



**Joint stock company
„Rigas autoelektroaparatu rupnica”**

Reg.No. 4 0003030454
Address: Klijanu str. 2, Riga, LV-1013

Interim report for 3 months of 2016

Prepared according to the legislation standards of the Republic of Latvia

(Not audited)

Riga,2016

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Information about the company

Name of the company	<i>Rigas autoelektroaparatu rupnica</i>
Legal form	<i>Joint stock company</i>
Registration number in the Register of Enterprises, place and date	<i>000303045, Riga, 22.04.1998</i>
Registration number in Commercial Register, place and date	<i>40003030454, Riga, 30.06.2004</i>
Address	<i>2, Klijanu street, Riga, Latvia, LV-1013</i>
Main activities	<i>NACE 2712 manufacture of electric equipment NACE 6820 renting and operating of own real estate</i>
Average number of employees	<i>17</i>
Board	<i>Eriks Kazha - Chairman Gunars Lubis Maksym Araslanov</i>
Council	<i>Edgars Lubis – Chairman Viktors Rojs- Deputy Chairman Zane Lube Nina Kazha Galina Kraveca</i>
Interim reporting period	<i>01.01.2016 - 31.03.2016</i>
Main shareholders	Basing on the list of shareholders prepared on October 31,2015: <ol style="list-style-type: none"> <i>1. JSC „Baltijas Holdings”-43.9 % Reg.Nr.40003148033, 2, Klijanu street, Riga</i> <i>2. „Tehprojekts”,Ltd. - 43.9% Reg.Nr. 40103020397, 12,Unijas street, Riga</i> <i>3. Other physical and legal persons 12.2%</i>
Certified auditor	<i>Aivars Rutkis Licence No 18</i>

BALANCE SHEET

EUR

<u>ASSETS</u>	31.03.2016	31.12.2015
<u>LONG-TERM INVESTMENTS</u>		
I. Fixed assets		
1.Land, buildings and constructions	3611650	3629546
2.Technological equipment and devices	565176	591352
I.Total	4176826	4220898
II. Long-term financial investments		
1.Participation in the capital of associated companies	12142	12630
II.Total	12142	12630
Total long-term investments	4188968	4233528
<u>CURRENT ASSETS</u>		
I. Inventory		
1. Raw materials, basic materials and consumables	27540	27538
2. Finished goods and goods for sale	51449	52421
3. Advance payments for goods	58874	59441
I.Total	137863	139400
II. Debtors		
1. Purchasers' debts	131921	191994
2. Other debtors	261115	268155
3. Next period costs	34	44
II.Total	393070	460193
IV. Cash	28446	10349
Total current assets	559379	609942
TOTAL ASSETS	4748347	4843470

BALANCE SHEET

EUR

<u>LIABILITIES</u>	Notes	31.03.2016	31.12.2015.
<u>EQUITY</u>			
1. Share capital		5073262	5073262
2. Retained profit or losses brought forward from previous years		-2600697	-2648482
4. Profit or losses for the accounting year		-39543	47785
Total equity		2433022	2472565
<u>CREDITORS</u>			
Long term creditors			
1. Next period income		1952917	1952917
Total long term creditors		1952917	1952917
Short term creditors			
1. Other loans		228980	230750
2. Accounts payable to suppliers and contractors		56749	86662
3. Taxes and State mandatory social insurance payments		2027	2026
4. Other creditors		2711	2711
5. Next period income		65170	86894
6. Accrued obligations		6771	8945
Total short term creditors		362408	417988
Total creditors		2315325	2370905
TOTAL LIABILITIES		4748347	4843470

**PROFIT OR LOSS ACCOUNT
For 3 months of 2016**

Item	EUR	
	2016 3 months	2015 3 months
Net turnover	22957	38424
Production costs of sold goods and services	90780	108899
Gross profit or loss	-67823	-70475
Sales costs	0	54
Administrative expenses	8915	17340
Other income from economic activities	40408	186191
Other costs of economic activities	3213	23811
Interest payments and similar expenses	0	6438
Profit or loss before income tax	-39543	68073
Income tax	0	0
Profit or loss after income tax	-39543	68073
Profit or loss for the accounting period	-39543	68073
Earnings per share	-0,011	0,019

STATEMENT OF CASH FLOWS for 3 months of 2016

	2016	2015
	3 months	3 months
I. Cash flow from operating activities		
1 Income from sales and services	87850	463928
2 Payments to suppliers, to employees and other expenses for production	89993	50584
3 Other income or expenses for economic activities	2695	3352
4 Cash flow from gross operating activities	552	416696
5. Net cash flow from operating activities	552	416696
 II. Cash flow from investment activities		
1 Revenue from disposal of shares of affiliated or associated enterprises		190200
2 Purchase of intangible and fixed assets		689088
3 Sales of intangible and fixed assets	19360	327767
4 Net cash flow from investment activities	19360	-171121
 III. Cash flow from financing		
1 Received loan		67910
2 Repaid loans	1770	315964
3 Net cash flow from financing	-1770	-248054
 IV. The result from currency rate fluctuations	-45	4
V. Cash and cash equivalents increase or decrease	18097	-2475
VI. Cash and cash equivalents at the beginning of the reporting period	10349	110538
VII. Cash and cash equivalents at the end of the reporting period	28446	108063

STATEMENT OF EXCHANGES IN EQUITY (EUR)

	31.03.2016.	31.03.2015.
Share capital		
In the balance sheet of the previous year	5073262	5073262
In the balance sheet at the end of the accounting period	5073262	5073262
Long-term investment revaluation reserve		
In the balance sheet of the previous year	0	56815
Exchanges of long-term investment revaluation reserve	0	-56815
In the balance sheet at the end of the accounting period	0	0
Retained profit		
In the balance sheet of the previous year	-2600697	-2648482
Increase /decrease in retained earnings	-39543	68073
In the balance sheet at the end of the accounting period	-2640240	-2580409
Equity		
In the balance sheet of the previous year	2472565	2481595
In the balance sheet at the end of the accounting period	2433022	2492853

NOTES TO FINANCIAL STATEMENTS

General principles

The report is prepared in accordance with the law „On accountancy”, „The law on annual accounts and consolidated annual accounts” and Regulations No.775 issued by the Cabinet of Ministers of the Republic of Latvia “The rules for application of the law on annual accounts and consolidated annual accounts”.

Profit or loss account is prepared in accordance with methods of turnover expenses.

Statement of cash flows is prepared using the direct method.

This interim financial report is prepared following the same accounting policies and the same methods for estimates that were used preparing the most recent annual report.

Share capital

Share capital is 5073262 EUR (3565509 LVL). Nominal value of a share is 1.42 EUR (1.00LVL).

Denomination of shares from lats to euro is included in the agenda of shareholders’ meeting on April 26, 2016.

The correction of figures of the previous year

In accordance with Regulations No.775 issued by the Cabinet of Ministers of the Republic of Latvia “The rules for application of the law on annual accounts and consolidated annual accounts”, the estimated liabilities to employees for accrued unused vacation days shall be revealed as “accrued obligations”.

Liabilities for vacations of 2015 are calculated in total 6358 EUR.

	In the report for 3 months of 2016 on 31.12.2015.	In the report in 2015 on 31.12.2015
<u>PROVISIONS</u>		
1.Other provisions	0	6358
Total provisions	0	6358
<u>Short term creditors</u>		
6.Accrued obligations	8945	2587
Total short term creditors	417988	411630

Chairman of the Board _____ E.Kazha

Members of the Board _____ G.Lubis

_____ M.Araslanov

May 30, 2016