



UTENOS TRIKOTAŽAS, AB

CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS
for the 3 months period ended 31 March 2018
(UNAUDITED)

INFORMATION ABOUT COMPANY

Company name	Utenos Trikotažas AB
Legal and organisation form	Legal entity, public company
Date and place of incorporation	Registered with the Register of Legal Entities of Utena District on 6 st December 1994; reregistered with the Ministry of Economy of the Republic of Lithuania on 18 st
Registration code	September 1998.
Code of the Register of Legal Entities	BĮ 98-257
Authorised share capital	183709468
Address	EUR 2 755 870
Name of Register of Legal Entities	J.Basanavičiaus g.122, LT-28214, Utena, Lithuania
Telephone	Registru centras VĮ
Fax	+370 389 51445
E-mail	+370 389 69358
Website	utenos.trikotazas@ut.lt
Main activities	www.ut.lt
Auditors	production of knit-wear and textile articles ERNST&YOUNG BALTIC UAB

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REVIEW OF ACTIVITY OF THE GROUP COMPANIES

In the first quarter of 2018, the Utenos trikotažas AB group of companies (hereinafter „the Group“) sold products and provided services for EUR 8,0 million, which is by 34,2 per cent more than in the previous year when the Group's sales accounted for EUR 6,0 million. The Group exported 82,7 per cent of products.

During the first three months of 2018, the company Utenos trikotažas sold products and provided services for EUR 7,1 million. The sales volume, compared with the first quarter of 2017, grew by EUR 2,1 million, or 41,1 per cent. The company's export sales reached 87,2 per cent.

Compared with the respective period of the previous year, the sales of all business segments recorded a significant growth. The sales of the largest segment – on-demand knitwear – grew by 48,0 per cent and reached EUR 6,3 million, private brands UTENOS and ABOUT grew by 2,4 per cent and reached EUR 0,8 million, whereas the sales of functional-technical garments produced by its subsidiary Šatrija decreased by 3,1 per cent.

In the first three months of 2018, the Group earned a pre-tax profit of EUR 479 thousand, compared with a profit of EUR 256 thousand in the first quarter of 2017. During the same period, the company Utenos trikotažas earned a pre-tax profit of EUR 350 thousand, whereas it recorded a profit of EUR 98 thousand a year ago.

The Group's EBITDA amounted to EUR 658 thousand, which is by 31,1 per cent more than in the respective period of 2017. The company's EBITDA reached EUR 517 thousand, which is an increase of 87,3 per cent, compared with the first quarter of 2017, when the company's EBITDA accounted for EUR 276 thousand.

Key performance indicators of the Group
Trade

Revenue (EUR '000)	Group			Company		
	2018 I Q	2017 I Q	Change %	2018 I Q	2017 I Q	Change %
Products manufactured on demand of other clients	6 315	4 268	48,0	6 315	4 268	48,0
Own brands (ABOUT, UTENOS)	812	793	2,4	789	765	3,1
Services of functional-technical garments manufacture	868	896	(3,1)	-	-	-
	7 995	5 957	34,2	7 104	5 033	41,1

Sales by regions

Revenue (EUR '000)	Group			Company		
	2018 I Q	2017 I Q	Change %	2018 I Q	2017 I Q	Change %
Export	6 610	4 374	51,1	6 192	4 010	54,4
<i>DACH (Germany, Austria, Switzerland)</i>	3 947	2 761	42,9	3 789	2 535	49,5
<i>Scandinavia (Sweden, Norway, Denmark, Finland)</i>	1 836	870	111,1	1 767	779	126,8
<i>Other regions</i>	827	743	11,3	636	696	(8,6)
Domestic	1 385	1 583	(12,5)	912	1 023	(10,9)
	7 995	5 957	34,2	7 104	5 033	41,2

Operating figures

	Group			Company		
	2018 I Q	2017 I Q	Change %	2018 I Q	2017 I Q	Change %
Manufactured items units	887	877	1,1	854	835	2,2
Average number of employees	1 061	1 032	2,8	714	685	4,2

Financial ratios

	Group			Company		
	2018 I Q	2017 I Q	Change	2018 I Q	2017 I Q	Change
Revenue (EUR'000)	7 995	5 957	34,2%	7 104	5 033	41,1%
Operating profit (loss) (EUR'000)	456	296	54,1%	362	119	204,2%
Operating profit (loss) margin (%)	5,7	5,0	0,7 p.p	5,1	2,4	2,7 p.p
EBITDA (EUR'000)	658	502	31,1%	517	276	87,3%
EBITDA margin (%)	8,2	8,4	(0,2)p.p	7,3	5,5	1,8 p.p
Profit (loss) before tax (EUR'000)	479	256	87,1%	350	98	257,4%
Profit (loss) before tax, margin (%)	6,0	4,3	1,7 p.p	4,9	1,9	3,0 p.p
Net profit (loss) for the year (EUR'000)	482	259	86,1%	352	100	252,1%
Net profit (loss) for the year margin (%)	6,0	4,3	1,7 p.p	5,0	2,0	3,0 p.p
Number of shares, (thousand)	9 503	9 503	-	9 503	9 503	-

Relative ratios

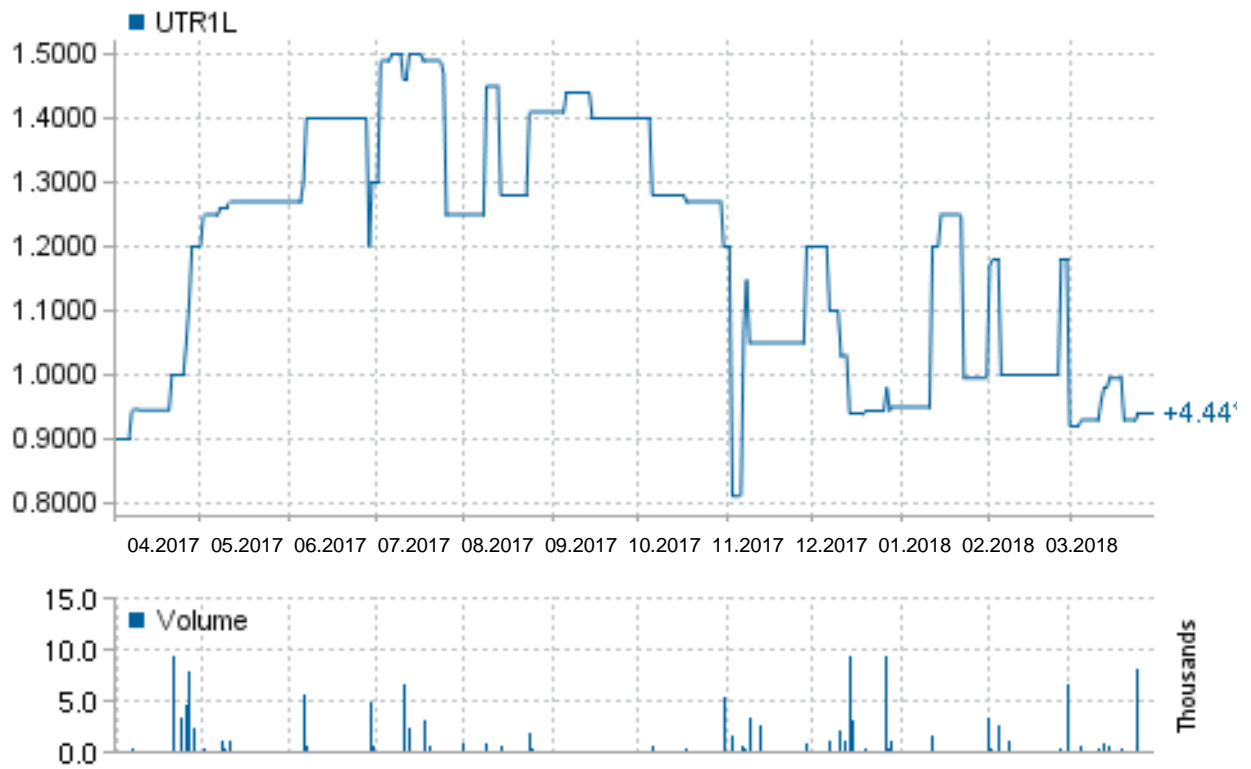
	Group			Company		
	2018 I Q	2017 I Q	Change p.p	2018 I Q	2017 I Q	Change p.p.
Return on capital employed (%)	19,0	49,4	(30,4)	90,2	26,1	64,1
Return on assets (%)	3,0	8,3	(5,3)	14,1	4,5	9,6
Return on shareholders' equity (%)	6,6	18,1	(11,5)	30,9	13,1	17,8
Debt ratio (%)	54,4	54,0	0,4	54,3	65,7	(11,4)
Debt-to-equity ratio (%)	119,2	117,6	1,6	118,8	191,2	(72,4)
Liquidity ratio (%)	154,0	162,6	(8,6)	156,2	149,0	7,2
Equity to assets ratio (%)	45,6	46,0	(0,4)	45,7	34,3	11,4

Ratios related with the share price

	2018 I Q	2017 I Q	Change p.p.
P/E	18,63	6,51	12,12
EPS	0,05	0,14	(0,09)
EV/EBITDA	7,80	4,71	3,09

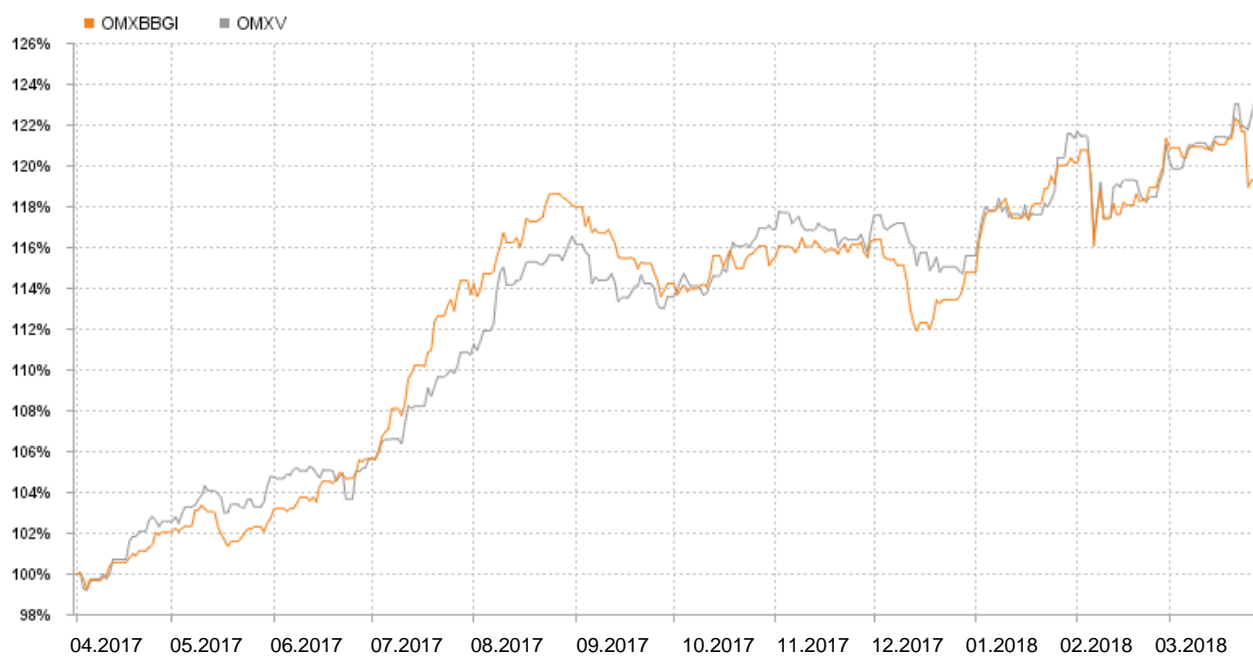
Information regarding the price of shares and their dynamics

Utenos Trikotažas AB share price during 12 months period from 1 April 2017 to 31 March 2018:



Price ratios

	2018 I Q	2017 I Q
Open price, EUR	0,950	0,800
High price, EUR	1,250	0,946
Low price, EUR	0,900	0,680
Last price, EUR	0,990	0,900
Traded volume	35 187	35 203
Turnover, million EUR	0,030	0,030
Capitalisation, million EUR	9,410	8,550

Utenos Trikotažas AB, OMX Baltic Benchmark GI and OMX Vilnius Index dynamics, during 12 months period from 1 April 2017 to 31 March 2018


Index/ Equity	2018.03.31	2017.03.31	2018.03.31/2017.03. change, %
—OMX Baltic Benchmark GI	984,48	822,47	19,70↑
—OMX Vilnius	702,25	565,13	24,26↑
—UTR1L	0,940 EUR	0,900 EUR	4,44↑

BALANCE SHEET

	Notes	Group		Company	
		2018.03.31	2017.12.31	2018.03.31	2017.12.31
ASSETS					
Non-current assets					
Intangible assets	7	686	661	88	68
Property, plant and equipment	8	7 064	6 979	5 396	5 346
Investment property		106	106	106	106
Investments into subsidiaries		-	-	1 550	1 550
Trade and other receivables		-	-	-	-
Receivables from subsidiaries		-	-	2 106	2 137
Deferred income tax asset		63	63	-	-
		7 919	7 809	9 246	9 207
Current assets					
Inventories	9	6 771	6 853	6 608	6 726
Trade receivables	10	1 735	1 715	1 354	1 445
Other current assets		391	502	331	370
Current financial assets		-	-	-	-
Cash and cash equivalents	11	475	675	59	205
		9 372	9 745	8 352	8 746
Total assets		17 291	17 554	17 598	17 953
EQUITY AND LIABILITIES					
Equity attributable to the shareholders of the Company					
Share capital		2 756	2 756	2 756	2 756
Revaluation surplus	12	574	574	574	574
Legal reserve	12	3 091	3 107	1 700	1 709
Reserve for acquisition of own shares	12	90	90	-	-
Foreign currency translation reserve	12	106	142	-	-
Cash flow hedge reserve	12	(21)	(21)	(21)	(21)
Accumulated retained earnings/ (losses)	12	1 023	528	3 033	2 672
		7 619	7 176	8 042	7 690
Non-controlling interest		268	260	-	-
Total equity		7 887	7 436	8 042	7 690
LIABILITIES					
Non-current liabilities					
Borrowings	13	2 611	2 836	2 611	2 836
Borrowings from subsidiaries	13	-	-	1 061	1 061
Deferred income tax liabilities		389	390	268	270
Non-current portion of derivative financial instruments		10	10	10	10
Provisions for employee benefits		309	309	260	260
		3 319	3 545	4 210	4 437
Current liabilities					
Current portion of non-current borrowings	13	901	860	901	860
Current portion of derivative financial instruments		205	-	405	200
Current portion of derivative financial instruments		19	19	19	19
Trade payables		1 970	2 668	1 891	2 649
Payables to other related parties and subsidiaries		309	239	308	221
Income tax payable		-	37	-	12
Accrued expenses and other current liabilities	14	2 681	2 750	1 822	1 865
		6 085	6 573	5 346	5 826
Total liabilities		9 404	10 118	9 556	10 263
Total equity and liabilities		17 291	17 554	17 598	17 953

STATEMENT OF COMPREHENSIVE INCOME

	Notes	Group January-March		Company January-March	
		2018	2017	2018	2017
Sales	6,15	7 995	5 957	7 104	5 033
Cost of sales	16	(6 332)	(4 609)	(5 701)	(4 032)
Gross profit		1 663	1 348	1 403	1 001
Selling expenses	17	(511)	(536)	(481)	(512)
General and administrative expenses	17	(719)	(541)	(567)	(377)
Other operating income	18	28	29	8	10
Other operating expenses	18	(5)	(4)	(1)	(3)
Operating profit (losses)		456	296	362	119
Finance income	19	137	90	21	21
Finance costs	19	(114)	(130)	(33)	(42)
Profit (losses) before tax		479	256	350	98
Income tax		3	3	2	2
Net profit (losses)		482	259	352	100
Net profit (losses) attributable to:					
Equity shareholders of the Company	20	475	244	-	-
Non-controlling interest		7	15	-	-
		482	259	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Foreign currency translation gain (loss)		(36)	(4)	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(36)	(4)	-	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods					
Other comprehensive income (loss)		5	6	-	-
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods		5	6	-	-
Other comprehensive income (loss)		(31)	2	-	-
Total comprehensive income (loss) for the period		451	261	352	100
Basic/dilutive earnings per share	20	0,05	0,03	-	-

STATEMENTS OF CHANGES IN EQUITY

Group	Share capital	Foreign currency translation reserve	Reserve for acquisition of own shares	Other reserve	Legal reserve	Revaluation surplus	Accumulated retained earnings/ (losses)	Total	Non-controlling interest	Total equity
	Balance as of 31 March 2017	2 756	115	269	(43)	574	3 156	226	7 053	481
Net profit (loss) for the year	-	-	-	-	-	-	30	30	12	42
Other comprehensive income	-	27	-	22	-	-	34	83	1	84
Total comprehensive income (loss)	-	27	-	22	-	-	64	113	13	126
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	-	10	10	(51)	(41)
Decrease in share capital of non-controlling interest and dividends paid	-	-	-	-	-	-	-	-	(183)	(183)
Reserve for acquisition of own shares	-	-	(179)	-	-	(49)	228	-	-	-
Balance as of 31 December 2017	2 756	142	90	(21)	574	3 107	528	7 176	260	7 436
Net profit (loss) for the year	-	-	-	-	-	-	475	475	7	482
Other comprehensive income	-	(36)	-	-	-	-	4	(32)	1	(31)
Total comprehensive income (loss)	-	(36)	-	-	-	-	479	443	8	451
Transfer of revaluation surplus to retained earnings	-	-	-	-	-	(16)	16	-	-	-
Balance as of 31 March 2018	2 756	106	90	(21)	574	3 091	1 023	7 619	268	7 887

Company	Share capital	Legal reserve	Revaluation surplus	Other reserve	Accumulated retained earnings/ (losses)	Total
	Balance as of 31 March 2017	2 756	574	1 741	(43)	465
Net profit (loss) for the year	-	-	-	-	2 135	2 135
Other comprehensive income (loss)	-	-	-	22	30	52
Total comprehensive income (loss)	-	-	-	22	2 165	2 187
Transfer of revaluation surplus to retained earnings	-	-	(32)	-	32	-
Balance as of 31 December 2017	2 756	574	1 709	(21)	2 672	7 690
Net profit (loss) for the year	-	-	-	-	352	352
Total comprehensive income (loss)	-	-	-	-	352	352
Transfer of revaluation surplus to retained earnings	-	-	(9)	-	9	-
Balance as of 31 March 2018	2 756	574	1 700	(21)	3 033	8 042

STATEMENTS OF CASH FLOWS

	Group		Company	
	31 March 2018	2017	31 March 2018	2017
Cash flows from operating activities				
Profit (loss) for the period	482	259	352	100
Adjustments for non-cash items:				
Depreciation and amortization	203	206	157	156
(Gain) on disposal of property, plant and equipment and investment property	-	(4)	-	(4)
Impairment and write-off accounts receivable	101	2	101	2
Interest expense, net of interest income	22	13	12	20
Income tax (income) expense	(3)	(3)	(2)	(2)
Changes in working capital:	95	(901)	117	(864)
(Increase) decrease in inventories	20	31	91	(243)
(Increase) decrease in trade receivables	-	-	31	41
Decrease (increase) in receivables from subsidiaries	(260)	700	9	621
(Increase) decrease in other receivables and other current assets	(808)	733	(739)	678
(Increase) decrease in trade and other accounts payable	190	12	(49)	(36)
Increase (decrease) in taxes payable and other current liabilities	(7)	(6)	(7)	(2)
Income tax (paid)	35	1 042	73	467
Net cash generated from operating activities				
Cash flows from investing activities				
Acquisition of property, plant and equipment	(233)	(118)	(227)	(60)
Proceeds from sale of property, plant and equipment	-	4	-	4
Interest received	-	-	15	15
Net cash flows generated from (to) investing activities	(233)	(114)	(212)	(41)
Cash flows from financing activities				
Proceeds from borrowings	205	-	205	-
Repayment of borrowings and financial lease payments	(185)	(185)	(185)	(185)
Interest paid	(22)	(12)	(27)	(34)
Net cash flows from financing activities	(2)	(197)	(7)	(219)
Net increase in cash and cash equivalents	(200)	731	(146)	207
Cash and cash equivalents at the beginning of the period	675	1 230	205	599
Cash and cash equivalents at the end of the period	475	1 961	59	806

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. General information

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

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

As of 31 March 2018 and 31 December 2017 the shareholders of the Company were as follows:

	As of 31 March 2018		As of 31 December 2017	
	Number of shares held	Interest held (%)	Number of shares held	Interest held (%)
Koncernas SBA UAB	7 294	76.76	7 294	76.76
Algirdas Šabūnas	950	10.00	950	10.00
Investment Fund East Capital Asset	527	5.55	527	5.55
Other shareholders	732	7.69	732	7.69
	9 503	100.00	9 503	100.00

All the shares are registered ordinary shares with a par value of EUR 0.29 each. As of 31 March 2018 and 31 December 2017 subsidiaries did not hold any shares of the Company. The Company did not hold its own shares within this period.

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

	Registered address	Group's share (%)		Profile
		31 March 2018	31 December 2017	
Šatrija AB	Satrijos str. 3, Raseiniai	89,78	89,78	Sewing of clothes
Gotija UAB	Laisvės Str. 33, Kaunas	100,00	100,00	Retail trade
PAT MTF Mrija	Matrosovo Str. 13, Mukachev, Ukraine	98,95	98,95	Production of knitted articles

2. Form and contents of the financial statements

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

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

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

4. Consolidation

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

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

5. Financial risk factors

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

Amount of monetary items attributed to net investment amounts to EUR 3.5 million and foreign currency exchange difference related to this amount for the 3 months of 2018 comprises EUR (76,8) thousand, which is accounted in the Group's consolidated financial statements through other comprehensive income.

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

Foreign currency exchange difference on monetary items attributed to net investments, EUR	(76 779)
Foreign currency translation reserve on other items, EUR	182 513
Other comprehensive income EUR, net	105 734

6. Segment information

The Group has two main business segments: production of knitted articles and production of functional-technical garments.

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

Below, there is a summary of major indicators for the main business segments of the Group included in the statement of comprehensive income for the 3 months of 2018 and for the 3 months of 2017:

of 31 March 2018	Production of knitted articles	Production of functional-technical garments	Eliminations	Total
External sales	7 127	868	-	7 995
Internal sales	238	-	(238)	-
Total revenue	7 365	868	(238)	7 995
Gross profit	1 479	184	-	1 663
EBITDA	546	112	-	658
Profit (loss)	398	84	-	482
of 31 March 2017	Production of knitted articles	Production of functional-technical garments	Eliminations	Total
External sales	5 061	896	-	5 957
Internal sales	210	-	(210)	-
Total revenue	5 271	896	(210)	5 957
Gross profit	1 099	249	-	1 348
EBITDA	325	177	-	502
Profit (loss)	112	147	-	259

7. Non-current intangible assets

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

8. Non-current tangible assets

Depreciation of non-current tangible property amounted to EUR 203 thousand as of 31 March 2018, EUR 166 thousand are included into cost of sales in the Group's Profit (loss) statement. The remaining amounts were included in general and administrative expenses and inventories in the statement of financial position.

As of 31 March 2018 and 31 December 2017 the Companies' and the Group's Non-current assets Buildings group is recognized at fair value.

9. Inventories

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Raw materials	2 647	2 652	2 284	2 286
Work in progress	2 494	2 460	2 479	2 451
Finished goods	2 471	2 489	2 416	2 460
Goods for resale	54	47	-	-
	7 666	7 648	7 179	7 197
Write-down to net realisable value:				
Opening balance	(795)	(650)	(471)	(326)
Change	(100)	(145)	(100)	(145)
Closing balance	(895)	(795)	(571)	(471)
	6 771	6 853	6 608	6 726

10. Trade receivables

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Trade receivables, gross	1 928	1 908	1 520	1 611
Allowance for trade receivables:				
Opening balance	(193)	(115)	(166)	(94)
Change	-	(78)	-	(72)
Closing balance	(193)	(193)	(166)	(166)
	1 735	1 715	1 354	1 445

Changes in impairment allowance for doubtful trade receivables as of 31 March 2018 and 31 December 2017 were recorded within the Group's and Company's general and administrative expenses.

11. Cash and cash equivalents

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Cash at bank and on hand	475	675	59	205
	475	675	59	205

12. Other reserves and retained earnings (deficit)

Revaluation surplus

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

Legal reserve

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

Foreign currency translation reserve

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

Reserve for acquisition of own shares

In 2017 according to the decision of the shareholders of Šatrija AB the reserve for acquisition of own shares of EUR 300 thousand was reduced to EUR 100 thousand (including non-controlling interest).

Cash flow hedge reserve

The Company's loan with Lumior Bank is with floating interest rate that is linked to EURIBOR. On 26 November 2014 the Company signed interest rate swap contract with Luminor Bank in order to avoid the interest rate fluctuations. The agreement is valid until 25 November 2019. The fair value of interest rate swap contract used for interest rate risk hedging was EUR 29 thousand in 31 March 2018 and 31 December 2017 and was accounted for under non-current (amounting EUR 10 thousand) and current liabilities (amounting EUR 19 thousand) (EUR 52 thousand as at 31 December 2016: under non-current (EUR 28 thousand) and current (EUR 24 thousand) liabilities).

Accumulated retained earnings (losses)

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

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

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

The balances of other reserves as of 31 March 2018 and 31 December 2017 were as follows:

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Revaluation surplus	3 091	3 107	1 700	1 709
Legal reserve	574	574	574	574
Reserve for acquisition of own shares	90	90	-	-
Foreign currency translation reserve	106	142	-	-
Accumulated retained earnings/ (losses)	(21)	(21)	(21)	(21)
Cash flow hedge reserve	1 023	528	3 033	2 672
	4 863	4 420	5 286	4 934

13. Borrowings

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Current				
Current portion of non-current bank borrowings	901	860	901	860
	901	860	901	860
Non-current				
Borrowings from subsidiaries	-	-	1 061	1 061
Long-term bank borrowings	2 611	2 836	2 611	2 836
	2 611	2 836	3 672	3 897
Total borrowings	3 512	3 696	4 573	4 757

The Company's borrowings from subsidiaries consist of the loan granted by subsidiary Satrija AB, amounting EUR 1 061 thousand with maturity as at 26 November 2019 and variable interest rate 12 month Euribor + 1.9 %.

As at 31 March 2018 and at 31 December 2017 the bank borrowings were secured by property plant and equipment.

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

14. Accrued expenses and other current liabilities

	Group		Company	
	2018.03.31	2017.12.31	2018.03.31	2017.12.31
Accrual for vacation reserve	1 143	1 043	719	655
Wages, salaries and social security	706	679	522	528
Amounts payable for services and non-current assets	210	329	201	319
Taxes payable, except for income tax	189	203	112	146
Prepayments received	119	154	133	136
Other liabilities	314	342	135	81
	2 681	2 750	1 822	1 865

15. Revenue

	Group		Company	
	January-March		January-March	
	2018	2017	2018	2017
Revenue from sales of goods and services	7 753	5 887	6 891	4 969
Revenue from sales of materials	242	70	213	64
	7 995	5 957	7 104	5 033

16. Cost of sales

	Group		Company	
	January-March		January-March	
	2018	2017	2018	2017
Wages and salaries and social security	2 481	1 948	2 303	1 409
Materials	2 347	1 727	1 734	1 585
Other overhead expenses	1 036	568	1 403	742
Cost of materials sold	307	213	141	181
Depreciation and amortisation	161	153	120	115
	6 332	4 609	5 701	4 032

17. Selling general and administrative expenses

	Group January-March		Company January-March	
	2018	2017	2018	2017
Selling expenses				
Wages and salaries and social security	192	194	171	177
Advertising and marketing costs	109	127	108	126
Other selling expenses	210	215	202	209
	511	536	481	512
General and administrative expenses				
Wages and salaries and social security	227	249	180	179
Communications and consulting services	23	73	13	56
Taxes other than income tax	111	27	110	15
Depreciation and amortization	25	37	23	24
Security	5	28	4	14
Vehicles exploitation expenses	34	20	24	17
Services of financial institutions	72	10	63	9
Premises exploitation expenses	8	11	6	10
Travel expenses	20	8	20	8
Representation expenses	9	4	8	3
Impairment and write-off (reversal) of inventories	101	2	101	2
Other	84	72	15	40
	719	541	567	377
	1 230	1 077	1 048	889

18. Other income and expenses

	Group January-March		Company January-March	
	2018	2017	2018	2017
Gain from disposal of non-current assets	-	4	-	4
Rent income	28	5	4	4
Other income	-	20	4	2
Other income	28	29	8	10
Rent costs	(5)	(3)	(1)	(2)
Other expenses	-	(1)	-	(1)
Other expenses	(5)	(4)	(1)	(3)

19. Finance costs, net

	Group January-March		Company January-March	
	2018	2017	2018	2017
Foreign exchange gain (loss)	45	(17)	-	(2)
Interest expenses	(22)	(23)	(27)	(34)
Interest income	-	-	15	15
	23	(40)	(12)	(21)

20. Basic/dilutive earnings per share

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

	Group January-March	
	2018	2017
Profit/ (loss) attributable to the equity holders of the Group	475	244
Weighted average number of shares in issue (thousand)	9 503	9 503
Basic/dilutive earnings per share (in EUR)	0,05	0,03

21. Subsequent sheet events

On 12 April 2018 The company signed agreement with Luminor AB regarding credit line up to EUR 1 300 thousand (additional amount of EUR 800 thousand with termination as at 31 March 2019).

On 26 April 2018 The company signed agreement with Luminor AB regarding loan up to EUR 4 562 thousand (additional amount of EUR 1 050 thousand with termination as at 25 November 2019).

There were no material post balance sheet events, that could make a significant impact for the financial statement of the Group and the Company.