



**Joint stock company  
„Rīgas autoelektroaparātu rūpnīca”**

Reg.No. 4 0003030454  
Address: Klijanu str. 18, Riga, LV-1013

**Interim report  
01.01.2020-30.06.2020**

**Prepared according to the legislation standards of the Republic of Latvia**

**(Not audited)**

**Riga,2020**

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### Information about the company

Name of the company	<i>Rīgas autoelektroaparātu rūpnīca</i>
Legal form	<i>Joint stock company</i>
Registration number, place and date	<i>000303045, Rīga, 22.04.1998 Deregistration in Commercial register: 40003030454, Rīga, 30.06.2004</i>
Address	<i>18, Klijanu street, Rīga, Latvia, LV-1013</i>
Main activities	<i>NACE 6820 renting and operating of own real estate</i>
Average number of employees	<i>12 (including Board and Council)</i>
Board	<i>Eriks Kazha – Chairman of the Board Gunars Lubis – Member of the Board</i>
Council	<i>Edgars Lubis – Chairman of the Council Viktors Rojs – Deputy Chairman of the Council Liga Lube – Member of the Council since 17.04.2018 Nina Kazha – Member of the Council Galina Kraveca – Member of the Council</i>
Reporting period	<i>01.01.2020 - 30.06.2020</i>
Main shareholders	<i>Basing on the list of shareholders prepared on June 30, 2020: 1.JSC „Baltijas Holdings”-43.9 % Reg.Nr.40003148033, 18, Klijanu street, Rīga 2.„Tehprojekts”,Ltd.- 43.9% Reg.Nr. 40103020397, 12,Unijas street, Rīga 3.Other physical and legal persons 12.2%</i>
Certified auditor	<i>Auditors’ office Gatis Svīklis Lasma Svīkle, Ltd. Company license Nr. 181 123-15, Kr. Valdemara str., Rīga, LV-1013, Latvia Responsible sworn auditor: Gatis Svīklis – Sworn auditor’s License Nr. 202</i>

## Management report

### Economic activities in the reporting period and further development

Net turnover of the enterprise in six months of 2020 is 41, 5 thousand EUR.

The result of economic activities in this period is loss 5, 2 thousand EUR.

Average number of employees in the reporting period is 11, including the members of council and board.

The company's main activity is renting and operating of own real estate. The company has invested great work and a lot of money in improvement and reconstruction of its real estate to improve the effectiveness of expenditure of energy. Autonomous heating system is created. The property has become competitive. Negotiations with potential tenants are ongoing, seeking to rent out more areas to one tenant.

### Risks for the economic activities of the company

The activities of the company are not subjected to the fluctuations of foreign currencies' exchange rate because transactions with customers are in EUR.

The company uses bank credit to supplement current assets. Loan interest is calculated at a floating rate that exposes the company to the risk arising from interest rate fluctuations

The company believes that it will have sufficient cash resources to ensure its liquidity.

August 28, 2020

Chairman of the Board \_\_\_\_\_ E.Kazha

Member of the Board \_\_\_\_\_ G.Lubis

## Statement of Management Responsibility

The Management Board of JSC „Rīgas autoelektroaparātu rūpnīca” is responsible for the preparation of the financial statements of the Company.

On the basis of information available the management of JSC „Rīgas autoelektroaparātu rūpnīca” confirms that the financial statements are prepared in accordance with the law „On accountancy”, „Law On the Annual Financial Statements and Consolidated Financial Statements” 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” in compliance with the assumption that the company will continue operating further on and gives a true and fair view on the financial situation on June 30, 2020 and its financial results and cash flow in the period ended on June 30, 2020. The management report gives a true review on the growth of the JSC „Rīgas autoelektroaparātu rūpnīca” and performance results.

The financial information of this period is prepared using the same principles for recognition and measurement of the items as in the annual accounts of the last year.

August 28, 2020

On behalf of the Board,

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Eriks Kazha  
Chairman of the Board

**BALANCE SHEET AS AT 30 JUNE 2020**

**EUR**

<u>ASSETS</u>	30.06.2020	31.12.2019
<b><u>LONG-TERM INVESTMENTS</u></b>		
<b>I.Intangible assets</b>		
1. Patents,licenses and other similar rights	32	41
<b>I.Total</b>	<b>32</b>	<b>41</b>
<b>II. Fixed assets</b>		
1.Land, buildings and engineering structures	3307420	3343209
2.Equipment and machinery,other fixed assets	121746	173033
<b>II.Total</b>	<b>3429166</b>	<b>3516242</b>
<b>III. Long-term financial investments</b>		
1Investments in associated companies	12289	12289
<b>III.Total</b>	<b>12289</b>	<b>12289</b>
<b>Total long-term investments</b>	<b>3441487</b>	<b>3528572</b>
<b><u>CURRENT ASSETS</u></b>		
<b>I. Inventories</b>		
1. Raw materials and consumables	5166	5166
2. Finished goods and goods for sale	28013	28088
3. Advances for goods receivable	3651	1
<b>I.Total</b>	<b>36830</b>	<b>33255</b>
<b>II. Debtors</b>		
1. Trade debtors	29459	25466
2. Other debtors	0	23
3. Deferred expenses	209	384
<b>II.Total</b>	<b>29668</b>	<b>25873</b>
<b>IV. Cash and bank</b>		
	17644	415
<b>Total current assets</b>	<b>84142</b>	<b>59543</b>
<b>TOTAL ASSETS</b>	<b>3525629</b>	<b>3588115</b>

**BALANCE SHEET AS AT 30 JUNE 2020**

**EUR**

	30.06.2020	31.12.2019
<b><u>LIABILITIES</u></b>		
<b><u>EQUITY</u></b>		
1. Share capital	4991713	4991713
2. Other reserves – the result of denomination	81549	81549
<b>Total</b>	<b>5073262</b>	<b>5073262</b>
3. Previous years' retained earnings or accumulated loss	-3395983	-3273636
4. Current year's profit or loss	-5231	-52895
<b>Total shareholders' funds</b>	<b>1672048</b>	<b>1746731</b>
<b><u>CREDITORS</u></b>		
<b>Long term creditors</b>		
1. Loans from credit institutions	43389	103389
2. Deferred income	1605341	1692235
<b>Total long term creditors</b>	<b>1942518</b>	<b>1942518</b>
<b>Short term creditors</b>		
1. Loans from credit institutions	30000	60000
2. Other loans	69020	62350
3. Trade creditors	42633	21846
4. Taxes and state compulsory social insurance contributions	3900	7481
5. Other creditors	14235	18357
6. Deferred income	43447	86894
7. Accrued liabilities	1616	5179
<b>Total short term creditors</b>	<b>204851</b>	<b>262107</b>
<b>Total creditors</b>	<b>1853581</b>	<b>1910837</b>
<b>TOTAL LIABILITIES</b>	<b>3525629</b>	<b>3588115</b>

**PROFIT OR LOSS ACCOUNT**  
**For 6 months of 2020**

Item	EUR	
	2020 6 months	2019 6 months
Net turnover	41496	6518
Cost of sales	121297	125963
<b>Gross profit or loss</b>	<b>-79801</b>	<b>-119445</b>
Administrative expenses	10635	14816
Other operating income	88447	86841
Other operating expenses	1	102
Interest expenses and similar expenses	3241	5373
Profit or loss before income tax	-5231	-52895
Income tax	-	-
Profit or loss after income tax	<b>-5231</b>	<b>-52895</b>
<b>Profit or loss for the accounting period</b>	<b>-5231</b>	<b>-52895</b>
<b>Profit (+) or (-) per share</b>	<b>-0,001</b>	<b>-0,015</b>



**STATEMENT OF CASH FLOWS for 6 months of 2020**

	<b>2020</b>	<b>2019</b>
	<b>6 months</b>	<b>6 months</b>
<b>I. Cash flows from operating activities</b>		
1 Income from sales and services	66217	8485
2 Payments to suppliers, to employees and other operating expenses	67417	63445
3 Other income or expenses for economic activities	45000	21500
4 Gross cash generated from operations	43800	-33487
<b>5 Net cash flow from operating activities</b>	<b>43800</b>	<b>-33487</b>
<b>II. Cash flows from investing activities</b>		
1 Proceeds from sale fixed assets and intangible assets	0	21471
2 Received repayment of the issued loans	0	19836
3 Interest received	0	263
<b>4 Net cash generated from investing activities</b>	<b>0</b>	<b>41570</b>
<b>III. Cash flows from financing activities</b>		
1 Loans received	29670	27080
2 The loan repayment expenses	56241	35373
<b>3 Net cash used in financing activities</b>	<b>-26571</b>	<b>-8293</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>17229</b>	<b>-210</b>
<b>VI. Cash and cash equivalents at the beginning of the reporting period</b>	<b>415</b>	<b>747</b>
<b>VII. Cash and cash equivalents at the end of the reporting period</b>	<b>17644</b>	<b>537</b>

**STATEMENT OF CHANGES IN EQUITY for 6 months of 2020**

	<b>30.06.2020</b>	<b>30.06.2019</b>
<b>Share capital</b>		
At the beginning of reporting year	4991713	4991713
At the end of reporting year	4991713	4991713
<b>Other reserves (the result of denomination)</b>		
At the beginning of reporting year	81549	81549
At the end of reporting year	81549	81549
<b>Retained earnings</b>		
At the beginning of reporting period	-3395983	-3273636
Increase /decrease in retained earnings	-5231	-52895
At the end of reporting period	-3401214	-3326531
<b>Equity</b>		
Previous year balance	1677279	1799626
Balance at the end of the reporting period	1672048	1746731

## 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” , 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” and the „Law on financial and capital market”.

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 4991712, 60 EUR. There are 36565509 shares. Nominal value of a share is 1.40 EUR.

In March 2020 limitations arising from the spread of the coronavirus have been put in place in the Republic of Latvia and in other countries. The development of the situation is not predictable therefore an economic uncertainty prevails. The management of the Company is constantly contemplating the situation. Currently the management of the Company does not experience significant adverse consequences arising from the situation. Nevertheless, these assumptions are based on the publicly available information and the real outcomes of the situation might differ from the management’s assumptions.

August 28, 2020

Chairman of the Board \_\_\_\_\_ E.Kazha

Member of the Board \_\_\_\_\_ G.Lubis

Report is prepared by

\_\_\_\_\_  
Inna Vencenosceva  
Chief accountant of  
JSC ”Rīgas autoelektroaparātu rūpnīca”