

**TECE BALTIKUM UAB**

Company code 134758647, Savanorių pr.339B, Kaunas

**BALANCE SHEET****AS OF 31 DECEMBER 2012**

(LTL, unless otherwise stated)

	Notes	2012	2011
<b>ASSETS</b>			
<b>A. NON-CURRENT ASSETS</b>			
I. INTANGIBLE ASSETS	3		
I.1. Development work			
I.2. Goodwill			
I.3. Patents, licenses			
I.4. Computer software		8053	2394
I.5. Other intangible assets			
		8053	2394
II. TANGIBLE ASSETS	4		
II.1. Land		1091307	1091307
II.2. Buildings and construction			
II.3. Plant and machinery		268008	244579
II.4. Vehicles			
II.5. Other fixtures, fittings, tools and equipment		118421	30904
II.6. Construction in progress			
II.7. Other tangible assets		515405	490502
II.8. Investment property			
II.8.1. Land			
II.8.2. Buildings			
		1993141	1857292
III. FINANCIAL ASSETS			
III.1. Investments in subsidiaries and associates			
III.2. Loans granted to subsidiaries and associates			
III.3. Amounts receivable after one year			
III.4. Other financial assets			
IV. OTHER NON-CURRENT ASSETS			
IV.1. Deferred tax asset			
IV.2. Other non-current assets			
		2001194	1859686
<b>TOTAL NON-CURRENT ASSETS</b>			
<b>B. CURRENT ASSETS</b>			
I. INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS	5		
I.1. Inventories		2722822	1532425
I.1.1. Raw materials and components			
I.1.2. Work in progress			
I.1.3. Finished products			
I.1.4. Goods for resale			
I.2. Prepayments	6	67119	29381
I.3. Contracts in progress			
		2789941	1561806
II. AMOUNTS RECEIVABLE WITHIN ONE YEAR	7		
II.1. Trade debtors		1760537	1368513
II.2. Amounts receivable from subsidiaries and associates		45	5188
II.3. Other amounts receivable		1760582	1373701
III. OTHER CURRENT ASSETS			
III.1. Current investments			
III.2. Time deposits			
III.3. Other current assets			
IV. CASH AND CASH EQUIVALENTS	8	474964	171340
		5025487	3106847
<b>TOTAL CURRENT ASSETS</b>			
		7026681	4966533
<b>TOTAL ASSETS</b>			

(Continued)

**TECE BALTIKUM UAB**

Company code 134758647, Savanorių pr.339B, Kaunas

**BALANCE SHEET****AS OF 31 DECEMBER 2012**


(LTL, unless otherwise stated)


	Notes	2012	2011
<b>EQUITY AND LIABILITIES</b>			
<b>C. EQUITY</b>			
I. CAPITAL	9		
I.1. Authorized (subscribed)		1117500	1117500
I.2. Share premium		223486	223486
		1340986	1340986
II. REVALUATION RESERVE (RESULTS)			
III. RESERVES	9		
III.1. Legal reserve		111750	111750
		111750	111750
IV. RETAINED EARNINGS (LOSSES)	9		
IV.1. Profit (Loss) of the reporting year		(2201228)	(1090170)
IV.2. Profit (Loss) of the previous years		(1355975)	(265805)
IV.3. Shareholder contributions to cover losses		1915344	
		(1641859)	(1355975)
<b>TOTAL EQUITY</b>		<b>(189123)</b>	<b>96761</b>
<b>D. GRANTS AND SUBSIDIES</b>			
<b>E. AMOUNTS PAYABLE AND LIABILITIES</b>			
I. NON-CURRENT AMOUNTS PAYABLE AND LIABILITIES			
I.1. Financial debts	10,11	600141	217456
		600141	217456
II. CURRENT AMOUNTS PAYABLE AND LIABILITIES			
II.1. Current portion of long-term debts	10,11	299243	722284
II.3. Trade amounts payable		5638645	3707443
II.6. Employment related liabilities		189631	68865
II.8. Other amounts payable and current liabilities	12	488144	153724
		6615663	4652316
<b>TOTAL ACCOUNTS PAYABLE AND LIABILITIES</b>		<b>7215804</b>	<b>4869772</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7026681</b>	<b>4966533</b>

(The end)

The accompanying explanatory notes are an integral part of these financial statements.

These financial statements were approved on 15 May 2013 and signed by:

  
 Roman Kuzmin  
 General Director

  
 Virginija Unguraitienė  
 Chief Accountant

**TECE BALTIKUM UAB**

Company code 134758647, Savanorių pr.339B, Kaunas



**INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2012**

(LTL, unless otherwise stated)

	Notes	2012	2011
I. SALES REVENUE	13	9166719	6378131
II. COST OF SALES		(6453421)	(4388404)
<b>III. GROSS PROFIT (LOSS)</b>		<b>2713298</b>	<b>1989727</b>
IV. OPERATING EXPENSES	14	(4753704)	(3019136)
IV.1. Selling			
IV.2. General and administrative			
<b>V. OPERATING PROFIT (LOSS)</b>		<b>(2040406)</b>	<b>(1029409)</b>
VI. OTHER ACTIVITIES	15		
VI.1. Income		3210	93
VI.2. Expenses		115465	14005
		(112255)	(13912)
VII. FINANCING AND INVESTING ACTIVITIES	16		
VII.1. Income		4903	2130
VII.2. Expenses		53470	48979
		(48567)	(46849)
<b>VIII. PROFIT (LOSS) FROM ORDINARY ACTIVITIES</b>		<b>(2201228)</b>	<b>(1090170)</b>
IX. EXTRAORDINARY GAINS			
X. EXTRAORDINARY LOSSES			
<b>XI. PROFIT (LOSS) BEFORE INCOME TAX</b>			
XII. INCOME TAX			
<b>XIII. NET PROFIT (LOSS)</b>		<b>(2201228)</b>	<b>(1090170)</b>

*The accompanying explanatory notes are an integral part of these financial statements.*

These financial statements were approved on 15 May 2013 and signed by:

  
Roman Kuzmin  
General Director  
Virginija Unguraitienė  
Chief Accountant

**TECE BALTIKUM UAB**  
Company code 134758647, Savanorių pr.339B, Kaunas

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2012**  
(LTL, unless otherwise stated)

	Authorised (subscribed) capital	Share premium	Legal reserve	Retained earnings (losses)	Total
<b>Balance</b>					
<b>As of 31 December 2010</b>	1117500	223486	111750	(265805) (1090170)	1186931 (1090170)
Net profit (loss)					
<b>Balance</b>					
<b>As of 31 December 2011</b>	1117500	223486	111750	(1355975) (2201228)	96761 (2201228)
Net profit (loss)					
Contributions to cover losses				1915344	1915344
<b>Balance</b>					
<b>As of 31 December 2012</b>	1117500	223486	111750	(1641859)	(189123)

*The accompanying explanatory notes are an integral part of these financial statements.*

These financial statements were approved on 15-May 2013 and signed by:

Roman Kuzmin  
General Director

Virginija Unguraitienė  
Chief Accountant





## INDEPENDENT AUDITOR'S REPORT

To the shareholder of TECE Baltikum, UAB:

### Report on the Financial Statements

We have audited the accompanying financial statements of TECE Baltikum, UAB (hereafter – the Company) (pages from 4 to 18), which comprise the balance sheet as at 31 December 2012, and the statements of income and changes in equity for year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Business Accounting Standards and legal regulations on accounting and financial reporting of the Republic of Lithuania, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2012, and its financial performance for the year then ended in accordance with Business Accounting Standards and legal regulations on accounting and financial reporting of the Republic of Lithuania.

#### *Matter of emphasis*

As at 31 December 2012, the Company's current liabilities exceeded its current assets by tLTL 1,590, as well as the Company did not meet the requirement of the Company Law of the Republic of Lithuania art. 38 that equity should not be less than 1/2 of the authorized share capital. According to the art. 59 of the said law, if equity becomes lower than 1/2 of the authorized share capital, the actions to rectify the situation should be taken within the next six months. The sole shareholder of the Company confirmed that the necessary financial support will be provided to the Company to ensure its ability to continue as a going concern for at least twelve months as at the date of these financial statements. The financial statements have been prepared based on the assumption that the Company will be able to continue as a going concern. Our opinion is not qualified in respect of this matter

Deloitte Lietuva, UAB  
Audit Company License No 001275

Jekaterina Jocienė  
Lithuanian Certified Auditor  
License No. 000436

Vilnius, Republic of Lithuania  
15 May 2013

## Sidevahendid

Liik	Sisu
Telefon	+372 6781100
Faks	+372 6780111
E-posti aadress	info@tece.ee
E-posti aadress	info@tece.ee
Muu sidevahend	www.tece.ee