SNAIGĖ

SNAIGĖ, AB

CONFIRMATION OF RESPONSIBLE PERSONS

Following the Article No. 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuania, we Gediminas Čeika, CEO of Snaigė, AB and Mindaugas Sologubas, Finance Director of Snaigė, AB hereby confirm that, to the best of our knowledge, the attached unaudited interim consolidated Snaigė, AB financial statements for the six months period ended 30 June 2017, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, reflects the reality correctly and fairly shows issuer's assets, liabilities, financial position, profit or loss and cash flow of Snaigė, AB.
As well we confirm that Consolidated Interim Report fairly presents the review of issuer's business development and business activities.

Gediminas Čeika
Managing Director

Mindaugas Sologubas
Finance Director

August 30, 2017

AB SNAIGĖ

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017
(UNAUDITED)

CONTENTS

I. GENERAL PROVISIONS

1. Accounting period of the report

The report has been issued for the six months of 2017.

2. The basic data about the issuer

The name of the company – *SNAIGĖ* PLC (hereinafter referred to as the Company)

Authorised capital –one Company's share is equal to 0.30 euro and to establish that the Company's authorized capital is equal to 11,886,718.50 euro.

Address - Pramonės str. 6, LT-62175 Alytus

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E-mail – snaige@snaige.lt

Internet address - http://www.snaige.lt

Legal organisation status – legal entity, public limited company

Registered as an enterprise on December 1, 1992 in the Municipality Administration of Alytus; registration number AB 92-119; enterprise register code 249664610. The latest Statute of AB “Snaige” was registered on December 20, 2016 in Legal Entities of the Republic of Lithuania.

3. Information with regard to the location and time provided for introduction of the report and the accompanying documents; name of the mass media

The report is available in the Budget and Accounting Department of AB “Snaige” at Pramonės str. 6, Alytus on the days of I-IV from 7.30 to 16.30, and V from 7.30 to 14.00.

The mass media – daily paper „Kauno diena”.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Ref. No.	ITEMS	Notes	01 01 2017 30 06 2017	01 04 2017 30 06 2017	01 01 2016 30 06 2016	01 04 2016 30 06 2016
1.	Sales	3	18,730,204	11,553,153	18,866,762	11,779,033
2.	Cost of sales	4	(16,407,312)	(10,080,149)	(15,299,433)	(9,270,175)
3.	Real value change of biological property					
4.	**GROSS PROFIT (LOSS)**		**2,322,892**	**1,473,004**	**3,567,329**	**2,508,858**
5.	Selling expenses		(1,330,902)	(837,644)	(1,681,945)	(1,066,842)
6.	General and administrative expenses		(1,151,001)	(578,852)	(1,075,174)	(489,164)
7.	Results of other activity	5,7	24,285	9,610	24,974	15,675
8.	Investments incomes into the shares of patronise, patronized and associated companies					
9.	Incomes of other long-term investments and loans	8	278,192	153,291	271,015	134,931
10.	Incomes of other interest or similar incomes	8	237	(8,904)	356	(21)
11.	Value decrease of financial property and short-term investments					
12.	Costs of interest and other similar costs	9	(322,607)	(174,082)	(351,893)	(162,326)
13.	**PROFIT (LOSS) BEFORE INCOME TAX**		(178,904)	36,423	754,662	941,111
14.	Income tax					
15.	**PROFIT (LOSS) BEFORE NONCONTROLLING INTEREST**		**(178 904)**	**36 423**	**754 662**	**941 111**
16.	Non-controlling interest		58	5	38	(18)
17.	**NET PROFIT (LOSS)**		**(178 846)**	**36 428**	**754 700**	**941 093**
18.	**Ohter comprehensive income**		399 680	399 680		
19.	**TOTAL COMPREHENSIVE INCOME**		**220 834**	**436 108**	**754 700**	**941 093**

Managing Director Gediminas Čeika

Financial Director Mindaugas Sologubas

Consolidated Statement of Financial Position

Ref. No.	ASSETS	Notes	As at 30 June 2017	As at 31 December 2016
	ASSETS			
A.	**Non-current assets**		**28,282,862**	**28,137,939**
1.	**Intangible assets**	10	**1,647,858**	**1,636,795**
2.	**Tangible assets**	11	**16,417,094**	**16,534,674**
2.1.	Land			
2.2.	Buildings and structures		5,277,585	5,394,415
2.3.	Machinery and equipment		9,279,165	9,274,973
2.4.	Vehicles and other property		1,636,681	1,855,930
2.5.	Construction in progress and prepayments		223,663	9,356
3.	**Financial assets**	**12**	**10,217,910**	**9,966,470**
4.	**Other non-current assets**		-	-
B.	**Current assets**		**16,138,036**	**13,818,388**
1.	**Inventories**	13	**5,532,561**	**4,855,000**
2.	**Accounts receivable within one year**		**10,389,720**	**6,346,050**
2.1.	Customers' debts	14	8,488,762	5,356,234
2.2.	Debts of Group of companies			
2.3.	Debts of associated companies			
2.4.	Other amounts receivable	15	1,900,958	989,816
3.	**Short-term investments**		-	-
4.	**Cash and cashs equivalents**	16	**215,755**	**2,617,338**
C.	**Accrued income and prepaid expenses**		**20,022**	**22,881**
	Total assets		**44,440,920**	**41,979,208**

(continued on the next page)

Ref. No.		Notes	As at 30 June 2017	As at 31 December 2016
	EQUITY AND LIABILITIES			
D.	**Equity**		**18,704,994**	**19,633,492**
1.	**Capital**		**11,886,719**	**11,887,242**
1.1.	Authorized (subscribed) share capital		11,886,719	11,887,242
1.2.	Signed unpaid capital (-)			
1.3.	Own shares(-)			
2.	**Shares premiums**			
3.	**Revaluation reserve**		**5,549,962**	**5,550,207**
4.	**Reserves**	18	**1,000,877**	**901,431**
5.	**Retained earnings (loss)**		**318,485**	**1,344,465**
6.	**Influence of currency exchange rate**		**(51,247)**	**(50,109)**
7.	**Non-controlling interest**		**198**	**256**
E.	**Grants, subsidies**	19	**648,506**	**702,686**
F.	**Provisions**		**2,548,598**	**2,448,553**
1.	Pensions provisions and similar provisions		309,757	309,757
2.	Taxes provisions		1,741,923	1,640,068
3.	Other provisions	20	496,918	498,728
G.	**Accounts payable and liabilities**		**22,439,713**	**19,105,251**
1.	**Accounts payable after one year and other non-current liabilities**	21	**10,604,238**	**9,951,238**
2.	**Account payable within one year and current liabilities**		**11,835,475**	**9,154,013**
2.1.	Liabilities of debts			
2.2.	Debts for credit institutions	21	1,131,338	1,322,560
2.3.	Received prepayments		137,781	189,605
2.4.	Debts to suppliers		9,095,033	6,045,378
2.5.	Payable sums acc.to bills and cheque			
2.6.	Payable sums for companies of Group of companies			
2.7.	Payable sums for associated companies			
2.8.	Profit tax payment obligations		-	367,986
2.9.	Obligations related to work relations		1,210,131	1,189,573
2.10.	Other current liabilities		261,192	38,911
H.	**Accrued charges and deferred income**		**99,109**	**89,226**
	Total equity and liabilities		**44,440,920**	**41,979,208**

Managing Director Gediminas Čeika

Financial Director Mindaugas Sologubas

Consolidated Statement of Cash Flow

Ref. No.		30 06 2017	30 06 2016
I.	**Cash flows from the key operations**		
I.1	Net result before taxes	(178,904)	754,662
I.2	Depreciation and amortization expenses	918,604	891,553
I.3	(Amortisation) of grants	(61,141)	(64,718)
I.4	Result from disposal of non-current assets	(1,273)	-
I.5	Write-off of non-current assets		
I.6	Write-off of inventories	4,761	
I.7	Depreciation of receivables		
I.8	Other provisions		
I.9	Change in provision for guarantee repair	(1,810)	264,620
I.10	Recovery of devaluation of trade receivables		
I.11	Influence of foreign currency exchange rate change	21,855	3,958
I.12	Financial income (interest income)	(278,192)	(271,273)
I.13	Financial expenses (interest expenses)	300,515	347,837
	Cash flows from the key operations until decrease (increase) in working capital	**724,415**	**1,926,639**
II.1	Decrease in receivables and other liabilities	(2,900,811)	(392,687)
II.2	Decrease in inventories	(885,110)	(273,367)
II.3	Increase in trade and other payables	3,279,203	(1,796,579)
	Cash flows from the main activities	**217,697**	**(535,994)**
III.1	Interest income		
III.2	Interest paid	(302,483)	(352,629)
III.3	Income tax paid	(393,813)	(108,124)
	Net cash flows from the key operations	**(478,599)**	**(996,747)**

IV.	**Cash flows from (to) investing activities**		
IV.1	Acquisition of tangible non-current assets	(237,022)	(345,043)
IV.2	Capitalization of intangible non-current assets		(156,935)
IV.3	Proceed from disposal of non-current assets	19,775	
IV.4	Loans granted	(905,700)	(167,600)
IV.5	Loans regained		
IV.6	Interest received	(390,143)	
	Net cash flows from the investing activities	**(1,513,090)**	**(669,578)**

(continued on the next page)

III.	**Cash flows from the financial activities**	(409,894)	(1,577,916)
III.1	Cash flows related to the shareholders of the company		
III.1.1	Issue of shares		
III.1.2	Shareholders' contributions for covering losses		
III.1.3	Sale of own shares		
III.1.4	Payment of dividends	(878,633)	
III.2	Cash flows arising from other financing sources		
III.2.1	Grants received	6,961	
III.2.1.1	Proceeds from non-current borrowings	833,000	120,000
III.2.1.2	(Repayment) of borrowings	(360,000)	(1,782,500)
III.2.2	Finance lease received		87,635
III.2.2.1	Payments of leasing (finance lease) liabilities	(11,222)	(3,051)
III.3	Other decreases in the cash flows from financial activities		
III.4.	Redemption of issued securities		
	Net cash flows from the financial activities	**(409,894)**	**(1,577,916)**

IV.	**Cash flows from extraordinary items**		
IV.1.	Increase in cash flows from extraordinary items		
IV.2.	Decrease in cash flows from extraordinary items		
V.	**The influence of exchange rates adjustments on the balance of cash and cash equivalents**		
VI.	**Net increase (decrease) in cash flows**	**(2,401,583)**	**(3,244,241)**
VII.	**Cash and cash equivalents at the beginning of period**	**2,617,338**	**3,763,622**
VIII.	**Cash and cash equivalents at the end of period**	**215,755**	**519,381**

Managing Director Gediminas Čeika

Financial Director Mindaugas Sologubas

Consolidated Statement of Changes in Equity

	Paid up authorised capital	Share premium	Own shares (-)	Legal reserves			Other reserves			Retained earnings (losses)	TOTAL	Minority shareholders	TOTAL
				Compulsory	For acquiring own shares	For social needs	Other	Currency exchange reserve	Revaluation reserve				
Balance as at 31 January 2015	**11,491,018**	**0**	**0**	**901,431**	**0**	**0**	**0**	**(47,936)**		**(3,157,831)**	**9,186,682**	**306**	**9,186,988**
Net profit for the 2016 QI-II										754,700	754,700	(37)	754,663
Other changes								(1,404)			(1,404)		(1,404)
Balance as at 30 June 2016	**11,491,018**	**0**	**0**	**901,431**	**0**	**0**	**0**	**(49,340)**		**(2,403,131)**	**9,939,979**	**269**	**9,940,248**
Net profit for the 2016 QIII-IV										452,145	452,145	(13)	452,132
Increase of authorised capital	3,566,016								(3,566,016)		0		0
Non-current assets revaluation									9,223,035		9,223,035		9,223,035
Other changes								(769)	18,849	(2)	18,078		18,078
Cover of losses	(3,169,792)									3,169,792	0		0
Other comprehensive income									(125,661)	125,661	0		0
Balance as at 31 December 2016	**11,887,242**	**0**	**0**	**901,431**	**0**	**0**	**0**	**(50,109)**	**5,550,207**	**1,344,465**	**19,633,236**	**256**	**19,633,492**
Net profit for the 2017 QI-II										(178,904)	(178,904)		(178,904)
Dividends										(1,040,818)	(1,040,818)		(1,040,818)
Formed reserves				69,446	30,000					(99,446)			
Other changes	(523)							(1,138)	(245)	(106,492)	(108,398)	(58)	(108,456)
Other comprehensive income										399,680	399,680		399,680
Balance as at 30 June 2017	**11,886,719**	**0**	**0**	**970,877**	**30,000**	**0**	**0**	**(51,247)**	**5,549,962**	**318,485**	**18,704,796**	**198**	**18,704,994**

Managing Director Gediminas Čeika

Financial Director Mindaugas Sologubas

EXPLANATORY NOTES

1 Basic information

AB Snaigė (hereinafter "the Company") is a public company registered in the Republic of Lithuania. The address of its registered office is as follows:

Pramonės str. 6,
Alytus,
Lithuania.

The Company is engaged in producing refrigerators and refrigerating equipment. The Company was registered on 1 April 1963. The Company's shares are traded on the Baltic Secondary List of the NASDAQ OMX Vilnius stock exchange.

Main shareholders of AB Snaigė as on June 30, 2017and December 31, 2016 were:

	June 30, 2017		December 31, 2016	
	Number of shares owned	Share of total capital, %	Number of shares owned	Share of total capital, %
Bevorano Holdings Limited	36,096,193*	91.10%		
Vaidana UAB			36,096,193*	91.10%
Other shareholders	3,526,202	8.90%	3,526,202	8.90%
Total	**39,622,395**	**100%**	**39,622,395**	**100%**

*Out of this amount Bevorano Holdings Limited collateralized 4,584,408 shares to the bank in accordance with collateral agreement to ensure financial liabilities of Snaige AB (31 December 2016 - 4,584,408 shares were collateralized by Vaidana UAB to ensure it's liabilities).

All the shares of the Company are ordinary registered intangible shares with the par value of 0.30 euro each and were fully paid as at 30 June 2017 and 31 December 2016.

As at 30 June 2017 and 31 December 2016 the Company did not hold its own shares.

As at 30 June 2017 Bevorano Holdings Limited was ultimately owned by controlling shareholder Tetal Global Ltd. (intermediate shareholders Hymana Holdings Ltd., Vaidana UAB).

The Group consisted of AB Snaige and the followings subsidiaries as at 30 June 2017 (hereinafter – "the Group"):

Company	Country	Percentage of the shares held by the Group	Profit (loss) for the reporting year	Shareholders' equity
TOB Snaige Ukraina	Ukraine	99%	328	12,911
UAB Almecha	Lithuania	100%	(19,166)	503,325

As at 30 June 2017, the Board of the Company consist of 5 members. The board does not have AB Snaigė representatives.

TOB Snaige Ukraina (Kiev, Ukraine) was established in 2002. Since the acquisition in 2002, the Company holds 99% shares of this subsidiary. The subsidiary provides sales and marketing services in the Ukrainian market.

UAB Almecha (Alytus, Lithuania) was established in 2006. The main activities of the company are production of refrigerating components and equipment. The Company acquired 100% of the Company's shares.

As at 30 June 2017 the number of employees of the Group was 737 (as at 30 June 2016 – 738).

2 Accounting principles

The principal accounting policies adopted in preparing the Group's financial statements are as follows:

2.1. Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union (hereinafter "the EU").

These financial statements are prepared on the historical cost basis.

2.2. Going concern

The Group's current assets exceeded current liabilities by EUR 4303 thousand of 30 June 2017 (in the year 2016, December 31st current assets exceeded current liabilities by EUR 4,664 thousand).

- liquidity ratios: general coverage ratio (total current assets / total current liabilities) was 1.36 (1.51 on 31st December 2016),
- quick ratio ((total current assets – inventories) / total current liabilities) – 0.9 (on 31st December 2016 - 0.98),
- the Group suffered EUR 178 thousand loss before tax (in 2016 over the same period - EUR 755 thousand profit before tax),
- Debt ratios: the ratio of debt/asset was 0.58 (whereas in the year 2016, December 31st - 0.53).

These financial statements for the 30 June 2017 have been prepared based on the assumption that the Group will be able to continue as a going concern for at least 12 months. The going concern is based on the following assumptions:

- in order to finance the working capital the Group is planning to perform successful sales of finished goods and the continuation of cooperation only with trustful partners. Trade payables are planned to be decreased using free operational cash flows.

The management of the Company agrees that all those assumptions above could be influenced of significant uncertainties, which could raise doubts about Company's ability to continue operating, because of the disability to realize its property and to implement its commitments by carrying out its normal activities. However despite all this the Company's management expects that the Company will have enough resources to continue operating in the near future. Therefore, the Group has continued to adopt the going concern basis of accounting in preparing these financial statements.

2.3. *Presentation* currency

The Group's financial statements are presented in the currency of the European Union, the euro (EUR), which is the Company's functional and the Group's and the Company's presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the statement of financial position date. All differences are included in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as of the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign entity and translated at the rate of exchange ruling at the statement of financial position date.

The functional currency of a foreign entity TOB Snaige Ukraina is Ukrainian hryvnia (UAH). As at the reporting date, the assets and liabilities of this subsidiary are / were translated into the presentation currency of AB Snaigė (EUR) at the rate of exchange at the statement of financial position date and their items of the statement of profit or loss and other comprehensive income are translated at the average monthly exchange rates for the reporting period. The exchange differences arising on the translation are stated in other comprehensive income.

On disposal of a foreign entity, the deferred cumulative amount recognised in the shareholders' equity caption relating to that particular foreign operation is transferred to profit or loss.

The applicable exchange rates in relation to euro as at the 30 June 2017 and 31 December 2016 were as follows:

	30 June 2017	**31 December 2016**
UAH	29.75989	28.4474
USD	1.1413	1.0453

2.4. Principles of consolidation

The consolidated financial statements of the Group include AB Snaigė and its subsidiaries. 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 result attributable to non-controlling interest are shown separately in the statement of financial position and profit or loss.

Acquisitions and disposals of non-controlling interest by the Group are accounted as equity transaction: the difference between the carrying value of the net assets acquired from/disposed to the non-controlling interests in the Group's financial statements and the acquisition price/proceeds from disposal is accounted directly in equity.

2.5. Intangible assets, except for goodwill

Intangible assets are measured initially at cost. Intangible assets are recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Group and the Company and the cost of asset can be measured reliably. After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over their estimated useful lives (1–8 years).

<u>Research and development</u>

Research costs are expensed as incurred. Development expenditure on individual projects is recognised as an intangible asset when the Group and the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, their intention to complete and their ability to use or sell the asset so that the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

<u>Licenses</u>

Amounts paid for licences are capitalised and amortised over their validity period.

<u>Software</u>

The costs of acquisition of new software are capitalised and treated as an intangible asset if these costs are not an integral part of the related hardware. Software is amortised over a period not exceeding 3 years.

Costs incurred in order to restore or maintain the future economic benefits that the Group and the Company expect from the originally assessed standard of performance of existing software systems are recognised as an expense when the restoration or maintenance work is carried out.

2.6. Tangible non-current assets

Property, plant and equipment are assets that are controlled by the Group and the Company, which are expected to generate economic benefits in the future periods with the useful life exceeding one year, and which acquisition (manufacturing) costs could be reliably measured. Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of such assets when that cost is incurred if the asset recognition criteria are met. Replaced parts are written off.

Property, plant and equipment are shown at revalued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which is determined using fair value at the date of statement of financial position. The fair value of the property, plant and equipment is determined by appraisals undertaken by certified independent valuators. Any accumulated depreciation and impairment losses at the date of revaluation were eliminated against the gross carrying amount of the asset, instead the historical acquisition cost was increased by the surplus of the revaluation.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. The revaluation reserve for property, plant and equipment is being reduced each period by the difference between depreciation based on the revalued carrying amount of the asset and that based on its original cost, which is transferred directly to retained earnings.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against revaluation reserve in equity; all other decreases are charged to the profit or loss. Revaluation increases that offset previous decreases charged to the profit or loss are recognised in the profit or loss.

Each year the difference between depreciation based on the revaluated carrying amount of the asset charged to the profit or loss, and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings net of deferred income tax.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is computed on a straight- Depreciation is computed on a straight-line basis over the following estimated useful lives from 1 October 2016:

Buildings and structures (including investment property)	15 - 73 years
Machinery and equipment	5 - 63 years
Vehicles	4 - 20 years
Other property, plant and equipment	3 - 30 years

Weighted average useful lives from 1 October 2016 are as follows:

Buildings and structures (including investment property)	55 years
Machinery and equipment	21 years
Vehicles	16 years
Other property, plant and equipment	12 years

The asset's carrying amounts, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of property, plant and equipment and are recognised within other income or other expenses in the statement of comprehensive income. When revalued assets are sold, the amounts included in revaluation reserve are transferred to retained earnings.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

Construction in progress is stated at cost less accumulated impairment. This includes the cost of construction, plant and equipment and other directly attributable costs. Construction in progress is not depreciated until the relevant assets are completed and put into operation.

2.7. Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Property, plant and equipment once classified as held for sale are not depreciated.

If the Group has classified an asset as held for sale, but the above mentioned criteria are no longer met, the Group ceases to classify the asset as held for sale and measure a non-current asset that ceases to be classified as held for sale at the lower of: its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and its recoverable amount at the date of the subsequent decision not to sell. The adjustment to the carrying amount of a non-current asset that ceases to be classified as held for sale and recorded in profit or loss in the period in which the criteria are no longer met.

2.8. Inventories

Inventories are valued at the lower of cost or net realisable value, after write-down of obsolete and slow moving items. Net realisable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined by the first-in, first-out (FIFO) method. The cost of finished goods and work in progress includes the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Unrealisable inventory is fully written-off.

2.9. Receivables and loans granted

Receivables are initially recorded at the true value at the same moment as they were given. Later receivables and loans are accounted in justice to their depreciation.

2.10. Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits at current accounts, and other short-term highly liquid investments.

2.11. Borrowings

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised, otherwise – expensed as incurred. No borrowing costs were capitalised as at 30 June 2017 and 31 December 2016.

Borrowings are initially recognised at fair value of proceeds received, net of expenses incurred. They are subsequently carried at amortised cost, the difference between net proceeds and redemption value being recognised in the net profit or loss over the period of the borrowings (except for the capitalised portion as discussed above).

Borrowings are classified as non-current if the completion of a refinancing agreement before the balance sheet date provides evidence that the substance of the liability at the balance sheet date was non-current.

2.12. Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into. Subsequent to initial recognition and measurement, outstanding derivatives are carried in the statement of financial position at the fair value. Fair value is determined using the discounted cash flow method applying the effective interest rate. The estimated fair values of these contracts are reported on a gross basis as financial assets for contracts having a positive fair value; and financial liabilities for contracts with a negative fair value. Contracts executed with the same counterparty under legally enforceable master netting agreements are presented on a net basis. The Group had no derivative contracts outstanding as at 30 June 2017 and 31 December 2016.

Gain or loss from changes in the fair value of outstanding derivative contracts is recognised in the comprehensive income statement as they arise.

2.13. Factoring

Factoring transaction is a funding transaction wherein the company transfers to factor claim rights for determined fee. The companies alienate rights to receivables due at a future date according to invoices.

2.14. Financial lease and operating lease

Finance lease – the Group as lessee

The Group recognises finance leases as assets and liabilities in the statement of financial position at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, to the present value of the minimum lease payments. The rate of discount used when calculating the present value of minimum payments of finance lease is the nominal interest rate of finance lease payment, when it is possible to determine it, in other cases, Group's composite interest rate on borrowings is applied. Directly attributable initial costs are included into the asset value. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Direct expenses incurred by the lessee during the lease period are included in the value of the leased asset.

The depreciation is accounted for finance lease assets and it also gives rise to financial expenses in the statement of comprehensive income for each accounting period. The depreciation policy for leased assets is consistent with that for depreciable assets that are owned. The leased assets cannot be depreciated over the period longer than the lease term, unless the Group according to the lease contract, gets transferred their ownership after the lease term is over.

If the result of sales and lease back transactions is finance lease, any profit from sales exceeding the book value is not recognised as income immediately. It is deferred and amortised over the finance lease term.

Operating lease – the Group as lessee

Leases where the lessor retains all the risk and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

If the result of sales and lease back transactions is operating lease and it is obvious that the transaction has been carried out at fair value, any profit or loss is recognised immediately. If the sales price is lower than the fair value, any loss is recognised immediately, except for the cases when the loss is compensated by lower than market prices for lease payments in the future. The loss is then deferred and it is amortised in proportion to the lease payments over a period, during which the assets are expected to be operated. If the sales price exceeds the fair value, a deferral is made for the amount by which the fair value is exceeded and it is amortised over a period, during which the assets are expected to be operated.

2.15. Grants and subsidies

Grants and subsidies (hereinafter Grants) received in the form of non-current assets or intended for the purchase, construction or other acquisition of non-current assets are considered as asset-related grants (mainly received from the EU and other structural funds). Assets received free of charge are also allocated to this group of grants. The amount of the grants related to assets is recognised in the financial statements as used in parts according to the depreciation of the assets associated with this grant. In the statement of comprehensive income, a relevant expense account is reduced by the amount of grant amortisation.

Grants received as a compensation for the expenses or unearned income of the current or previous reporting period, also, all the grants, which are not grants related to assets, are considered as grants related to income (mainly received from the EU and other structural funds). The income-related grants are recognised as used in parts to the extent of the expenses incurred during the reporting period or unearned income to be compensated by that grant.

2.16. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The provisions are reviewed at each balance sheet date and adjusted in order to present the most reasonable current estimate.

2.17. Non-current employee benefits

According to the collective agreement, each employee leaving the Company at the retirement age is entitled to a one-time payment. Employment benefits are recognised in the statement of financial position and reflect the present value of future payments at the date of the statement of financial position. The above mentioned employment benefit obligation is calculated based on actuarial assumptions, using the projected unit credit method. Present value of the non-current obligation to employees is determined by discounting estimated future cash flows using the discount rate which reflects the interest rate of the Government bonds of the same currency and similar maturity as the employment benefits. Actuarial gains and losses are recognised in the statement of comprehensive income as incurred.

2.18. Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably. Sales are recognised net of VAT and discounts.
Revenue from sales of goods is recognised when delivery has taken place and transfer of risks and rewards has been completed.
Revenue from services is recognized on accrual basis when services are rendered and are stated in the statement of comprehensive income.
In these consolidated financial statements intercompany sales are eliminated.

2.19. Impairment of assets

Financial assets

Financial assets are reviewed for impairment at each reporting date.

For financial assets carried at amortised cost, whenever it is probable that the Group will not collect all amounts due according to the contractual terms of loans or receivables, impairment is recognised in the statement of comprehensive income. The reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be justified by an event occurring after the write-down. Such reversal is recorded in the statement of comprehensive income. However, the increased carrying amount is only recognised to the extent it does not exceed the amortised cost that would have been had the impairment not been recognised.

Other assets

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is accounted for in the same caption of the statement of comprehensive income as the impairment loss.

2.20. Subsequent events

Subsequent events that provide additional information about the Group's position at the date of the statement of financial position (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes when material.

2.21. Offsetting and comparative figures

When preparing the financial statements, assets and liabilities, as well as revenue and expenses are not set off, except the cases when a certain International Financial Reporting Standard specifically requires such set-off.

3 Segment information

The Group's sole business segment identified for the management purposes is the production of refrigerators and specialised equipment, therefore this note does not include any disclosures on operating segments as they are the same as information provided by the Group in these financial statements.

Information on Group's sales is presented below (EUR thousand):

	Total sales revenue		Inter-group sales		Sales revenue	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Russia	313	117	-	-	313	117
Ukraine	3,651	2,227	-	-	3,651	2,227
Western Europe	6,260	7,008	-	-	6,260	7,008
Central Europe	3,621	5,214	-	-	3,621	5,214
Lithuania	2,769	2,465	(177)	(142)	2,592	2,323
Other CIS countries	1,743	1,400	-	-	1,743	1,400
Other Baltic states	514	539	-	-	514	539
Other countries	36	39	-	-	36	39
Total	**18,907**	**19,009**	**(177)**	**(142)**	**18,730**	**18,867**

Transactions between the Group companies are made on commercial terms and conditions. Inter-group sales are eliminated in consolidation.

4 Cost of sales (in EUR thousand)

	30 06 2017	30 06 2016
Raw materials	11,725	10,898
Salaries and wages	1,759	1,589
Depreciation and amortisation	675	630
Other	2,248	2,182
Total:	**16,407**	**15,299**

5 Other income (in EUR thousand)

	30 06 2017	30 06 2016
Income from transportation services	114	91
Income from sale of other services	-	-
Income from rent of premises	6	7
Gain on disposal of property, plant and equipment	1	-
Income from rent of equipment	0	0
Other	32	21
Total:	**153**	**119**

6 Operating expenses (in EUR thousand)

	30 06 2017	30 06 2016
Selling expenses	1,331	1,682
General and administrative expenses	1,151	1,075
	2,482	**2,757**

7 Other operating expenses (in EUR thousand)

	30 06 2017	30 06 2016
Transportation expenses	108	78
Expenses from rent of equipment	-	-
Gain on disposal of property, plant and equipment	-	-
Other	21	16
	129	**94**

8 Financial income (in EUR thousand)

	30 06 2017	30 06 2016
Foreign currency exchange gain	-	0
Interest income and other	278	271
	278	**271**

9 Financial expenses (in EUR thousand)

	30 06 2017	30 06 2016
Interest expenses	301	348
Loss of foreign currency exchange, net	22	4
Realized loss on foreign currency derivatives	-	-
Loss of foreign currency translation transactions	0	-
Other	-	0
	323	**352**

10 Intangible assets (in EUR thousand)

	Balance sheet value	
	30 06 2017	**31 12 2016**
Development costs	1,367	1,503
Software, license	67	96
Other intangible assets	214	38
Total:	**1,648**	**1,637**

Over 2017 the Group has accumulated EUR 165 thousand (2016 - EUR 158 thousand) of intangible assets depreciation The amount of EUR 5 thousand for 2017 (EUR 4 thousand for 2016) was included into production costs. The remaining amount of EUR 160 thousand (EUR 154 thousand for 2016) was included into administration expenses in the Group's profit or loss.

Part of non-current intangible assets of the Group with the acquisition value of EUR 3,843 thousand as at 30 June 2017 was fully amortised (EUR 3,569 thousand as at 31 December 2016) but was still in use.

11 Non-current tangible assets (in EUR thousand)

	Balance sheet value	
	30 06 2017	**31 12 2016**
Land and buildings	5,278	5,394
Machinery and equipment	9,279	9,275
Vehicles and other property	1,637	1,856
Construction in progress and prepayments	223	9
Total:	**16,417**	**16,535**

Starting from 30 September 2016 the Group and the Company decided to revaluate the non-current assets, including buildings, structures, machinery and equipment as well as other production equipment. The valuation of non-current assets for financial reporting purposes has been carried out by external, independent valuator, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuation of real estate was based on the comparable method by comparing sales prices of similar real estate in Lithuania. The valuation of machinery and equipment and other non-current assets was based on comparable or depreciated replacement cost (DRC) methods.

Building and structures were attributed to Level 3 of fair value hierarchy. Under the Market method the sale transactions or offer examples in respect of the real estate and constructions were observed in the market. The comparable real estate objects were selected due to the similarity with the object being measured with respect to size, nature, location, intended use, condition and other parameters. The valuation of real estate required adjustments to reflect differences between the objects being measured and comparable objects.

Machinery and equipment, vehicles and other assets were also attributed to Level 3 of fair value hierarchy. Part of the machinery was valued based on at least two or three comparable inputs. Comparable inputs selected were similar to the assets subject to valuation. This method was used for the measurement of a part of equipment in respect of which sale or offer market data was available. The remaining part of machinery and equipment were valued by DRC method. The replacement values of these non-current assets were based on their acquisition costs and comparable price changes provided by the Statistics Department. When establishing physical obsolescence it is assumed that the value of property being measured is written off in proportion to the number of years. The assets subject to valuation were classified into categories in respect of which the useful life up to 20 years depending on the group of asset was established based on the expert opinion of the valuer.

The estimated fair value of the buildings and structures amounted to EUR 5,380 thousand and the value of machinery and equipment, vehicles and other assets amounted to EUR 11,017 thousand as at 30 September 2016, based on the methods described above. As individually some items of machinery and equipment were assessed as impaired, the impairment loss of EUR 325 thousand was booked to general and administrative expenses for 2016 year and the revaluation amount of EUR 11,342 thousand was allocated to property, plant and equipment as at 30 September 2016.

The increase in value of non-current tangible assets was registered by increasing the acquisition cost of the asset and was accounted as follows as at 30 September 2016 (in EUR thousand):

The Company	**Book value**	**Revalued amounts**	**Revaluation surplus**
Buildings and structures	2,180	5,455	3,275
Machinery and equipment	2,918	9,447	6,529
Vehicles and other assets	552	1,820	1,277
Total	**5,650**	**16,722**	**11,081**

The useful life terms of Non-current material assets, in years:

	Statistical	**Remanining useful life terms at the revaluation date**	**Remanining useful life terms, stated after revaluation**
Land and buildings	49	22	26
Machinery and equipment	6	1	8
Vehicles	6	1	4
Other plant, devices, tools and equipment	5	0,5	5
Other tangible assets	5	0,5	8

The new useful lifetimes for assessing depreciation have been applied since 1 October 2016.

The depreciation charge of the Group's property, plant and equipment and investment property for 2017 first half amounts to EUR 754 thousand (EUR 733 thousand for 2016). After the assessment of amortization of grants, the amount of EUR 704 thousand for 2017 (EUR 687 thousand for 2016) was included into production costs. The remaining amount of EUR 50 thousand (EUR 46 thousand for 2016) was included into administration expenses in the Group's profit or loss.

As at 30 June 2017 buildings of the Group and the Company with the carrying amount of EUR 5,085 thousand, (as at 31 December 2016 – EUR 5,171 thousand respectively), the Group's and the Company's machinery and equipment with the carrying amount of EUR 8,616 thousand (as at 31 December 2016 – EUR 10,538 thousand respectively) were pledged to bank as a collateral for the loans (Note 21).

12 Loans granted (in EUR thousand)

	30 06 2017	**31 12 2016**
Controlling parties	11,790	9,966
The parent	-	667
Loans receivable	**11,790**	**10,633**
Including:		
Non-current borrowings	10,218	9,966
Current borrowings	1,572	667
Total	**11,790**	**10,633**

13 Inventories (in EUR thousand)

	30 06 2017	31 12 2016
Raw materials, spare parts and production in progress	3,628	3,310
Finished goods	1,736	1,166
Other	167	379
Total inventories, net	**5,533**	**4,855**

Raw materials and spare parts consist of compressors, components, plastics, wires, metals and other materials used in the production.

As at 30 June 2017 the Group and Company has no legal restrictions on inventories.

14 Trade receivables (in EUR thousand)

	30 06 2017	31 12 2016
Receivables	9,515	6,417
Less: impairment allowance for doubtful receivables	(1,026)	(1,061)
	8,489	**5,356**

Trade receivables are non-interest bearing and are generally on 30 – 90 days terms.

As at 30 June 2017 100% impairment was accounted trade receivables of the Group in gross values of EUR 1,026 thousand (as at 31 December 2016 – EUR 1,061 thousand). Change in impairment allowance for receivables was accounted for within administrative expenses. Impairment allowance for doubtful receivables is recognised due to receivables from not related customers.

Trade receivables from the Group in the amount of EUR 4,307 thousand as at 30 June 2017 (EUR 2,935 thousand as at 31 December 2016) were insured with credit insurance by Atradius Sweden Kreditförsäkring Lithuanian branch. Trade receivables from Ukraine, Moldova, Russia and other CIS countries are not insured.

Movements in the individually assessed impairment of trade receivables were as follows (in EUR thousand):

	30 06 2017	31 12 2016
Balance at the beginning of the period	(1,061)	(1,001)
Charge for the year	-	(81)
Write-offs of trade receivables	-	-
Effect of the change in foreign currency exchange rate	1	(12)
Amounts paid	34	33
Balance in the end of the period	**(1,026)**	**(1,061)**

The receivables are written-off when it becomes obvious that they will not be recovered.

15 Other current assets (in EUR thousand)

	30 06 2017	31 12 2016
Prepayments and deferred expenses	35	66
VAT receivable	156	132
Compensations receivable from suppliers	-	-
Restricted cash	4	4
Granted loans	1,572	667
Other receivables	153	144
	1,921	**1,013**

Movements in the individually assessed impairment of other receivables were as follows:

	30 06 2017	31 12 2016
Balance at the beginning of the period	-	-
Charge for the year	-	-
Effect of the change in foreign currency exchange rate	-	-
Amounts paid	-	-
Write off	-	-
Balance in the end of the period	-	-

16 Cash and cash equivalents (in EUR thousand)

	30 06 2017	31 12 2016
Cash at bank	213	2,615
Cash on hand	3	2
	216	**2,617**

17 Share capital

According to the Law on Companies of the Republic of Lithuania the Company's total equity cannot be less than 1/2 of its share capital specified in the Company's by-laws. As at 30 June 2017 the Company was in compliance with this requirement

18 Reserves

Legal reserve

The Company's legal reserve is compulsory under Lithuanian legislation. Annual transfers of not less than 5% of net profit are compulsory until the reserve reaches 10% of the share capital. As at 30 June 2017 the legal reserve has not been fully formed yet.

As of 30 June 2017 the legal reserve amounted to EUR 971 thousand.

Other reserves

Other reserves are formed based on the decision of the General Shareholders' Meeting for special purposes. All distributable reserves before distributing the profit are transferred to retained earnings and redistributed annually under a decision of the shareholders.

Foreign currency translation reserve

The foreign currency translation reserve is used for translation differences arising upon consolidation of the financial statements of foreign subsidiaries.

Exchange differences are classified as equity in the consolidated financial statements until the disposal of the investment. Upon disposal of the corresponding investment, the cumulative translation reserve is transferred to retained result in the same period when the gain or loss on disposal is recognised.

19 Grants (in EUR thousand)

Balance as at 31 December 2013	**3,100**
Received during the period	12
Balance as at 31 December 2014	3,112
Received during the period	705
Balance as at 31 December 2015	3,817
Received during the period	-
Balance as at 31 December 2016	3,817
Received during the period	-
Balance as at 31 March 2017	3,817
Received during the period	7
Balance as at 30 June 2017	**3,824**
Accumulated amortisation as at 31 December 2013	**2,914**
Amortisation during the period	25
Accumulated amortisation as at 31 December 2014	2,939
Amortisation during the period	48
Accumulated amortisation as at 31 December 2015	2,987
Amortisation during the period	127
Accumulated amortisation as at 31 December 2016	3,114
Amortisation during the period	31
Accumulated amortisation as at 31 March 2017	3,145
Amortisation during the period	30
Accumulated amortisation as at 30 June 2017	**3,176**
Carrying amount as at 30 June 2017	**649**
Carrying amount as at 31 December 2016	**703**

The grants were received for the renewal of production machinery and repairs of buildings in connection with the elimination of CFC 11 element from the production of polyurethane insulation and filling foam, and for elimination of greenhouse gases in the manufacturing of domestic refrigerators and freezers, also, for increase in efficiency by investing into the production of commercial refrigerators and infrastructure development via investments into a research centre of new products.

Grants are amortised over the same period as the machinery and other assets for which grants were designated when compensatory costs are incurred. The amortisation of grants is included in production cost against depreciation of machinery and reconstruction of buildings for which the grants were designated. Provisions for guarantee related liabilities.

20 Warranty provision

The Group provide a warranty of up to 2 years for the production sold. The provision for warranty repairs was accounted for based on the expected cost of repairs and statistical warranty repair rates and divided respectively into non-current and current provisions.

Changes in warranty provisions were as follows (in EUR thousand):

	30 06 2017	**31 12 2016**
As at 1 January	499	592
Additions during the year	115	548
Utilised	(116)	(641)
Foreign currency exchange effect	-	-
	497	**499**

Warranty provisions are accounted for:

	30 06 2017
- non- current	181
- current	316
	31 12 2016
- non- current	181
- current	318

21 Borrowings (in EUR thousand)

	30 06 2017	**31 12 2016**
Non-current borrowings		
Non-current borrowings with fixed interest rate	-	-
Non-current borrowings with variable interest rate	10,537	9,884
Long-term liabilities of leasing companies	68	68
	10,604	**9,951**
Current borrowings		
Current borrowings with fixed interest rate	-	-
Long-term loans of the current year	1,122	1,302
Current liabilities of leasing companies	9	21
	1,131	**1,323**
Total	**11,736**	**11,274**

The main information on individual borrowings is disclosed below (in EUR thousand):

	Type	**Maturity**	**As at June 30 2017**	**As at December 31 2016**
Borrowing 1	Loan	23/12/2019	10,886	11,186
Borrowing 2	Loan	10/04/2020	773	-
Leasing 1		26/03/2021	43	49
Leassing 2		26/05/2021	18	20
Leasing 3		26/08 2021	15	19
			11,736	**11,274**

The loan 1 bear 1-month EURIBOR + 5.75 annual interest rate as at 30 June 2017, the loan 2 bear 5% fixed interest rate, with right to review conditions 6-month EURIBOR + 3,5% margin (as at 31 December 2016 1-month EURIBOR + 5,75 annual interest rate for the loan 1).

As of 30 June 2017 the Company's buildings with the carrying amount of EUR 5,085 thousand (EUR 5,171 thousand as at 31 December 2016), the Group's and Company's machinery and equipment with the carrying amount of EUR 8,616 thousand (EUR 10,538 thousand as at December 2016) were pledged to the banks for the loans.

On 11 april 2017 company was granted a credit, amounting to EUR 833 thousand, bearing 5% fixed interest rate, with right to review conditions 6-month EURIBOR + 3,5% margin. Maturinty date – 10 april 2020. Financial assurance agreement was signed with bank, under which company pledged current and future funds in all bank accounts, amounting maximum to EUR 833 thousand.

Borrowings in national currency:

	30 06 2017	**31 12 2016**
Borrowings denominated in:		
EUR	11,736	11,274
USD	-	-
	11,736	**11,274**

Repayment schedule for borrowings:

	Fixed interest rate	**Variable interest rate**
2017	-	1,131
2018	-	1,657
2019	-	8,810
2020	-	129
2021	-	8
	-	**11,736**

22 Financial leasing (in EUR thousand)

Interest rates for financial leasing are fixed at 3,5 % and 3,9 %.

Financial lease payments in future are for dates June 30, 2017 and December 31, 2016 as follows:

	30 06 2017	**31 12 2016**
2017	11	23
2018 - 2021	72	72
Financial lease liabilities total	**83**	**95**
Interest	(6)	(7)
Financial lease liabilities current value	**77**	**88**

Financial lease obligations are accounted as:

- non- current	9	14
- current	68	68

Assets under financial lease are vehicles and machinery. Term of lease – 5 years.

Book value of leased assets (in EUR thousand):

	30 06 2017	**31 12 2016**
Machinery and equipment	137	146

23 Operating lease

The Group have concluded several contracts of operaing lease of land and premises. The terms of lease do not include restrictions of the activities of the Group in connection with the dividends, additional borrowings or additional lease agreements. In 2017 first half the lease expenses of the Group amounted to EUR 30 thousand (in 2016 EUR 34 thousand respectively).

Planned operaiting lease expenses of the Group in 2017 will be EUR 68 thousand.

The most significant operating lease agreement of the Group is the non-current agreement of AB Snaigė signed with the Municipality of Alytus for the rent of the land. The payments of the lease are reviewed periodically; the lease end term is 2 July 2078.

Future lease payments according to the signed lease agreements are not defined as agreements might be cancelled upon the prior notice of 1 month.

24 Other current liabilities (in EUR thousand)

	30 06 2017	**31 12 2016**
Salaries and related taxes	825	802
Vacation reserve	385	388
Dividends deposits	73	-
Accrued interest	15	16
Other taxes payable	2	391
Other payables and accrued expenses	271	88
	1,570	**1,686**

Terms and conditions of other payables:

- Other payables are non-interest bearing and have the settlement term up to six months.
- Interest payable is normally settled monthly throughout the financial year.

25 Basic and diluted profit (loss) per share

	30 06 2017	**30 06 2016**
Shares issued 1 January	39,622,395	39,622,395
Net profit (loss) for the year, attributable to the shareholders of company	(178,904)	754,662
Basic profit (loss) per share, in EUR	**(0.00)**	**0.02**

26 Risk and capital management

The Group and the Company have exposure to the following risks: credit risk, liquidity risk and market risk. This note presents information about the Group's and the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of the Group's and the Company's risk management framework. The Group's and Company's risk management policies are established to identify and analyze the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's and the Company's activities. The Group and the Company aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

As at 30 June 2017 and 31 December 2016, the maximum exposure to credit risk is represented by the carrying amount of each financial asset, consequently, the Group's and the Company's management considers that its maximum exposure is reflected by the amount of loans receivable from related parties, trade and other receivables, net of impairment allowance, and the amount of cash and cash equivalents recognised at the date of the statement of financial position. Credit risk or risk that a counterparty will not fulfil its obligations, is controlled by credit terms and monitoring procedures, using services of external credit insurance agencies. As at 30 June 2017 and 31 December 2016, the credit risk (in EUR thousand) was related to:

	30 06 2017	31 12 2016
Loans with interest receivable from related parties	11,790	10,633
Trade and other receivables	8,489	5,356
Cash and cash equivalents	216	2,617
	20,495	**18,606**

As at 30 June 2017 and as at 31 December 2016 the main part of the loans granted consist of the loan granted to intermediate shareholder.

The concentration of the Group's trade partners and the largest credit risk related to trade receivables according to clients as at 30 June 2017 and 31 December 2016 (in EUR thousand):

	2017	%	2016	%
Client 1	618	7	719	11
Client 2	599	7	413	8
Client 3	550	6	396	6
Client 4	452	5	336	5
Client 5	423	5	287	4
Client 6	411	5	263	4
Client 7	300	4	205	3
Other clients	6,162	61	3,797	59
Impairment	(1,026)		(1,060)	
	8,489	**100**	**5,356**	**100**

Trade receivables according to geographic regions (in EUR thousand):

	30 06 2017	31 12 2016
Central Europe	1,759	1,190
Ukraine	1,396	1,121
Lithuania	1,382	972
Western Europe	2,370	1,788
Other CIS countries	1,147	122
Other Baltic States	177	32
Russia	258	131
Other	-	-
	8,489	**5,356**

Central Europe comprises Poland, the Czech Republic, Bulgaria; Western Europe comprises France, Germany, Norway, Portugal; other CIS countries include Uzbekistan, Moldova, and Azerbaijan.

The Group's and the Company's management believes that the maximum risk equals to trade receivables, less recognised impairment losses at the reporting date. The Group and the Company do not provide guarantees for obligations of other parties.

The credit policy is implemented by the Group and the Company and credit risk is constantly controlled. Credit risk assessment is applied to all clients willing to get a payment deferral.

Trade receivables from the Group in the amount of EUR 4,307 thousand as at 30 June 2017 (EUR 2,935 thousand as at 31 December 2016) were insured with credit insurance by Atradius Sweden Kreditförsäkring Lithuanian branch. Trade receivables from Ukraine, Moldova, Russia and other CIS countries were not insured.

In accordance with the policy of receivables recognition as doubtful, the payments variations from agreement terms are monitored and preventive actions are taken in order to avoid overdue receivables in accordance with the standard of the Group entitled "Trade Credits Risk Management Procedure".

According to the policy of the Group, receivables are considered to be doubtful if they meet the following criteria:

- the client is late with settlement for 60 and more days, receivable amount is not covered by insurance and it does not come from subsidiaries;
- factorised clients late with settlement for 30 and more days;
- client is unable to fulfil the obligations assumed;
- reluctant to communicate with the seller;
- turnover of management is observed;
- reorganisation process is observed;
- information about tax penalties, judicial operation and restrictions of the use of assets is observed;
- bankruptcy case;
- inconsistency and variation in payments;
- other criteria.

Interest rate risk

The Group's borrowings are subject to variable interest rates related to EURIBOR.

As at 30 June 2017 and 31 December 2016 the Group did not use any financial instruments to hedge against interest rate risk.

Liquidity risk

The Group's policy is to maintain sufficient cash and cash equivalents by using cash flows statements with liquidity forecasting for future periods. The statement comprises predictable cash flows of monetary operations and effective planning of cash investment if it is necessary.

The purpose of the Group's liquidity risk management policy is to maintain the ratio between continuous financing and flexibility in using overdrafts, bank loans, bonds, financial and operating lease agreements.

Foreign exchange risk

The Group significantly reduced income earned in USD.

Most of income is earned in euro by the Group.

Capital management

The Group manage share capital, share premium, legal reserves, reserves, foreign currency translation reserve and retained earnings as capital. The primary objective of the Group's capital management is to ensure that the Group complies with the externally imposed capital requirements and to maintain appropriate capital ratios in order to ensure its business and to maximise the shareholders' benefit.

The Group manages its capital structure and makes adjustments to it in the light of changes in the economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company is obliged to keep its equity not lower than 50% of its share capital, as imposed by the Law on Companies of the Republic of Lithuania. As at 30 June 2017 the Group and the Company complied with this requirement. There were no other significant externally imposed capital requirements on the Group.

27 Commitments and contingencies

The tax authorities may at any time perform investigation of the Company's accounting registers and records for the period of five years preceding the accounting tax period, as well as calculate additional taxes and penalties. Management of the Company is not aware of any circumstances which would cause calculation of additional significant tax liabilities.

28 Related party transactions

According to IAS 24 *Related Party Disclosures*, the parties are considered related when one party can unilaterally or jointly control other party or have significant influence over the other party in making financial or operating decisions or operation matters, or when parties are jointly controlled and if the members of management, their relatives or close persons who can unilaterally or jointly control the Group or have influence on it. To determine whether the parties are related the assessment is based on the nature of relation rather than the form.

The related parties of the Group during 2017 and 2016 were as follows:

Bevorano Holdings Limited (the parent)

UAB Vaidana (controlling party, 2016 - the parent);

Hymana Holdings Ltd. (controlling party);

Tetal Global Ltd. (controlling party).

The Group has a policy to conduct related party transactions on commercial terms and conditions. Outstanding balances at the year-end are unsecured, interest-free, except the loan granted.

As at 30 June 2017 and 31 December 2016 the Group has not formed any impairment allowances for doubtful debts, related to receivables from related parties. Doubtful receivables are tested each year by inspecting the financial position of the related party and assessing the market in which the related party operates.

Financial and investment transactions with the related parties (in EUR thousand):

	30 June 2017				**31 December 2016**			
	Loans received	**Interest expenses**	**Loans granted**	**Interest income**	**Loans recived**	**Interest expenses**	**Loans granted**	**Interest income**
Controlling parties	-	-	906	278	-	-	-	573
The parent	-	-	-	-	-	-	327	27
	-	**-**	**906**	**278**	**-**	**-**	**327**	**600**

30 06 2017	**Purchases**	**Sales**	**Receivables**	**Payables**
Companies, controlled by ultimate shareholders	457	-	2	-
Controlling parties	-	-	11,790	-
	457	**-**	**11,792**	**-**

2016	**Purchases**	**Sales**	**Receivables**	**Payables**
Companies, controlled by ultimate shareholders	871	-	239	-
Controlling parties	-	-	10,633	
	871	**-**	**10,872**	**-**

The Company‘s transactions carried out with subsidiaries (in EUR thousand):

	Purchases		**Sales**	
	2017	**2016**	**2017**	**2016**
Subsidiaries	**172**	**265**	**59**	**102**

The Company has a policy to conduct transactions with subsidiaries on contractual terms. The Company's transactions with subsidiaries represent acquisitions and sales of raw materials and finished goods and acquisitions of marketing services, as well as acquisitions of property, plant and equipment. Outstanding balances at the year-end are unsecured, receivables are interest-free and settlement occurs at bank accounts. There were no pledged significant amounts of assets to ensure the repayment of receivables from subsidiaries.

The carrying amount of loans and receivables from subsidiaries (in EUR thousand):

	30 06 2017	31 12 2016
on-current receivables		
Subsidiaries	-	-
otal non-current receivables	**-**	**-**
Current receivables		
Subsidiaries	18	29
Total current receivables	**18**	**29**

The analysis of receivables from subsidiaries and granted loans during the period on 30 June 2017 and 2016 (in EUR thousand):

	Receivables from subsidiaries and granted loans neither past due nor impaired	Receivables from subsidiaries and granted loans past due but not impaired					
		Less than 30 days	30 – 60 days	60 – 90 days	90 – 120 days	More than 120 days	Total
2017	18	-	-	-	-	-	**18**
2016	29	-	-	-	-	-	**29**

Payables to subsidiaries as of 30 June 2017 and 31 December 2016 (included under the trade payables caption in the Company's statement of financial position) (in EUR thousand):

	30 06 2017	31 12 2016
Subsidiaries	**270**	**132**

On the actual date of the Company reporting Company has not any valid guaranty agreements for subsidiaries.

Remuneration of the management and other payments

Remuneration of the Group management amounted to EUR 460 thousand (24 employees) during the first half of 2017, in 2016 - EUR 453 thousand (24 employees). The management of the Group did not receive any other loans, guarantees; no other payments or property transfers were made or accrued.

29 Subsequent events

The resolutions of the Extraordinary Meeting of shareholders of Snaige AB, held on 22 August 2017:

- Own shares purchase conditions were approved;

- the procedure for payment of remuneration by AB Snaigė to the Board Members and Board member agreement were approved

- previous shareholders' decision on auditor for year 2017 was canceled, and new auditor for years 2017 and 2018 was elected, namely DELOITTE LIETUVA, UAB.

- new independent member to Audit Committee was approved.

INFORMATION ABOUT THE ISSUER'S AUTHORIZED CAPITAL, THE ISSUED SECURITIES, SHAREHOLDERS AND MEMBERS OF THE MANAGEMENT BODIES

The issuer's authorized capital

The authorized capital registered in the enterprise register

Name of the securities	Amount of the securities	Nominal value, EUR	Total nominal value, EUR	Share of the authorized capital, in percentage
Ordinary registered shares ISIN LT0000109274	39,622,395	0.30	11,886,718.50	100

Changes in autorized capital:

Registracion of changed autorized capital	The sizes of the autorized capital
11-09-2008	LTL 27,827,365
20-04-2010	LTL 30,735,715
12-05-2011	LTL 39,622,395
01-01-2015	EUR 11,490,494.55
20-12-2016	EUR 11,886,718.50

Major shareholders

The total number of the shareholders on 30 June 2017 was 864.
The major shareholders who own or control more than 5 percent of the issuer's authorized capital are listed below:

Names (company names, addresses, enterprise register codes) of the shareholders	Amount of the ordinary registered shares available, in pcs.		Share of the authorized capital and votes available, in percentage				
	Total	incl. the ones owned by the shareholder	Total		incl. the ordinary registered shares owned by the shareholder		Total incl. the share of the entities group operating jointly, in percentage
			share of the votes	share of the capital	share of the appointed votes	share of the capital	
BEVORANO HOLDINGS LIMITED – Kritis 32, Papachristoforoiu b, Limassol, Cyprus, 521676	36,096,193	91.10	91.10	91.10	91.10	91.10	-

The secondary turnover of the issuer's securities

The securities issued by the Company have been listed in the Official Trading List of NASDAQ OMX Villnius since April 9, 1998. Trade of the Company's ordinary registered shares in the securities stock exchange was started on August 11, 1995. The VP ISIN number is LT0000109274.
Based on June 1, 2009 AB Snaige request the Company's shares from NASDAQ OMX Vilnius Baltic main list were moved to NASDAQ OMX Vilnius Baltic secondary list.

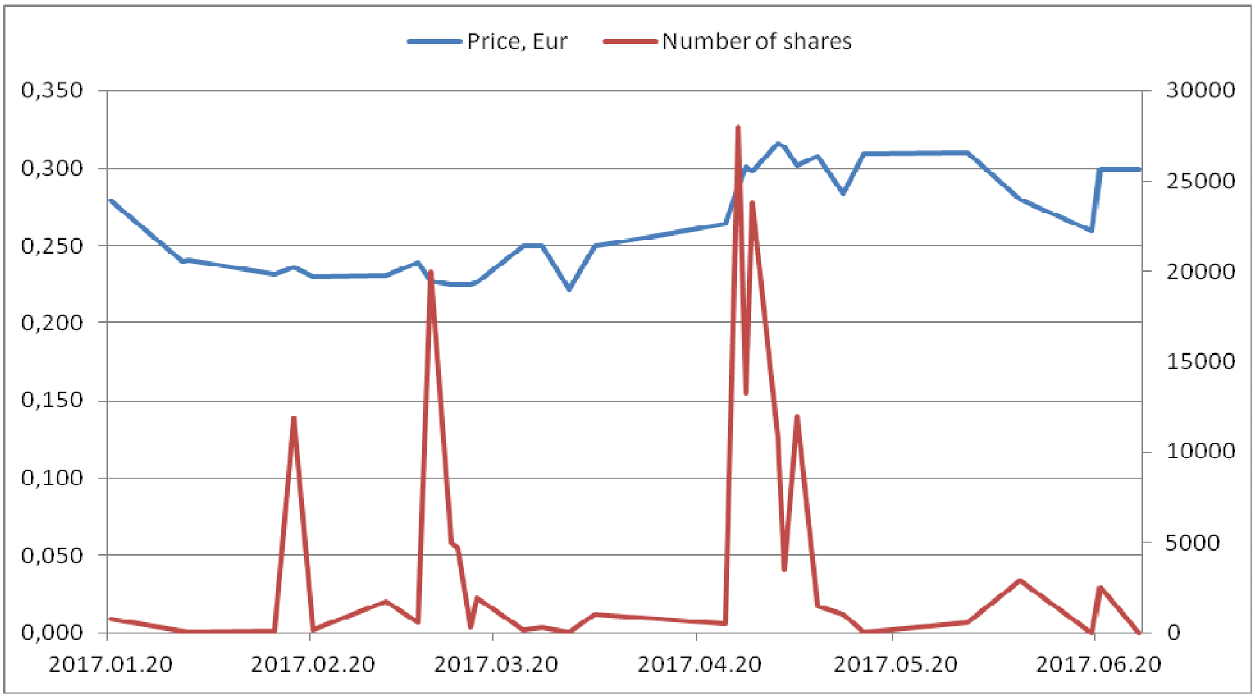
Name of the securities – the ordinary registered shares of Snaige, AB.

Amount of the securities: 39,622,395 units. The nominal value of a share: 0.30 Eur.

Trade in securities

Accounting period		Price, EUR				Total turnover	
from	to	As of last session.	Max price	Min price	Overage price	pcs	EUR
2017-01-01	2017-03-31	0.222	0.288	0.222	0.230	47,898	11,035.47
2017-04-01	2017-06-26	0.300	0.318	0.223	0.298	101,440	30,202.63

Below you can find Company shares turnover and price (in EUR). The information is from NASDAQOMX Vilnius internet page:



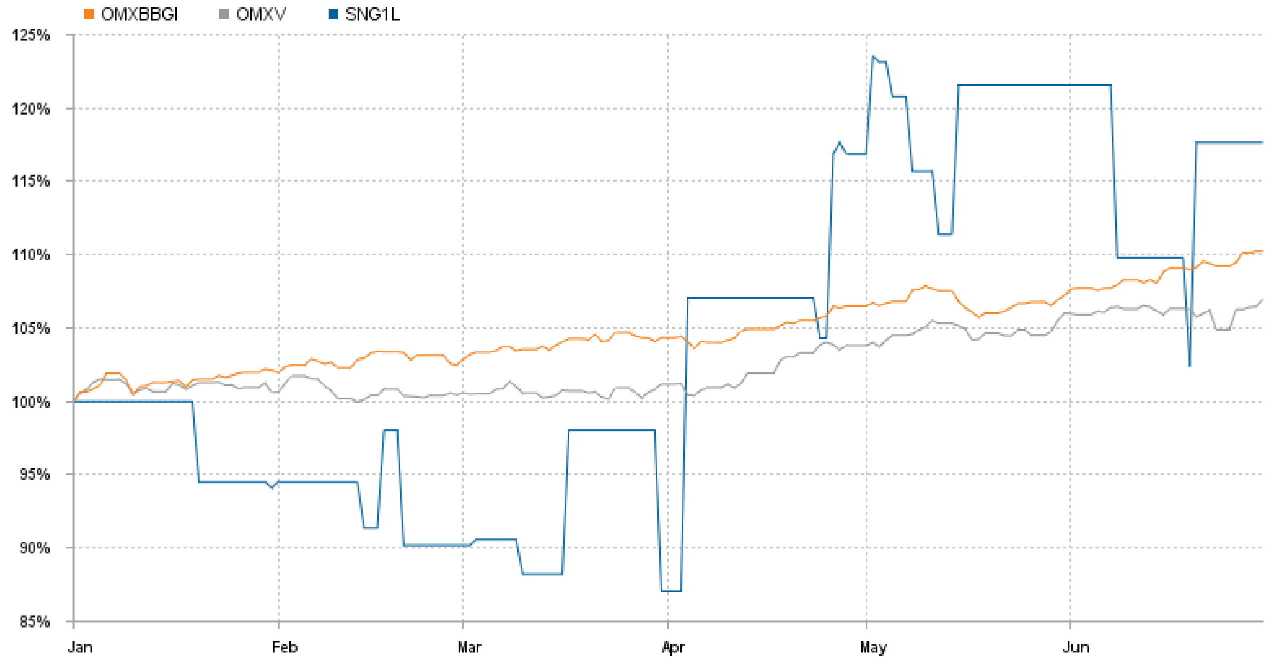
Capitalizacion of the Company's shares:

Name	2016-12-30	2017-06-30	Change
SNG1L	10,103,710.73,EUR	11,886,718.50,EUR	+17.65%

Below the graphs are from OMX Baltic Benchmark, OMX Vilnius indexes and AB Snaige shares prices graphs for period from 1 Yanuary 2017 till 30 June 2017. The information is from NASDAQOMX Vilnius internet page:

http://www.nasdaqomxbaltic.com/market/?pg=charts&idx_main%5B0%5D=OMXBBGI&idx_main%5B1%5D=OMXV&add_index=OMXBBPI&add_equity=LT0000109274&idx_equity%5B0%5D=LT0000109274&period=other&start=2017.01.01&end=2017.06.30&lang=en

Baltic market indexes



Index/Equity	01.01.2017	30.06.2017	+/-%
OMX Baltic Benchmark GI	788.17	868.84	10.24
OMX Vilnius	558.50	597.07	6.91
SNG1L	0.255 EUR	0.300 EUR	17.65

Agreements with the stakeholders of public circulation of securities

On May 20, 2013 AB Snaige entered into agreement with UAB FMĮ Orion securities (A.Tumėno str. 4, Vilnius)) for management of accounts of the Company's issued securities and management of accounts of personal securities.

Members of the Management Bodies

Position, names and data with regard to the share of the issuer's authorized capital available

Name. surname	Position	Amount of shares available in units	Share of the capital available In percentage	Share of votes In percentage
BOARD				
Aleksey Kovalchuk	Chairman of the Board of Snaige AB	-	-	-
Oleg Tsarkov	Member of the Board of Snaige AB	-	-	-
Svetlana Ardentova	Member of the Board of Snaige AB			
Nataliia Sukhanova	Member of the Board of Snaige AB	-	-	-
Natalia Tsvetkova	Member of the Board of Snaige AB	-	-	-
ADMINISTRATION (Administrative Manager, Chief Accountant)				
Gediminas Čeika	Managing Director of Snaige AB	-	-	-
Mindaugas Sologubas	Finance Director of Snaige AB	-	-	-

Information about start date and end date of the office term of each member or the management body

Name	Start date of the Office term	End date of the Office term
BOARD		
Aleksey Kovalchuk	2011-12-14	till 2019 GMS
Oleg Tsarkov	2015-04-30	till 2019 GMS
Svetlana Ardentova	2013-04-30	till 2019 GMS
Nataliia Sukhanova	2017-04-25	till 2019 GMS
Natalia Tsvetkova	2017-04-25	till 2019 GMS
Vladislav Sviblov	2013-04-30	till 2017-04-04
ADMINISTRACIJON (Managing Director and Chief / accountant)		
Gediminas Čeika	2008 01 03	Term less agreement
Mindaugas Sologubas	2014 09 23	Term less agreement

Information on the management bodies involvement of other companies, institutions and organizations

Name	Name of organisation, position	Share of the capital and votes available in other companies, in %
Aleksey Kovalchuk	Does not participate in other Lithuanian companies activities and interests	-
Oleg Tsarkov	Does not participate in other Lithuanian companies activities and interests	-
Svetlana Ardentova	Does not participate in other Lithuanian companies activities and interests	-
Nataliia Sukhanova	Does not participate in other Lithuanian companies activities and interests	
Natalia Tsvetkova	Does not participate in other Lithuanian companies activities and interests	
Gediminas Čeika	UAB Almecha chairman of the board	-
Mindaugas Sologubas	UAB Almecha member of the board	-
	Association EPA chairman of the board	
	UAB Verslo Architektūra Managing director	100%

Information about benefits and loans granted to the members of the management bodies.

No loans or benefits were granted to the members of the management bodies during this period.

INFORMATION ABOUT THE ISSUER'S BUSINESS

Overview of Company's business activities during the reporting period

Snaigė AB reached EUR 18,9 million turnover (according to consolidated unaudited data) within the first six months of this year, which is 0,5% lower than during the same period last year.

Even though, due to rising prices of raw materials, first half results of the company were worse that the same period results last year, company sales revenue remained the same. Increasing sales volume in markets, where Snaigė sells products under its own brand, is a very positive trend – said Gediminas Čeika, General Director of Snaigė AB. "We are particularly happy about our recovering sales in Ukraine. Compared to the same period last year, sales in this country went up by 60% in the first half of 2017," Mr Čeika added.

France, Germany, Ukraine, Poland and the Czech Republic remain the company's largest markets.

According to consolidated unaudited data, the company reached 1 million EBITDA and suffered EUR 179 thousand pre-tax loss during the first half of this year.

Information about Company's employees

The main information about the employees of AB „Snaige"and its subsidiaries'employees is presented in the table below:

Employees group	January – June of 2017	
	Average number of employees	**Average monthly salary, EUR**
Administrative employees (with executive officers)	138	1,178
Factory workers	582	556
In total	**720**	**680**

Information about the subsidiary companies of the issuer

On 30 June 2017 the AB Snaige group consisted of the following companies: the parent company of the group AB Snaige subsidiary companies TOB Snaige - Ukraine, UAB Almecha. The main information about the Group's subsidiary companies is presented in the table below:

	TOB SNAIGE UKRAINE	**UAB ALMECHA**
Registration date, head-office address	Registration date: November, 2002. Address:Grushevskogo str. 28-2a/43,Kyiv, Ukraine	Registration date: November, 2006. Address: Pramonės str. 6, Alytus, Lithuania
Type of activities	Sales and marketing services	Production of other equipment and machinery
Share of the authorized capital available to AB Snaige, %	99 %	100 %
The authorized capital, EUR	5,583	398,978
Share of the authorized capital unpaid by the issuer	Fully paid	Fully paid

Transactions with the related parties

The information about related party transactions is revealed in the 28th note of the consolidated financial statemts.

UPDATE AND ESSENTIAL EVENTS OF THE ISSUER'S ACTIVITIES

2017-02-28
2016: profit of Snaigė AB on the rise, while sales dropped
According to consolidated unaudited data, in 2016 Snaigė AB reached EBITDA of EUR 4.1 million, or an improvement by 25% since 2015.
The consolidated unaudited turnover of the company exceeded EUR 40 million and dropped by 12% (compared to 2015).
According to Gediminas Čeika, the Director General of Snaigė AB, the reason why the sales dropped was aggressive strategy pursued by a number of Chinese and Turkish manufacturers on the Western markets. "Chinese and Turkish manufacturers in their efforts to take markets in the West have demonstrated a rather desperate behaviour, and offered their products at abnormally low rates. We cannot afford operating at loss, and this is why we lost some of our sales. I am certain though these losses are but temporary. No-one can afford operating at loss, not even Chinese".
Despite a drop in turnover, Snaigė AB still generated unaudited non-consolidated net profit of EUR 1.2 million, i.e. more than doubled the profit since 2015.
Mr Čeika believes the company succeeded in improving profits by making a timely turn to other markets. Sales in Ukraine, important market for the company, have increased considerably.
According to the surveys by GFK, Snaigė products in Ukraine are popular, so rank third or fourth on the list.
The Director General of Snaigė AB is also proud of the company performance in the Baltics, specifically in Lithuania. "What makes me happy is seeing us leading sales charts nationwide, coupled with a largest market share in 2016, at 18% of the entire market for refrigerators and freezers" (based on the survey conducted by GFK).
In 2016, Snaigė AB exported 88% of its products (to the total of 33 countries). Jordan market was the last we have entered. Numbers-wise, Ukraine (with 20%), Germany (with 14%), and France (with 12%) remain our key export partners.
According to Gediminas Čeika, our sales volumes in Germany, France, Nordic countries and other quality-sensitive markets demonstrate top quality of products offered by Snaigė and compliance with EU standards. To quote Mr Čeika, "I am happy that the quality and advantages offered by our products are valued not only by Lithuanians, but also by French, German and Scandinavian consumers spoiled by a wide choice of products," said Mr Čeika. "I am proud of our company, which on the global scale is just a small enterprise, but which is able to compete against this industry's giants."
In 2017, Snaigė AB expects to offer the market a few new models of refrigerators and freezers, to advance sales in recovering markets of Russia and Ukraine. However, according to Mr Čeika, the company has both interesting ventures and challenges ahead. "A number of row materials suppliers have announced rising prices for raw materials and other materials already. This will inevitably affect our business, and step-up the competition. However, we are not afraid of difficulties, we are an experienced, proven team, and certainly we will find an appropriate solution."

2017-03-14
Convocation of the ordinary General Meeting of Shareholders
On 5 April 2017 the ordinary General Meeting of Shareholders of Snaigė AB, the address of head office Pramonės str. 6, Alytus, the company code 249664610 (hereinafter, the "Company") is convened the ordinary General Meeting of Shareholders (hereinafter, the "Meeting").
The place of the meeting –at AB "Snaige" office, at the address Kareiviu str. 6, Vilnius, Lithuania.
The Meeting commences – at 10 a.m. (registration starts at 9.45 a.m.).
The Meeting's accounting day – 29 March 2017 (the persons who are shareholders of the Company at the end of accounting day of the General Meeting of Shareholders or authorized persons by them, or the persons with whom shareholders concluded the agreements on the disposal of voting right, shall have the right to attend and vote at the General Meeting of Shareholders).
The Right's accounting day – 20 April 2017.
The Board of directors of the Company initiates and convenes the meeting.
Agenda of the Meeting:
1. Consolidated annual report of "Snaigė" AB on the company's activity for 2016
2. Auditor's conclusion on the company's financial statements for 2016.
3.Approval of the set of financial statements of the company for 2016.
4.Approval of distribution of profit (loss) of "Snaigė" AB for 2016.
5. The Board member(-s) election;
6.Election of the audit firm for auditing purposes of financial statements and establishment of terms regarding the payment for audit services.

2017-03-22

Resignation of the Member of the Management Board

The member of the Management Board Snaige, AB Vladislav Sviblov presented the request on the resignation from the members of the Board from 4th of April, 2017.

2017-04-04

Convocation of the ordinary General Meeting of Shareholders

The Board of Snaige, AB decided to change the date of the ordinary General Meeting of Shareholders from 5 April 2017 to 25 April 2017 for the reason to give more time for shareholders to study the Company's information which is prepared to the ordinary shareholders meeting. The Agenda of the Meeting is not changed.

The address of head office Pramonės str. 6, Alytus, the company code 249664610 (hereinafter, the “Company”). The ordinary General Meeting of Shareholders (hereinafter, the “Meeting”) date - 25 April 2017.

The place of the meeting –at AB “Snaige” office, at the address Kareiviu str. 6, Vilnius, Lithuania.

The Meeting commences – at 10 a.m. (registration starts at 9.45 a.m.).

The Meeting’s accounting day – 18 April 2017 (the persons who are shareholders of the Company at the end of accounting day of the General Meeting of Shareholders or authorized persons by them, or the persons with whom shareholders concluded the agreements on the disposal of voting right, shall have the right to attend and vote at the General Meeting of Shareholders).

The Right’s accounting day – 10 May 2017.

The Board of directors of the Company initiates and convenes the meeting.

Agenda of the Meeting:

1. Consolidated annual report of “Snaigė” AB on the company’s activity for 2016
2. Auditor’s conclusion on the company’s financial statements for 2016.
3.Approval of the set of financial statements of the company for 2016.
4.Approval of distribution of profit (loss) of “Snaigė” AB for 2016.
5. The Board members election;
6.Election of the audit firm for auditing purposes of financial statements and establishment of terms regarding the payment for audit services;

2017-04-26

Resolutions of the General Meeting of Shareholders

The General Meeting of shareholders of Snaige AB was held on 25 April 2017.

At the meeting was made following resolutions:

1. THE AGENDA QUESTION: Consolidated annual report of Snaigė AB on the company’s activity for 2016.
   In the meeting taken for information the consolidated annual report of Snaigė AB on the company’s activity for 2016.
2. THE AGENDA QUESTION: Auditor’s conclusion on the company’s financial statements for 2016.
   In the meeting taken for information with the auditor’s conclusion on the company’s financial statements for 2016.
3. THE AGENDA QUESTION: Approval of the set of financial statements of the company for 2016.
   THE DECISION: The set of financial statements of the company for 2016 has been approved
4. THE AGENDA QUESTION: Approval of distribution of profit (loss) of Snaigė, AB for 2016.
   THE DECISION: The distribution of profit (loss) of Snaigė,AB for 2016 has been approved:

Non-distributed profit (loss) at the end of the last financial year	EUR (3,332,035)
Net result - profit (loss) of financial year	EUR 1,088,023
Non recognized profit (loss) in the profit (loss) statement	EUR 125,661
The reduction of the authorized capital	EUR 3,169,792
Transfers from reserves	EUR 885,477
for social and cultural needs	EUR 0
for investments	EUR 0
Transfers from reserve foreseen by law	EUR 885,477
Transfers from reserve of share premium for covering of loss	EUR 0
Contributions of shareholders to cover loss	EUR 0

Distributable profit (loss)	EUR 1,936,918
Portion of profit allocated to reserves foreseen by law	EUR 946,161
Portion of profit allocated to other reserves	EUR 0
for support and charity	EUR 0
for social and cultural needs	EUR 0
Portion of profit allocated for payment of dividends	EUR 950,937.48*
Portion of profit allocated for payment of premiums	EUR 0
Portion of profit allocated for payment of tantiemes	EUR 0
Other:	EUR 0
portion of profit allocated to reserve for acquisition of own shares	EUR 30,000
portion of profit allocated to reserve for investments	EUR 0
Non-distributed result - profit (loss) at the end of financial year	EUR 9,819.52

*Dividends for the year 2016 are allocated to 39,622,395 shares, i.e. 0.024 eur per share (before taxes).

5. THE AGENDA QUESTION: Board member(-s) election.

THE DECISION: For the term until the end of term of the Company's Board to elect the candidate(-s) Natalia Tsvetkova and Nataliia Sukhanova.

The General Manager of the Company was authorized (including the power to delegate) to perform all necessary actions, sign and submit documents related with changed information to the Register of Juridical persons.

6. THE AGENDA QUESTION: Election of the audit firm for auditing purposes of financial statements and establishment of terms regarding the payment for audit services.

THE DECISION: UAB KPMG Baltics has been elected for 2017 auditing purposes of annual financial statements.

The General Director was authorized (with the right to delegate) of the company to sign the agreement with the audit firm by establishing the terms of payment for the audit services and other terms.

2017-04-26

Snaigė, AB annual information for the year 2016

Presented are Snaigė, AB annual consolidated and Company's financial statements for the year 2016 (consolidated and Company's financial statements together with independent auditor's report, consolidated annual report, confirmation of the responsible persons) approved by the Annual General Meeting shareholders on 25 April 2017.

2017-05-03

Regarding payout of dividends related to 2016

The April 25, 2017 general meeting of shareholders of Snaigė AB (company code 249664610, address: Pramones str. 6, Alytus, Lithuania) resolved to distribute the company's profit of 2016 and to allocate dividends to the company's shareholders amounting to EUR 0.024 (before taxes) per share.

Dividends will be paid to the shareholders who are shareholders of Snaigė AB at the end of the tenth business day after approval of the resolution by general meeting of shareholders, i.e. May 10, 2017.

Dividends will be paid starting from May 11, 2017.

Dividends will be paid in the following procedure:

For those shareholders, whose securities accounting is handled by securities dealers or departments of credit institutions providing the securities accounting services, net of tax dividends (after deducting Personal Income Tax or Income Tax in accordance with the laws of the Republic of Lithuania) shall be transferred to the securities dealers or departments of credit institutions, and they shall accordingly transfer them to the account of those shareholders.

Dividends to other shareholders will be paid upon a written request by bank transfer to their personal account. The requests, containing personal bank account details, should be submitted in written form and sent to the company's address (AB "Snaigė", Pramones str.6, Alytus, Lithuania or e-mail address akcininkams@snaige.lt).

The dividends are subject to taxes as follows:

Dividends paid to physical bodies resided in the Republic of Lithuania as well as to physical bodies residents of foreign countries are subject to 15 per cent of residential income tax and will be paid after deduction of taxes, which will be paid to the Republic of Lithuania budget.

Dividends paid to juridical bodies of the Republic of Lithuania as well as juridical bodies residents of foreign countries are subject to taxes as it is provided in Republic of Lithuania law.

2017-05-30

Snaigė AB, consolidated interim financial information for the first three months of 2017

Snaigė AB reached an EBITDA of EUR 452 thousand (according to consolidated unaudited data) within the first quarter of this year, which is 3% higher than during the same period last year.

The unconsolidated unaudited sales of the company exceeded EUR 7 million and were slightly higher than during the same period last year. According to Gediminas Čeika, Director General of Snaigė AB, the first quarter of the year was traditionally inactive, these months in the business of consumer refrigeration equipment are considered “off season”.

In Čeika’s opinion, this year will be full of challenges. “Most of raw material suppliers as early as last year declared an increase of the prices of raw materials and materials. This will inevitably have influence on our business too. Competition will become fiercer since not all the producers are going to increase prices. Yet we are also ready to actively operate in all our markets and especially the ones where we sell our production with the trademark of “Snaigė”.

2017-06-14

Notification about disposal/acquisition of voting rights

Snaige AB received a notification about disposal of voting rights in the company by UAB “Vaidana” and acquisition by Bevorano Holdings Limited (the date of disposal/acquisition of voting rights – 9 June 2017).

UAB “Vaidana” disposed of voting rights in the company upon the transfer of part of the shares of Snaige AB to its subsidiary company Bevorano Holdings Limited. The transfer of shares was done as part of the reorganization of internal structure of the group of companies, to which UAB “Vaidana” belongs. The ultimate owners of the Snaige AB shares remain the same therefore.

2017-06-29

Notification about disposal/acquisition of voting rights

Snaige AB received a notification about disposal of voting rights in the company by UAB “Vaidana” and acquisition by Bevorano Holdings Limited (the date of disposal/acquisition of voting rights – 23 June 2017).