

JSC "Rīgas juvelierizstrādājumu rūpnīca"

Unified registration Nr. 40003044420

Address : Terēzes street 1, Rīga LV-1012

Main activities:

NACE code red .

3212	processing of precious metals
4777	retail jewellery trade in specialised stores
6820	renting and operating of leased real estate

Unit: EUR

Financial report
of the period from 01.01.2015 to 30.09.2015

that has been prepared according to the legislation standards of the Republic of Latvia

State Revenue Service territorial office: Latgale suburb department

Riga, 2015.

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INFORMATION about the COMPANY

Name of the Company	<i>JSC "Rīgas juvelierizstrādājumu rūpnīca"</i>		
Legal Status of the Company	<i>Joint Stock company</i>		
Unified Registration №, place and date of incorporation	<i>40003044420 10 th December 1991</i>		
Legal address	<i>Terēzes 1, Rīga, LV-1012</i>		
Mailing address	<i>Terēzes 1, Rīga, LV-1012</i>		
Name of the Bank and bank accounts of the company	<i>JSC "SEB banka"</i>		
	<i>LV62UNLA 0001000243901</i>	<i>EUR</i>	
	<i>LV29UNLA00050020330171</i>	<i>USD</i>	

Shareholders and their shares %

Vladimirs Cadovičs	11,21%
Valentins Istomins	24,46%
Marija Ančevska	32,47%
"MALEKS S" SIA	6,01%
Others	25,85%

Composition of the Council members

Vidis Zakis
Igors Istomins
Jeļena Vasuļa
Svetlana Tolkačova
Tatjana Reznigskā

Composition of the Board of Directors members

Chairman of the Board	<i>Vladimirs Cadovičs</i>
Member of the Board	<i>Aleksandrs Strulevičs</i>
Member of the Board	<i>Aleksandrs Ančevskis</i>

For the period *from* 01.01.2015 *to* 30.09.2015.

Previous period *from* *to*

Average number of employees 18

Information about off-balance liabilities and pledged assets	Off-balance assets/liabilities are formed as reserves of the doubtful debtors. Total off-balance sum of assets/reserves is 851 EUR
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Auditor Aivars Rutkis
Certified auditor
LZRA sertif.Nr.18

BALANCE SHEET

<i>ASSETS</i>	Appendices	30.09.2015. EUR	30.09.2014. EUR
<i>I. Long-term investments</i>			
<i>I Intangible investments</i>			
Concessions, licenses and similar rights		421	534
<i>Total long-term investments</i>	1	421	534
<i>I Fixed assets</i>			
Land, buildings, constructions		109 890	115 831
Long-term investments in rented fixed assets		2 219	0
Equipment and machinery		-	-
Other fixed assets and inventory		36 441	41 235
<i>Total fixed assets</i>	2	148 550	157 066
<i>II Investment property</i>		31 669	35 845
<i>Total investment property</i>	2	31 669	35 845
Total long-term investments		180 640	193 445
<i>2. Current assets</i>			
<i>III Inventory</i>			
Raw materials, direct materials and auxiliary materials	3	392 384	451 473
Unfinished products	4	14 457	140 436
Finished products and products for sale	5	400 559	163 372
Advance payments for goods	6	923	23 252
<i>Total inventory</i>		808 323	778 533
<i>IV Indebtedness of the debtors</i>			
Debts of the customers and clients	7	599 792	524 234
Other debtors	8	13 846	63
Expenses of the subsequent period	9	3 716	4 597
<i>Total debtors</i>		617 354	528 894
<i>Funds (total)</i>	10	75 830	86 361
<i>Total current assets</i>		1 501 507	1 393 788
<i>Grand total assets</i>		1 682 147	1 587 233

BALANCE SHEET

Liabilities	Appendixes	30.09.2015. EUR	30.09.2014. EUR
<i>I Equity capital</i>			
Stock or share capital (fixed capital)	11	6 640 172	6 748 653
Revaluation reserves of long-term investments		132 894	139 360
Reserves:			
d) other reserves		108 481	-
Undistributed profit			
a) undistributed profit from previous year		(5 360 986)	(5 228 889)
b) undistributed profit for the reporting year		(20 745)	(117 197)
<i>Total undistributed profit</i>		<i>(5 381 731)</i>	<i>(5 346 086)</i>
<i>Total equity capital</i>		1 499 816	1 541 927
<i>II Reserves</i>	12	6 895	7 691
<i>Total reserves</i>		6 895	7 691
<i>III Creditors</i>			
<i>1 Long-term debts</i>			
Deferred income		-	16 962
<i>Total long-term debts</i>		-	16 962
<i>2 Short-term debts</i>			
Indebtedness to suppliers and contractors	13	148 052	6 861
Taxes and social security liabilities	14	18 133	6 090
Other creditors	15	9 251	7 702
<i>Total short-term debts</i>		175 436	20 653
<i>Total creditors</i>		175 436	37 615
<i>Grand total liabilities</i>		1 682 147	1 587 233

Appendix from Page 9 to 14 is an integral part to the present financial statement

Chairman of the Board

Vladimirs Cadovičs

Member of the Board

Aleksandrs Struļevičs

Member of the Board

Aleksandrs Ančevskis

PROFIT or LOSS STATEMENT'S CALCULATIONS

(by turnover expenditure method)

Parameters	Appendixes	30.09.2015. EUR	30.09.2014. EUR
1. Net turnover	16	734 007	423 661
2. Manufacturing expenditures of sold products	17	(497 446)	(324 658)
3. Gross profit or loss		236 561	99 003
4. Selling expenses	18	(160 563)	(134 055)
5. Administrative expenses	19	(107 730)	(107 920)
6. Other operating revenue	20	42 706	41 874
7. Other operating expenses	21	(27 354)	(11 734)
8. Profit or loss before extraordinary items and taxes		(16 380)	(112 832)
9. Profit or loss before taxation		(16 380)	(112 832)
10. Deferred tax			
11. Other taxes	22	(4 365)	(4 365)
12. Profit or loss in the reporting year		(20 745)	(117 197)
13. Profit or loss per one stock in a year		-0,003	-0,017
14. Profit or loss per one stock from the beginning		-0,810	-0,792

Appendix from Page 9 to 14 is an integral part to the present financial statement

Report on changes in the equity capital in 30.09.2015. and 30.09.2014.

	Stock or share capital (fixed)	Revaluation reserves of long- term investments	Reserve	Undistributed profit from the previous year	profit for the reporting year	Total equity capital
	EUR	EUR		EUR	EUR	EUR
30.09.2014.	6 748 653	139 360		(5 228 889)	(117 197)	1 541 927
30.09.2015.	6 640 172	132 894	108 481	(5 360 986)	(20 745)	1 499 816

CASH FLOW STATEMENT
(by direct method)

	Appendix	30.09.2015. EUR	30.09.2014. EUR
I. Cash flow from main activities			
Revenue from the sales of the products and provided services		369 711	307 399
Payments to suppliers, staff, other expenditures on main activities		(423 581)	(465 527)
Other revenues and expenditures on main activities		60 991	89 463
Gross cash flow of the main activities		7 121	(68 665)
Expenditures on tax payments for the real property (-)	22	(4 365)	(4 365)
Cash flow before extraordinary items		2 756	(73 030)
Net cash flow of the main activities		2 756	(73 030)
II. Cash flow of investment activities			
Acquisition of fixed assets and intangible investments	2	(6 984)	-
Net cash flow of investment operations		(6 984)	-
V. Net cash flow in the reporting year		(4 228)	(73 030)
VI. Cash and its equivalents at the beginning of the period	10	80 058	159 391
VII. Cash and its equivalents at the end of the period	10	75 830	86 361

Appendixes to the financial report

1.Explanatory notes to the items of the balance sheet

1.Intangible assets

	Licenses	Total EUR
Initial Value		
30.09.2014.	562	562
30.09.2015.	562	562
Depreciation		
30.09.2014.	28	28
30.09.2015.	141	141
Residual value		
30.09.2014.	534	534
30.09.2015.	421	421

2.Fixed assets

	Investment property	Buildings, constructions	Other fixed assets	Equipment and machinery	Long-term investments in leased fixed assets	Total EUR
Initial Value						
30.09.2014.	83 523	118 800	114 360	91 570	105 330	513 583
Acquisition			6 984		2 219	9 203
Written off			- 16 279			- 16 279
30.09.2015.	83 523	118 800	105 065	91 570	107 549	506 507
Depreciation						
30.09.2014.	47 678	2 969	73 125	91 570	105 330	320 672
30.09.2015.	51 854	8 910	68 624	91 570	105 330	326 288
Residual value						
30.09.2014.	35 845	115 831	41 235	-	-	192 911
Residual value						
30.09.2015.	31 669	109 890	36 441	-	2 219	180 219

Buildings, constructions and vehicles are insured.

Appendixes to the balance sheet (continued)

Real Estate property EUR 387 969 ,includes buildings:

- Cadastre Nr. 0100 035 0142 004, Riga,	property assessed value - 74 642 EUR;	investment property
- Cadastre Nr.0100 035 0142 006, Riga,	property assessed value - 181 027 EUR;	fixed
- Cadastre Nr.0100 035 0143 003, Riga,	property assessed value - 113 415 EUR;	fixed
- Cadastre Nr.0100 035 0144 002, Riga,	property assessed value - 10 930 EUR;	fixed
- Cadastre Nr.0100 035 0146 001, Riga,	property assessed value - 7 955 EUR;	fixed

	30.09.2015. EUR	30.09.2014. EUR
3. Raw materials, direct materials and auxiliary materials		
gold	310 702	372 850
silver	10 108	9 084
precious stones, semiprecious stones	64 635	62 483
low-value materials and inventory	913	913
Fuel (a/m)	77	68
Instruments	5 949	6 021
materials for current repairs	-	54
Total	392 384	451 473
4.Unfinished products		
Unfinished products and orders	14 457	140 436
Total	14 457	140 436
5. Finished production and goods for sale	400 559	163 372
Total	400 559	163 372
6. Advance payments for products		
To LLC/SIA/ NESTE for fuel	923	135
Advance payment	-	23 117
Total	923	23 252
7. Debts of customers and clients		
All debts are being received in one year period.		
Payments for jewellery	569 325	512 796
Purification of gold	7 172	9 111
Payments for lease	24 052	8 447
Creditcard	94	141
Accumulation for doubtful debtors	(851)	(6 261)
Total net debts of customers and clients	599 792	524 234
<i>off the balance</i>		
<i>accumulation for doubtful debtors</i>	<i>851</i>	<i>6 261</i>

Appendixes to the balance sheet (continued)

	30.09.2015.	30.09.2014.
	EUR	EUR
8.Other debtors		
Business motor vehicles tax	-	21
Tax of risk of the business activity	2	11
Value added tax (2391)	2 460	-
Payments to workers (advance payments)	2 919	-
Guarantee money (for lease)	8 434	-
Security sum VENDEN	31	31
Total	13 846	63

9. Expenditures for the subsequent period

Insurance of the transport	572	1 095
Insurance of the leased fixed asset	189	-
Lietišķas informācijas dienests (Laws of the Republic of Latvia)	522	1 069
Engineering design (RJR reconstruction)	2 433	2 433
Total	3 716	4 597

10. Money resources

Money in cash	14 641	17 710
Money in operating accounts	61 189	68 651
Total	75 830	86 361

11. Information on the aggregate own stocks and shares of the company.

On 28.05.2015 the Company had denomination of the fixed capital. As a result of denomination ,the equity capital of the company is 6 640 172 EUR that is divided into 4742980 shares with share's nominal value of 1,40 EUR. The residual value in the amount of EUR 108 480,54 was transferred to the reserve fund.

All the stocks are ordinary stocks with voting rights.

From the totality of Company stocks 4 493 700 stocks are bearer stocks in dematerialized form.

From the totality of Company stocks 249 280 are registered stocks in dematerialized form.

12. Accumulation

Accumulation for unused vacations:	6 895	7 691
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13. Debts to suppliers and contractors (short-term)

Total	148 052	6 861
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Appendixes to the balance sheet (continued)

14. Taxes and social security payments

	30.09.2015.	30.09.2014.
	EUR	EUR
Personal Income Tax	2 834	2 146
State social security obligatory payments	4 814	3 587
Value added tax	10 485	357
Total	18 133	6 090

15. Other creditors (short-term)

Salaries	9 251	7 508
Payments to workers (advance payments)	-	194
Total	9 251	7 702

Appendixes to the annual report

2.Explanatory notes to the items of the profit or loss calculation

16.Net turnover	30.09.2015.	30.09.2014.
	EUR	EUR
Jewellery sale	356 459	272 414
Discount	-	(186)
Workshops (jewellery repair)	111 334	79 564
Special orders	32 211	-
Sales of investment gold and gran	185 160	34 272
Jewellery and gold sales in the EU	48 843	37 597
Total	734 007	423 661

17. Manufacturing expenditures of sold products		
Purchasing and manufacturing expenses of the sold jewels	322 354	264 396
Write-off or markdown	259	0
Materials	120 266	40 084
Assaying of jewellery at the LPB*	345	157
Changes in stock and value of the unfinished products	54 222	20 021
Total	497 446	324 658

* State Assay Supervision Inspection

18. Selling costs		
Workers' salary	68 030	58 771
Obligatory social payments for workers	15 378	13 463
Advertising expenses	780	3 415
Residential services (water, electricity, gas)	23 660	26 233
Rent of the land and premises	23 895	14 543
Depreciation of fixed assets	15 109	17 164
Low-value inventory	12 153	235
Other selling costs	1 558	231
Total	160 563	134 055

19. Administrative expenditures		
Communication expenditures	4 877	4 674
Bank services	1 043	707
To "NASDAQ OMX Riga" for shares and other	6 474	6 368
Office costs	2 317	1 938
Depreciation of the fixed assets (administrative building)	1 369	912
Travelling allowances	4 935	551
Salary of the administration	53 185	51 417
Obligatory social payments for the administration	11 438	11 457
Payment for the risk of the business activity	62	56
Security services	8 586	6 415
Expenditures on insurance of motor transport	1 478	699
Expenditures on motor transport for administration (fuel, repair)	9 270	7 537
Expenditures on represantion	948	238
Other administrative expenditures, including expenses on lawyers	1 748	14 951
Total	107 730	107 920

Appendixes to the profit or loss calculation (continued)

20. Other income of the business activities

Production of thermal energy

Leasing out premises

Income of residential services (other persons)

Cost of residential services (other persons)

Income from selling or buying currencies

Income from converting of currency

Other income (819)

Total

30.09.2015.	30.09.2014.
EUR	EUR
14 236	16 420
26 416	25 404
17 171	
(17 171)	
300	-
8	-
1 746	50
42 706	41 874

21. Other expenditures from the business activities

Building re-estimated

Other expenditures

Total

-	6 899
27 354	4 835
27 354	11 734

22. Real property tax

4 365	4 365
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