



# INTERIM REPORT

FOR THE FIRST 9 MONTHS  
OF 2023

UNAUDITED

Roja, 2023

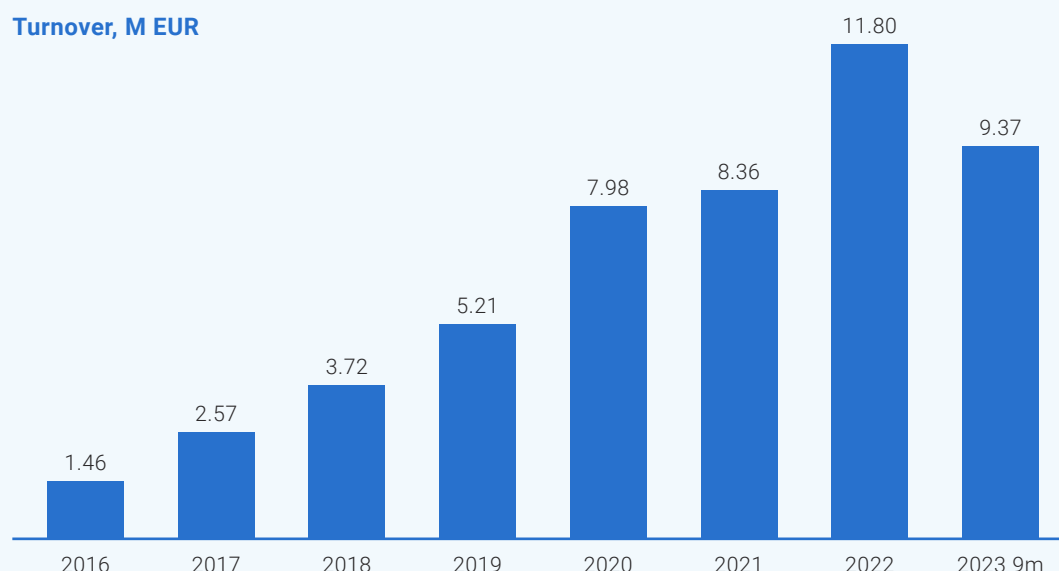
# STATEMENT OF THE MANAGEMENT BOARD

30 November 2023

## Key events in Q3

The Company's sales volume for the first 9 months of 2023 amounted to EUR 9,371,175. This represents a 16% increase compared to the same period in 2022. The growth rate of product sales has slowed down in the 3rd quarter of the current reference period. The traditional low summer season shopper activity was compounded by the relatively high inventories accumulated in previous periods, as well as the slowdown in global economic growth, especially in Europe. Previous demand factors such as COVID-19 and the war in Ukraine are gradually losing their impact on sales figures. Atlantic salmon raw material prices continued to increase in the 3rd quarter, putting additional pressure on profitability figures.

Turnover, M EUR



For the first 9 months of 2023, the company's profit amounted to EUR 837,729, which is 2.81 times the 2022 figure for the same 9-month period. It should be noted that significant impact on the profit figures was due to extraordinary income received from the European Maritime, Fisheries and Aquaculture Fund support, in addition to the partial reimbursement of costs, which totalled EUR 403,693.

Excluding the cost growth compensation component, the profit for the first 9 months of 2023 was EUR 434,036, an increase of EUR 136,862 compared to the corresponding period of 2022.

The Company's equity as at 30 June 2023 amounted to EUR 3,18 million. or 38.98% of total assets.



During the reporting period, the Company continued to actively expand its product range. New products are launched in the Atlantic fish group – herring, mackerel. In general, the Company offers its customers products from the Baltic Sea (sprat, herring), the Atlantic (herring, mackerel, salmon) also cod liver, mussels, and tuna. The Company offers its customers both the Banga brand and private brands, the share of which in the reporting period exceeds 45%. As part of the Company's product sales strategy, transactions with new customers were signed in United Arab Emirates and Canada. At the same time, the Company's client portfolio has been supplemented by buyers from non-traditional markets - such as Chile, Vietnam.



The renovation and extension of the Company's production infrastructure continues, with funds received from European Maritime, Fisheries and Aquaculture Fund being used to renovate the finished product/stock warehouse. The investment will reduce the cost of storing raw materials and other stocks in third-party warehouses.

In July 2023, the Company's production plant took advantage of the summer technological break and the holiday period of the production staff to carry out repairs to the production building and equipment.

In order to ensure the achievement of the company's indicators in accordance with the long-term plan, to strengthen the sustainability of operations, in the coming periods, the management of the company plans:

- to strengthen contractual relations with the main suppliers of raw materials;
- increase production volumes according to the new technological capacity;
- review the product range and prices with the company's customers.

### Ingus Veckāgans

(Member of the Board)

*This document is signed electronically with a secure electronic signature and contains a timestamp.*

# INCOME STATEMENT

EURO

	9 m 2023	9 m 2022
<b>SALES</b>	<b>9 371 175</b>	<b>8 078 912</b>
COST OF SALES *	-8 421 821	-7 356 182
DISTRIBUTION EXPENSES	-112 610	-127 121
ADMINISTRATION EXPENSES	-329 836	-301 752
OTHER OPERATING INCOME**	426 336	22 465
OTHER OPERATING EXPENSES	-8 949	-17 387
<b>OPERATING PROFIT</b>	<b>924 295</b>	<b>298 935</b>
FINANCE INCOME ***	72 036	100 032
FINANCE EXPENSES ****	-158 318	-92 767
INCOME TAX	-284	-9 026
<b>NET PROFIT</b>	<b>837 729</b>	<b>297 174</b>

\* included

DEPRECIATION	306 901	227 018
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\*\* included

INCOME FROM EU SUPPORT FOR COST REIMBURSEMENT	403 694	
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\*\* included

FOREIGN EXCHANGE	4 146	22 844
INTEREST INCOME	2 799	2 316
INCOME FROM EU PROJECT SUPPORT	65 091	73 615
OTHERS		1 257

\*\*\*\* included

FOREIGN EXCHANGE	-6 589	-6 038
INTEREST COSTS	-149 823	-84 152
OTHERS	-1 906	-2 577

# BALANCE SHEET

EURO

	31/9/2023	31/12/2022
INTANGIBLE ASSETS	26 110	21 050
PROPERTY	1 639 392	894 620
MACHINERY	1 239 934	690 065
OTHER FIXED ASSETS AND INVENTORY	444 267	616 252
CREATION OF FIXED ASSETS AND CONSTRUCTION EXPENSES	221 406	652 138
ADVANCE PAYMENTS FOR FIXED ASSETS	246 840	278 769
FINANCIAL ASSETS	30 722	30 722
INVENTORIES	3 034 510	2 520 447
RECEIVABLES	983 792	947 879
CASH	298 244	431 835
<b>TOTAL ASSETS</b>	<b>8 165 217</b>	<b>7 083 777</b>
<b>OWNERS' EQUITY</b>		
SHARE CAPITAL	547 565	547 565
LONG-TERM INVESTMENTS REVALUATION RESERVE	53 497	53 497
OTHER RESERVE	2	2
RETAINED EARNINGS	2 581 757	1 744 028
<b>TOTAL EQUITY</b>	<b>3 182 821</b>	<b>2 345 092</b>
<b>LIABILITIES</b>		
DEBT LONG-TERM	2 997 585	2 729 395
DEBT SHORT-TERM	36 521	93 667
OTHER LIABILITIES	1 016 277	856 633
ACCOUNTS PAYABLE	932 013	1 058 990
<b>TOTAL LIABILITIES</b>	<b>4 982 396</b>	<b>4 738 685</b>
<b>TOTAL LIABILITIES &amp; OWNERS' EQUITY</b>	<b>8 165 217</b>	<b>7 083 777</b>

# STATEMENT OF CHANGES IN EQUITY

EURO

	SHARE CAPITAL	LONG-TERM INVESTMENTS REVALUATION RESERVE	OTHER RESERVE	RETAINED EARNINGS	TOTAL EQUITY
<b>BALANCE AT 31.12.2021</b>	<b>547 565</b>	<b>54 265</b>	<b>2</b>	<b>1 194 585</b>	<b>1 796 417</b>
EXCLUSION OF LONG-TERM INVESTMENTS		-768			-768
DIVIDENDS DECLARED				-50 000	-50 000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				599 443	599 443
<b>BALANCE AT 31.12.2022</b>	<b>547 565</b>	<b>53 497</b>	<b>2</b>	<b>1 744 028</b>	<b>2 345 092</b>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				837 729	837 729
<b>BALANCE AT 30.09.2023</b>	<b>547 565</b>	<b>53 497</b>	<b>2</b>	<b>2 581 757</b>	<b>3 182 821</b>

# CASH FLOW STATEMENT

EURO

	9 m 2023	9 m 2022
<b>OPERATING ACTIVITIES</b>		
INCOME FROM SALE OF GOODS AND SERVICES	10 349 093	8 802 709
PAYMENTS TO SUPPLIERS AND EMPLOYEES	-9 705 719	-9 258 516
INTEREST PAID	-104 700	-41 199
INCOME TAX	-430	-9 016
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>538 244</b>	<b>-506 022</b>
<b>INVESTING ACTIVITIES</b>		
ACQUISITION OF PARTS OF RELATED OR ASSOCIATED COMPANIES		
INVESTMENTS IN TANGIBLE AND INTANGIBLE ASSETS	-945 591	-1 212 094
LOANS GRANTED	-74 529	-76 400
REPAYMENT OF LOANS GRANTED	76 700	78 585
INTEREST RECEIVED	549	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-942 871</b>	<b>-1 209 909</b>
<b>FINANCING ACTIVITIES</b>		
LOANS RECEIVED	0	2 500 700
SUPPORT FROM EU FUNDS RECEIVED	270 482	92 511
LOANS REPAYED	0	-502 174
DIVIDENDS PAID		-50 000
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>270 482</b>	<b>2 041 037</b>
RESULT OF FLUCTUATIONS IN FOREIGN EXCHANGE RATES	554	-2 148
<b>CHANGE IN CASH</b>	<b>-133 591</b>	<b>322 958</b>
<b>CASH AT PERIOD-START</b>	<b>431 835</b>	<b>27 410</b>
<b>CASH AT PERIOD-END</b>	<b>298 244</b>	<b>350 368</b>

# FINANCIAL INDICATORS

Financial Indicator	Calculation formula	Result
Interest coverage Ratio (IRC)	EBITDA/Net finance Charges	7.0
Equity Ratio	Ratio of Adjusted Equity/Assets	39%
Net Debt to EBITDA	Net Debt/EBITDA	2.22
EBITDA	<p>Net profit for the Relevant Period calculated according to the most recent Financial Reports:</p> <p>(a) before deducting any Net Finance Charges;</p> <p>(b) before taking into account any exceptional items which are not in line with the ordinary course of business;</p> <p>(c) not including any accrued interest on Subordinated Debt;</p> <p>(d) before taking into account any gains or losses on any foreign exchange gains or losses; and</p> <p>(e) after adding back any amount attributable to the amortisation, depreciation or depletion of assets.</p>	1 230 205 EUR