciation amounts (BUAB „Nordic investicija“ financial debts)	0	0
2.2.	Costs of interest and other similar costs	52.662	7.213
2.2.1.	Expenses of interest	22.904	1.031
2.2.2.	Fines and delay fees	58	45
2.2.3.	Negative result of changes of currency exchange	29.359	3.632
2.2.4.	Expenses of other financial-investment activity	341	2.505
3.	FINANCIAL AND INVESTMENT ACTIVITY RESULT (1-2)	(26.020)	19.528

Table 9

EARNINGS (LOSS) PER SHARE

Run. No.	Indicators	GROUP	
		01-09 months of 2017	01-09 months of 2016
1.	Weighted average number of ordinary shares	24.038.990	24.038.990
2.	Net profit (loss), in EUR	345.110	580.257
3.	Basic and diluted earnings (loss) per share, in EUR	0,01	0,02