



**„Linas“ AB**  
**Company code 147689083**  
**S. Kerbedžio g. 23, Panevezys**

May 31, 2022

Confirmation of responsible persons

Following Art. 22 of the Law on Securities of the Republic of Lithuania and the Regulations for Drawing-up and Submission of the Periodic and the Additional Information issued by the Board of Lithuanian Bank, we, Vilita Skersienė, Director of Linas AB, and Egidijus Mikeliūnas, Head of finance dept. of Linas AB hereby confirm that to our best knowledge interim condensed unaudited consolidated three months financial statements of year 2022 of Linas AB Group of companies were drawn following the International Financial Reporting Standards adopted for use in the European Union, and present the fair and accurate status of the consolidated assets, liabilities, financial condition and profit or loss and money flows of the Linas AB Group of companies.

Director Linas, AB

A handwritten signature in blue ink, appearing to be "V. Skersienė", written over a faint circular stamp.

Vilita Skersienė

Head of finance dept Linas, AB

A long, horizontal handwritten signature in blue ink, appearing to be "E. Mikeliūnas".

Egidijus Mikeliūnas



# **LINAS, AB**

## **INTERIM CONSOLIDATED CONDENSED UNAUDITED FINANCIAL STATEMENTS REPORT FOR THREE MONTHS OF 2022**

**31/03/2022**

## STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 March 2022	As at 31 December 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	Error! Reference source not found.	88	89
Tangible assets	5	1,198	1,164
Investment property	6	374	374
Right-of-Use assets	7	369	356
Investments in subsidiaries		-	-
Loans granted from associates		-	-
Loans granted		-	-
Deferred income tax asset		17	17
<b>Total non-current assets</b>		<b>2,046</b>	<b>2,000</b>
<b>Current assets</b>			
Inventories	Error! Reference source not found.	5,465	5,105
Tangible assets held for sale		394	-
Prepayments		1,574	805
Amounts receivable within one year:			
Trade accounts receivable		2,061	1,154
Short-term loans receivable from related companies	14	-	1,424
Other accounts receivable		138	147
Cash and cash equivalents		332	2,136
<b>Total current assets</b>		<b>9,964</b>	<b>10,771</b>
<b>TOTAL ASSETS</b>		<b>12,010</b>	<b>12,771</b>

(continued on next page)

The accompanying explanatory notes are an integral part of these consolidated and Company's financial statements.

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

	Notes	As at 31 March 2022	As at 31 December 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		6,971	6,971
Legal reserve and other reserves		357	357
Own shares (-)		(45)	(45)
Retained earnings		2,746	2,607
<b>Total Equity</b>		<b>10,029</b>	<b>9,890</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans received	9	-	1,080
Other non-current liabilities		-	-
Obligations under finance lease	7	302	269
Long term provision for defined employee benefits		32	32
<b>Total non-current liabilities</b>		<b>334</b>	<b>1,381</b>
<b>Current liabilities</b>			
Loans received	9	-	-
Obligations under finance lease current year part	7	81	98
Trade accounts payable		472	450
Trade accounts payable for related companies		489	443
Contracts liabilities		51	24
Employment obligations		258	198
Accrued expenses		10	11
Income tax payable		183	153
Other current liabilities		103	123
<b>Total current liabilities</b>		<b>1,647</b>	<b>1,500</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,010</b>	<b>12,771</b>

The accompanying explanatory notes are an integral part of these consolidated and Company's financial statements.

## STATEMENTS OF COMPREHENSIVE INCOME

	Notes	As at 31 March 2022	As at 31 March 2021
Revenue of sales		4,317	3,878
Cost of sales		(3,528)	(3,090)
<b>GROSS PROFIT</b>		<b>789</b>	<b>788</b>
Operating and selling expenses	10	(724)	(552)
Other operating income	11	789	196
Other operating expenses	11	(701)	(161)
<b>PROFIT (LOSS) FROM OPERATIONS</b>		<b>153</b>	<b>271</b>
Financial income	12	25	16
Financial expenses	12	(10)	(17)
<b>PROFIT (LOSS) BEFORE TAX</b>		<b>168</b>	<b>270</b>
Income tax benefit (expense)		(29)	-
<b>NET PROFIT</b>		<b>139</b>	<b>270</b>
<b>Earnings (loss) per share, Eur*</b>		<b>0,006</b>	<b>0,011</b>
<b>Net profit</b>		<b>139</b>	<b>270</b>
Other comprehensive income		-	18
<b>Total comprehensive income</b>		<b>139</b>	<b>288</b>

\* Basic earnings per share is calculated by dividing net profit (loss) for the period by the weighted average number of ordinary shares in issue during the period. The Group has no potential convertible ordinary shares, so diluted earnings per share equals basic earnings per share.

The accompanying explanatory notes are an integral part of these consolidated and Company's financial statements.

## THE GROUP'S STATEMENTS OF CHANGES IN EQUITY

Notes	Share capital	Own shares (-)	Legal and other reserves	Reserve for own shares acquisiti on	Retained Earnings (loss)	Total
<b>Balance as of 31 December 2020</b>	<b>6,971</b>	<b>(184)</b>	<b>54</b>	<b>264</b>	<b>1,581</b>	<b>8,686</b>
Impact of IFRS 16 adoption	-	-	-	-	(3)	(3)
<b>Balance as of 31 December 2020 (corrected)</b>	<b>6,971</b>	<b>(184)</b>	<b>54</b>	<b>264</b>	<b>1,578</b>	<b>8,683</b>
Net profit	-	-	-	-	1,050	1,050
Unrecognized gain (loss) in the statement of comprehensive income	-	-	-	-	18	18
Total comprehensive income	-	-	-	-	1,068	1,068
Own shares	-	139	-	-	-	139
Transfers to reserves	-	-	39	-	(39)	-
<b>Balance as of 31 December 2021</b>	<b>6,971</b>	<b>(45)</b>	<b>93</b>	<b>264</b>	<b>2,607</b>	<b>9,890</b>
Net profit	-	-	-	-	139	139
Unrecognized gain (loss) in the statement of comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	139	139
Own shares	-	-	-	-	-	-
Transfers to reserves	-	-	-	-	-	-
<b>Balance as of 31 March 2022</b>	<b>6,971</b>	<b>(45)</b>	<b>93</b>	<b>264</b>	<b>2,746</b>	<b>10,029</b>

The accompanying explanatory notes are an integral part of these consolidated and Company's financial statements.

## CASH FLOW STATEMENTS

	Notes	As at 31 March 2022	As at 31 March 2021
<b>Cash flows to operating activities</b>			
Net profit		139	270
<b>Recovery of non-monetary costs (income):</b>			
Depreciation and amortization	4,5,7	59	34
Interest expense	12	6	12
Interest income	12	(7)	(9)
Gain (loss) on disposal and write offs of non-current assets		-	-
Impairment of inventories		-	-
Impairment (reversal) of accounts receivable		-	-
Change in accrued charges		33	34
Income tax expense for the period		29	-
Decrease (increase) in deferred tax asset		-	-
<b>Changes in working capital:</b>			
(Increase) decrease in inventories		(753)	(152)
(Increase) decrease in trade receivables		(891)	(164)
(Increase) decrease in other receivables		-	-
(Increase) decrease in prepayments		(769)	142
(Decrease) increase in trade payables		203	281
Increase (decrease) in contractual obligations		-	-
(Decrease) increase income tax payables		(103)	-
Increase (decrease) in other payables and current liabilities		-	40
<b>Net cash flows from operating activities</b>		<b>(2,054)</b>	<b>488</b>
<b>Cash flows from (to) investing activities</b>			
Acquisition of intangible assets (except investment)	4,5,7	(68)	(7)
Transfer of intangible assets (except investment)		-	-
Loan recovery	14	1,171	-
Interest received	14	260	-
<b>Net cash flows (to) investing activities</b>		<b>1,363</b>	<b>(7)</b>
<b>Cash flows from (to) financing activities</b>			
Loans received		-	-
Loans granted	9	(1,080)	(44)
Paid interest		(10)	(2)
Financial lease payments		(23)	-
Own shares transfers		-	157
<b>Net cash flows from (to) financial activities</b>		<b>(1,113)</b>	<b>111</b>
<b>Net increase (decrease) in cash and cash equivalent</b>		<b>(1,804)</b>	<b>592</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>2,136</b>	<b>2,873</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>332</b>	<b>3,465</b>

The accompanying explanatory notes are an integral part of these consolidated and Company's financial statements.

## FINANCIALS STATEMENTS EXPLANATORY NOTES

### 1. General Information

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

As of 31<sup>st</sup> of March, 2022, the Linās, AB group of companies (further called as the Group) consisted of holding company Linās AB and its affiliated company Lino apdaila, UAB. Lino apdaila, UAB was registered on May 23, 2008 at Legal entity register, registration No 114552, company code 301733421. Affiliated company is registered at address S. Kerbedžio Str. 23, Panevėžys. AB Linās own 100 % of affiliated company shares.

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

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

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

On 31<sup>st</sup> of March, 2022 the average number of listed employees of the Group was 128, on 31<sup>st</sup> of March, 2021 – 116 employees.

The Group's main activity is the production and sale of textiles. The main activities of the public limited liability company "Linās" are trading in linen textiles and provision of services; other activities carried out by the Company are the management of financial assets (shares and granted loans), heat supply, rental of property, revenues from accounting and administration services. The activities of UAB "Lino apdaila" are the provision of textile production services, i.e. textile production sewing services.

AB "Linās" Group of company supplies services from yarns preparation for dyeing till the presentation of final product to the customer.

AB "Linās" Group of company weaves natural, dyed, printed, two-ply, jacquard linen and half linen fabrics, sews home textile items and garments

The exclusivity of the company is that produced linen products are natural, ecological and long-lived Company accepts individual orders to suit customers' demand, which require exclusivity, and stock collection to the customers who requires quick delivery terms.

The main incomes of Group of companies of 3 months of year 2022 were received from textile items sales activities and the services of textile items production.

During the 3 months of year 2022 the Group ordered to produce or to treat technologically: linen and tow yarns – 16,5 tons (3 months of year 2021 – 20 tons); raw fabrics – 180,2 thousand mtrs (3 months of year 2021 – 198 thousand mtrs); ready-made fabrics – 491,1 thousand mtrs (3 months of year 2021 – 561 thousand mtrs). 24,32% of all produced fabrics were used for sewn items during 3 months of year 2022 (3 months of year 2021 – 20,0%).

During 3 months of year 2022 the Group produced 238,1 thousand pcs sewn items (during 3 months of year 2021 – 208 thousand pcs), using 119 thousand mtrs of ready-made fabrics (during 3 months of year 2021 – 118 thousand mtrs).

The volume of exports during 3 months of 2022 was 74 % of the total product sales.

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## **General Information(cont'd)**

Linās AB group of companies sold linen textile goods and services for 4,317 thousand Eur during the 3 months of 2022. Comparing to the 3 months of 2021 the volume of sales increased by 439 thousand Eur or about 10%.

During three months of 2022 the Group received 168 thousand Eur profit before taxation, the result of the same period of 2021 was 270 thousand Eur profit.

During three month of year 2022 the Group's operating results compared to 2021 during the same period was due to increased operating and selling expenses.

Due to the threat of spread of the coronavirus (covid-19) the Group reviewed and implemented the following business continuity and preventive measures. The Group are assessing and updating on a continuous basis, the impact of factors related to covid-19 on the Group performance, results of operations.

The Company's management assessed the potential disruptions in cash flows, availability of funding, also the impact on the demand for goods and services, risk of infection of employees fulfilling critical functions and risk of late fulfilment of projects, based on the analysis of information available as at the date of issue of the condensed financial statements about the Covid-19-related threats in the future, and did not identify any material circumstances that might cast doubt upon the Group's ability to continue as a going concern.

## **2. Accounting principles**

These financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (here after the EU), which include IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2021 financial year.

The financial statements currency is the Euro (Eur).

The consolidated condensed interim financial information of the Group for the 3-month period ended 31 March 2022 and 31 March 2021, has not been audited.

## **3. Segment information**

For management purpose the group is organized into four operating textiles segments based on their products and services as follow: fabrics, sewn products, yarns, productions services. Segments performance is evaluated based on profit or loss.

The following is information on the textile business segments:

*(cont'd on the next page)*

**Segment information (cont'd)**

<b>The Group</b>	<b>Fabrics</b>	<b>Sewn items</b>	<b>Yarns</b>	<b>Manufacturing services</b>	<b>Total</b>
<b>March 31, 2022</b>					
Income (third parties)	2,937	1,243	4	133	4,317
Cost (third parties)	(2,372)	(1,079)	(5)	(72)	(3,528)
<b>Gross profit (loss)</b>	<b>565</b>	<b>164</b>	<b>(1)</b>	<b>61</b>	<b>789</b>
Operating and selling expenses	-	-	-	-	(724)
<b>Segment operating profit (loss)</b>	<b>565</b>	<b>164</b>	<b>(1)</b>	<b>61</b>	<b>65</b>

<b>The Group</b>	<b>Fabrics</b>	<b>Sewn items</b>	<b>Yarns</b>	<b>Manufacturing services</b>	<b>Total</b>
<b>March 31, 2021</b>					
Income (third parties)	2,682	1,099	5	92	3,878
Cost (third parties)	(2,168)	(866)	(5)	(51)	(3,090)
<b>Gross profit (loss)</b>	<b>514</b>	<b>233</b>	<b>-</b>	<b>41</b>	<b>788</b>
Operating and selling expenses	-	-	-	-	(552)
<b>Segment operating profit (loss)</b>	<b>514</b>	<b>233</b>	<b>-</b>	<b>41</b>	<b>236</b>

Inter-segment transactions are eliminated on consolidation

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## Segment information (cont'd)

The following is information on the textile business geographical segments of the Group:

<b>The Group</b>	<b>Lithuania</b>	<b>Europe countries</b>	<b>Scandinavian countries</b>	<b>USA</b>	<b>Other countries</b>	<b>Total</b>
<b>March 31, 2022</b>						
Income	1,141	1,736	621	173	646	4,317
Cost	(853)	(1,500)	(499)	(135)	(541)	(3,528)
<b>Gross profit (loss)</b>	<b>288</b>	<b>236</b>	<b>122</b>	<b>38</b>	<b>105</b>	<b>789</b>
Operating and selling expenses	-	-	-	-	-	(724)
<b>Segment operating profit (loss)</b>	<b>288</b>	<b>236</b>	<b>122</b>	<b>38</b>	<b>105</b>	<b>65</b>

<b>The Group</b>	<b>Lithuania</b>	<b>Europe countries</b>	<b>Scandinavian countries</b>	<b>USA</b>	<b>Other countries</b>	<b>Total</b>
<b>March 31, 2021</b>						
Income	967	1,505	828	163	415	3,878
Cost	(751)	(1,255)	(590)	(127)	(367)	(3,090)
<b>Gross profit (loss)</b>	<b>216</b>	<b>250</b>	<b>238</b>	<b>36</b>	<b>48</b>	<b>788</b>
Operating and selling expenses	-	-	-	-	-	(552)
<b>Segment operating profit (loss)</b>	<b>216</b>	<b>250</b>	<b>238</b>	<b>36</b>	<b>48</b>	<b>236</b>

#### 4. Intangible assets

	Software	Other intangible assets	Prepayments for unfinished projects	Total
<b>Costs:</b>				
<b>Balance as at 31 December 2020</b>	<b>142</b>	<b>-</b>	<b>-</b>	<b>142</b>
Acquisitions	10	3	-	13
Overwriting from one article to another	(87)	18	69	-
<b>Balance as at 31 December 2021</b>	<b>65</b>	<b>21</b>	<b>69</b>	<b>155</b>
Acquisitions	-	-	-	-
Overwriting from one article to another	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>65</b>	<b>21</b>	<b>69</b>	<b>155</b>
<b>Accumulated amortization:</b>				
<b>Balance as at 31 December 2020</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>64</b>
Amortization	1	1	-	2
<b>Balance as at 31 December 2021</b>	<b>65</b>	<b>1</b>	<b>-</b>	<b>66</b>
Amortization	-	1	-	1
<b>Balance as at 31 March 2022</b>	<b>65</b>	<b>2</b>	<b>-</b>	<b>67</b>
<b>Net book value as at 31 March 2022</b>	<b>0</b>	<b>19</b>	<b>69</b>	<b>88</b>
<b>Net book value as at 31 December 2021</b>	<b>0</b>	<b>20</b>	<b>69</b>	<b>89</b>
<b>Net book value as at 31 December 2020</b>	<b>77</b>	<b>77</b>	<b>-</b>	<b>77</b>

The Group has no internally generated intangible assets. Amortization of intangible assets is included in operating expenses in the statement of comprehensive income (Note 10).

## 5. Non-current tangible assets

	Land	Buildings and structures	Machinery and equipment	Motor Vehicles	Other property, plant and equipment	Construction in progress and prepayments	Total
<b>Balance as at 31 December 2020</b>	-	1,586	737	203	65	1	2,592
Acquisitions	-	-	4	-	12	32	48
Assets sold and written off	-	-	(2)	-	(13)	-	(15)
Reclassifications to other tangible assets	-	-	-	(6)	-	-	(6)
Reclassifications	-	-	20	(20)	1	(1)	-
<b>Balance as at 31 December 2021</b>	-	1,586	759	177	65	32	2,619
Acquisitions	-	-	13	-	2	53	68
Reclassifications	-	-	15	-	-	(15)	-
<b>Balance as at 31 March 2022</b>	-	1,586	787	177	67	70	2,687
Accumulated depreciation:							
<b>Balance as at 31 December 2020</b>	-	418	729	139	51	-	1,337
Depreciation	-	106	5	16	6	-	133
Assets sold and written off	-	-	(2)	-	(13)	-	(15)
Reclassifications to other tangible assets	-	-	-	(1)	-	-	(1)
Reclassification	-	-	20	(20)	-	-	-
<b>Balance as at 31 December 2021</b>	-	524	752	134	45	-	1,455
Depreciation	-	27	2	3	2	-	34
<b>Balance as at 31 March 2022</b>	-	551	754	137	47	-	1,489
<b>Net book value as at 31 March 2022</b>	-	1,035	33	40	20	70	1,198
<b>Net book value as at 31 December 2021</b>	-	1,062	7	43	20	32	1,164
<b>Balance as at 31 December 2020</b>	-	1,168	8	64	14	1	1,255

Depreciation of non-current tangible assets is included in operating and selling expenses and other operating expenses in the statement of comprehensive income (Notes 10, 11).

## 6. Investment property

<b>Cost:</b>	<b>Land</b>	<b>Total</b>
Balance as at 31 December 2020	416	416
Balance as at 31 December 2021	416	416
Balance as at 31 March 2022	416	416
<b>Impairment losses</b>		
Balance as at 31 December 2020	42	42
Balance as at 31 December 2021	42	42
Balance as at 31 March 2022	42	42
<b>Net book value as at 31 March 2022</b>	<b>374</b>	<b>374</b>
<b>Net book value as at 31 December 2021</b>	<b>374</b>	<b>374</b>
<b>Net book value as at 31 December 2020</b>	<b>374</b>	<b>374</b>

The Group's investment property consists of land that is held for capital appreciation.

## 7. Right-of-use assets and lease liabilities

	<b>Land</b>	<b>Buildings and structures</b>	<b>Machinery and equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
<b>Cost:</b>					
<b>Balance as at 31 December 2020</b>	<b>189</b>	<b>164</b>	<b>125</b>	<b>5</b>	<b>483</b>
Acquisitions	80	1		-	81
Assets sold and written off				(5)	(5)
<b>Balance as at 31 December 2021</b>	<b>269</b>	<b>165</b>	<b>125</b>	<b>0</b>	<b>559</b>
Acquisitions	-	47	-	-	47
Assets sold and written off	-	(39)	-	-	(39)
<b>Balance as at 31 March 2022</b>	<b>269</b>	<b>173</b>	<b>125</b>	<b>0</b>	<b>567</b>
<b>Accumulated depreciation:</b>					
<b>Balance as at 31 December 2020</b>	<b>7</b>	<b>75</b>	<b>31</b>	<b>4</b>	<b>117</b>
Depreciation	4	39	47	1	91
Assets sold and written off	-	-	-	(5)	(5)
<b>Balance as at 31 December 2021</b>	<b>11</b>	<b>114</b>	<b>78</b>	<b>0</b>	<b>203</b>
Depreciation	1	10	12	-	24
Assets sold and written off	-	(28)	-	-	(28)
<b>Balance as at 31 March 2022</b>	<b>12</b>	<b>96</b>	<b>90</b>	<b>0</b>	<b>198</b>
<b>Net book value as at 31 March 2022</b>	<b>257</b>	<b>77</b>	<b>35</b>	<b>0</b>	<b>369</b>
<b>Net book value as at 31 December 2021</b>	<b>258</b>	<b>51</b>	<b>47</b>	<b>0</b>	<b>356</b>
<b>Net book value as at 31 December 2020</b>	<b>182</b>	<b>89</b>	<b>94</b>	<b>1</b>	<b>366</b>

## 8. Stocks

	<b>As at 31 March 2022</b>	<b>As at 31 December 2021</b>
Raw materials	3,295	2,515
Finished Productions	2,221	2,633
Work in progress	22	27
Goods for resale	10	14
Write-downs to net realizable value	(84)	(84)
<b>Total</b>	<b>5,464</b>	<b>5,105</b>

## 9. Borrowings

	<b>As at 31 March 2022</b>	<b>As at 31 December 2021</b>
<b>Non-current borrowings</b>	-	<b>1,080</b>
Other non-current borrowings	-	1,080

145 thousand Eur credit sum is granted to the Company acc. to the account lending contract which was signed between the bank and AB “Linus” on 2012 04 10 Company’s reserves, the balancing value of which are 1 448 thousand Eur according to the mortgage sheets, are mortgaged for the credit sum UAB “Lino apdaila” is guarantee for all credit sum and term to ensure credit sum The validation term of account credit contract is till March 31, 2023 Alternate interests are paid for used credit, which are accounted as three months term Eur EURIBOR plus bank margin.

According to the financial obligations limit contract signed between the bank and AB “Linus” on 07 10 2013, the credit of 290 thousand Eur is granted to the Company, for which company resources are mortgaged with the latest mortgage, the balance value of which acc. to the mortgage sheets are 1 448 thousand Eur For the insurance of credit sum the warranty for all credit sum and term is received from UAB “Lino apdaila” The validation term of the financial obligations limit contract has been extended until 2022 September 30,. Alternate interests are paid for used credit, which are accounted as six months term Eur EURIBOR plus bank margin.

March 18, 2022 The company has finished covering its long-term debt to UAB Lidera LT. During 2022 March. the entire remaining loan was repaid - 1,080 thousand EUR and the full balance of accrued interest - 3 thousand. Eur. The company no longer has any debt obligations to UAB Lidera LT.

## 10. Operating Expenses

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Selling expenses</b>		
Expenses on commissions	(64)	(77)
Wages and salaries and social security	(71)	(70)
Evaluate of customers creditworthiness and insurance costs of marketable credits	(5)	(5)
Expenses on productions advertising and fair	(13)	(3)
Expenses on transporting of sold production	(30)	1
Depreciation	(1)	-
Other sales expenses	(24)	(16)
	<b>(208)</b>	<b>(170)</b>
<b>General and administrative expenses</b>		
Wages and salaries and social security	(227)	(201)
Rent, operating and repairing expenses	(184)	(96)
Depreciation and amortization	(45)	(23)
Expenses of security services	(11)	(9)
Expenses of info technologies	(10)	(9)
Expenses of operating tax	(6)	(5)
Expenses of social guarantees, stated in collective agreement	(2)	(11)
Expenses of bank services	(6)	(4)
Legal services expenses	-	(2)
Expenses of support provided	(4)	(1)
Telecommunications expenses	(2)	(2)
Representation expenses	-	-
Other expenses	(19)	(19)
	<b>(516)</b>	<b>(382)</b>
<b>Total operating expenses</b>	<b>(724)</b>	<b>(552)</b>

## 11. Other Income (Expenses)

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Other activity income</b>		
Income for thermal heating supply	439	145
Income of rent	43	29
Income of various storages selling	295	10
Gains of disposals of fixed assets	-	-
Other incomes	12	12
	<b>789</b>	<b>196</b>
<b>Other activity (expenses)</b>		
Expenses for thermal heating supply	(382)	(121)
Deprecation of rent property, plant, equipment	(12)	(11)
Net cost of sold various storages	(289)	(11)
Other expenses	(18)	(18)
	<b>(701)</b>	<b>(161)</b>



## 12. Financial activity income (expenses)

	As at 31 March 2022	As at 31 March 2021
<b>Financial activity income</b>		
Income interest of borrowings	7	9
Foreign exchange gain	18	7
Other income	-	-
	<b>25</b>	<b>16</b>
<b>Financial activity (expenses)</b>		
Expenses of interest	(7)	(12)
Loss of foreign exchange	-	(5)
Other expenses	(3)	-
	<b>(10)</b>	<b>(17)</b>

## 13. Off-balance sheet liabilities and contingencies

March 31, 2022 The Group is committed to purchase property, plant and equipment for 1,425 thousand Eur (0 thousand as at March 31, 2021), which will be resold to the related company.

The Company's subsidiary UAB Lino apdaila has provided the Bank with LTL 434 thousand. Guarantees in the amount of EUR 1,274 thousand (March 31, 2021: EUR 1,274 thousand) for loans received by AB Linas. UAB Lino apdaila is obliged to fully cover the Company's liabilities to the bank if AB Linas is unable to do so. The Group's management believes that the Company for which the guarantee has been provided will meet its obligations to creditors. March 31 2022 and 2021 did not record in the financial statements any liabilities relating to that guarantee.

## 14. Related Parties Transactions

The Group's transactions with related parties in 3 month ended 31 March 2022 and in 12 month ended 31 December 2021 were as follow:

As at March 31, 2022	Purchases	Sales	Non-current loan receivable	Receivable	Payables
UAB „Rivena“	-	7	-	-	-
UAB „Lidera LT“	6	-	-	-	-
UAB „Verslo dizainas“	-	-	-	-	-
UAB “Audilina“	1,225	746	-	875	489
<b>Total</b>	<b>1,231</b>	<b>753</b>	<b>-</b>	<b>875</b>	<b>489</b>

(continued on next page)

## Related Parties Transactions (cont'd)

As at December 31, 2021	Purchases	Sales	Non-current loan receivable	Payables
UAB „Rivena“	-	36	1,424	-
UAB „Lidera LT“	18	-	-	1,083
UAB „Verslo dizainas“	18	-	-	-
UAB “Audilina“	4,896	942	-	440
<b>Total</b>	<b>4,932</b>	<b>978</b>	<b>1,424</b>	<b>1,523</b>

At March 15, 2022 UAB Rivena has completed the repayment of the entire loan and interest to the Company in accordance with the November 19, 2014 financing agreement. The total amount of covered debt is 1,431 thousand. EUR (EUR 1,171 thousand loan and EUR 260 thousand interest). UAB Rivena no longer has any debt obligations to the Company.

## 15. Subsequent events

At April 12, 2022 The Financial Market Supervision Committee of the Bank of Lithuania approved:

- a circular of a mandatory non-competitive tender offer to delist the shares of Linas AB from trading on a regulated market (hereinafter - OS due to delisting);
- a mandatory non-competitive tender for the 2006 the circular of control of the acquired joint-stock company LINAS (hereinafter - OS for the performance of the duty).

Resolutions of Linas, AB Annual General Meeting of Shareholders dated 29 April 2022:

- Attention is paid to the auditor’s conclusions confirming Linas, AB consolidated and Company’s financial accountability of year 2021 and was agreed to the consolidated annual report of the company of year 2021.
- Linas, AB consolidated and company’s annual financial statements for the year 2021 was confirmed and was agreed to consolidated annual report for the year 2021.
- Company’s profit (loss) allocation of year 2021 was confirmed.
- Company’s remuneration report for 2021 was approved.

At May 20, 2022 has completed implementation of official offers submitted by UAB Verslo dizainas for the repurchase of Linas, AB shares. During the period of implementation of the official offers from April 19 till May 18 Verslo dizainas, UAB purchased 2,274,969 ordinary registered shares of Linas, AB which representing 9,46% of all issued shares and votes.

At May 25, 2022 The Company has submitted a request to AB Nasdaq Vilnius to delist the Company's shares from trading on the regulated market.