

**AS “Rīgas kuģu būvētava”**

*Financial information on 9 (nine) months of the year 2019*

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**INFORMATION ON THE COMPANY**

Name of the company	AS "Rīgas kuģu būvētava"	
Legal status of the company	Joint stock company	
Number, place and date of registration	000304589, 5 December 1991, Companies register, Riga 40003045892, 26 August 2004, Commercial register, Riga	
Address	Gāles iela 2, Rīga, LV-1015, Latvia	
Share capital of the Company	16 340 950 EUR	
Associates	AS "Tosmares kuģubūvētava" (49.72%) Reg.No.42103022837 Ģenerāļa Baloža iela 42/44, Liepāja, Latvia  SIA "Remars Granula" (49.80%) Reg.No.54103022521 Gāles iela 2, Rīga, Latvia	
Type of operations	Building and repair of ships, yachts, catamarans, roll trailers and technological equipment; Port services; wood processing, manufacturing of furniture designed for various functional purposes etc.	
NACE code	3011, 3315	
Names and positions of the Board members	Einars Buks Ainars Tropins  Ainars Tropins Einars Buks  Jekaterina Melnika	Chairman of the Board till 10.01.2020 Chairman of the Board from 11.01.2020  Member of the Board till 10.01.2020 Member of the Board from 11.01.2020  Member of the Board
Names and positions of the Council	Vasilijs Melniks Aleksandrs Cernavskis  Gaidis Andrejs Zeibots Larisa Artemenko Sandis Strods	Chairman of the Council Deputy Chairman of the Council  Member of the Council Member of the Council from 23.12.2019 Member of the Council from 23.12.2019
Financial period	January 1 <sup>st</sup> 2019 – September 30 <sup>th</sup> 2019	
Previous financial period	January 1 <sup>st</sup> 2018 – September 30 <sup>th</sup> 2018	
Auditor's name and address	"Sandra Dzerēle un Partneris" SIA Antonijas stree 7-2, Rīga, LV-1010 Latvia  Baiba Apine Sworn Auditor Certificate No.214	

## STATEMENT OF MANAGEMENT RESPONSIBILITIES

The management of Rīgas kuģu būvētava AS (the Company) is responsible for preparation of the financial statements.

The financial statements are prepared in accordance with the source documents and present fairly the financial position of the Company as of 30 September 2019 and the results of its operations and cash flows for the period then ended. The management confirms that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements.

The management also confirms that the requirements of the legislation of the Republic of Latvia have been complied with and that the financial statements have been prepared on a going concern basis.

The management of the Company is also responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the management:

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Ainars Tropins  
(Chairman of the Board)

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Jekaterina Meļņika  
(Member of the Board)

Einars Buks  
(Member of the Board)

Rīga, January 31<sup>st</sup> 2020

**PROFIT OR LOSS STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Notes	9 month 2019 EUR	9 month 2018 EUR
Net sales		180 796	3 867 295
Cost of sales		(1 298 585)	(5 709 372)
<b>Gross profit (loss)</b>		<b>(1 117 789)</b>	<b>(1 842 077)</b>
Distribution expenses		-	-
Administrative expenses		(431 778)	(499 404)
Other operating income		7 163 807	1 065 203
Other operating expenses		(5 347 293)	(222 786)
Other interest income and similar income		-	<b>42 103</b>
incl.			
a)from other parties		-	42 103
Other interest payable and similar expenses		<b>(120 843)</b>	<b>(287 523)</b>
incl.			
a)to other parties		(120 843)	(287 523)
Profit or losses before corporate income tax		<b>146 804</b>	<b>(1 744 485)</b>
Profit and loss after the taxation		<b>146 804</b>	<b>(1 744 485)</b>
Net profit (loss) for the financial year		<b>146 804</b>	<b>(1 744 485)</b>
Profit or losses per share		0.013	(0.016)

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(Chairman of the Board)

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Jekaterina Melnika  
(Member of the Board)

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Einars Buks  
(Member of the Board)

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Aleksandrs Kockins  
(Chief Accountig Officer)

Rīga, January 31<sup>st</sup> 2020

## BALANCE SHEET AS OF 30 SEPTEMBER 2019

ASSETS	Notes	30.09.2019. EUR	30.09.2018. EUR	31.12.2018. EUR
<b>Non-current assets</b>				
<b>Intangible assets:</b>				
Other intangible assets		-	4 773	1 696
<b>Total intangible assets</b>		<u>-</u>	<u>4 773</u>	<u>1 696</u>
<b>Fixed assets</b>				
Immovable properties				
a) land, buildings and engineering structures		8 069 989	8 557 749	8 211 064
Technological equipment and machinery		7 085 056	21 686 952	16 827 953
Other fixed assets		329 743	410 922	389 174
Fixed assets under construction		-	135 410	-
Advances for fixed assets		-	7 114	-
<b>Total fixed assets</b>		<u>15 484 788</u>	<u>30 798 147</u>	<u>25 428 191</u>
<b>Non-current financial investments</b>				
Investments in associates		-	4 830 590	3 630 590
Other securities and investments		235	235	235
Loans and non-current receivables		470 000	1 624 207	1 580 818
<b>Total non-current financial investments</b>		<u>470 235</u>	<u>6 455 032</u>	<u>5 211 643</u>
<b>Total non-current assets</b>		<u>15 955 023</u>	<u>37 257 952</u>	<u>30 641 530</u>
<b>Current assets</b>				
<b>Inventories</b>				
Raw materials and consumables		1 177 920	1 384 102	1 421 818
Work in progress		-	36 560	-
Advances for inventories		112 809	142 809	112 809
<b>Total inventories</b>		<u>1 290 729</u>	<u>1 563 471</u>	<u>1 524 627</u>
<b>Account receivable</b>				
Trade receivables		946 622	1 087 059	386 753
Receivables from associates		-	1 309 211	-
Other receivables		558 423	759 246	823 020
Deferred expense		57 366	83 618	23 692
<b>Total receivables</b>		<u>1 562 411</u>	<u>3 239 134</u>	<u>1 233 465</u>
<b>Cash and bank</b>		<u>4 031 456</u>	<u>36 705</u>	<u>10 451</u>
<b>Total current assets:</b>		<u>6 884 596</u>	<u>4 839 310</u>	<u>2 778 543</u>
<b>TOTAL</b>		<u>22 839 619</u>	<u>42 097 262</u>	<u>33 420 073</u>

## BALANCE SHEET AS OF 30 SEPTEMBER 2019

	Notes	30.09.2019. EUR	30.09.2018. EUR	31.12.2018. EUR
<b>EQUITY, PROVISIONS AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		16 340 950	16 340 950	16 340 950
Non-current investments revaluation reserve		86 972	11 551 014	6 720 723
Reserves:				
Other reserves		266 962	266 962	266 962
Retained profit or uncovered losses brought forward from previous years		(4 329 939)	2 314 824	2 314 824
Current year profit or losses		146 104	(1 744 485)	(6 644 763)
<b>Total retained earnings</b>		<b>(4 183 835)</b>	<b>570 339</b>	<b>(4 329 939)</b>
<b>Total equity</b>		<b>12 511 049</b>	<b>28 729 265</b>	<b>18 998 696</b>
<b>Provisions:</b>				
Other provisions		-	-	-
<b>Total provisions</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current liabilities</b>				
Loans from banks		-	721 296	-
Other borrowings		37 732	2 355 943	37 732
Deferred income		422 008	494 127	422 008
<b>Total non-current liabilities</b>		<b>459 740</b>	<b>3 571 367</b>	<b>459 740</b>
<b>Current liabilities</b>				
Loans from banks		1 700 000	2 562 389	3 295 045
Other borrowings		3 155 062	992 354	3 156 506
Advances from customers		103 350	85	3 266
Trade payables		2 511 385	2 499 656	2 572 498
Payables to associates		211 248	207 126	211 248
Taxes and state social insurance payments		1 031 487	1 600 519	2 056 001
Other creditors		959 782	1 576 563	2 238 940
Deferred income		18 030	18 030	72 120
Unpaid dividends		11 746	11 746	11 746
Accrued liabilities		166 740	328 162	344 267
		<b>9 868 830</b>	<b>9 796 630</b>	<b>13 961 637</b>
<b>Total current liabilities:</b>		<b>10 328 570</b>	<b>13 367 997</b>	<b>14 421 377</b>
<b>Total liabilities:</b>		<b>22 839 619</b>	<b>42 097 262</b>	<b>33 420 073</b>

Ainars Tropins  
(Chairman of the Board)

Jekaterina Melnika  
(Member of the Board)

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(Member of the Board)

Aleksandrs Kockins  
(Chief Accountig Officer)

Riga, January 31<sup>st</sup> 2020

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	9 month 2019 EUR	9 month 2018 EUR
<b>Share capital</b>		
Opening balance	16 340 950	16 340 950
Closing balance	16 340 950	16 340 950
<b>Long-term investment revaluation reserve</b>		
Opening balance	6 720 723	11 745 595
Prior year adjustments	(6 633 751)	(194 581)
Closing balance	<b>86 972</b>	<b>11 551 014</b>
<b>Reserves</b>		
Opening balance	266 962	266 962
Closing balance	<b>266 962</b>	<b>266 962</b>
<b>Retained earnings</b>		
Opening balance	(4 329 939)	1 848 918
Increase/decrease in retained earnings	146 104	(1 278 579)
Closing balance	<b>(4 183 835)</b>	<b>570 339</b>
<b>Equity</b>		
Opening balance	18 998 696	30 202 425
Closing balance	<b>12 511 049</b>	<b>28 729 265</b>

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Rīga, January 31<sup>st</sup> 2020



**CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	<b>9 month 2019 EUR</b>	<b>9 month 2018 EUR</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Revenue from the sale of goods and provision of services	58 953	3 995 894
Payments to suppliers, employees, other expenses of principal activity costs	<u>(338 930)</u>	<u>(4 372 451)</u>
<b>Gross cash flow generated from/(used in) operating activities</b>	<b>(279 977)</b>	<b>(376 557)</b>
Interest payment	<u>-</u>	<u>(91 957)</u>
<b>Net cash flow generated from /(used in) operating activities</b>	<b>(279 977)</b>	<b>(468 514)</b>
 <b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of fixed and intangible assets	(2 349)	(400)
Proceeds from sales of fixed assets and intangible assets	4 304 775	30 189
Interest received	<u>-</u>	<u>-</u>
<b>Net cash flow generated from investing activities</b>	<b>4 302 426</b>	<b>29 789</b>
 <b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of loans	-	(19 090)
Loans received	<u>(1 444)</u>	<u>425 000</u>
<b>Net cash flow (used in)/ generated from financing activities</b>	<b>(1 444)</b>	<b>405 910</b>
 Net foreign exchange gains/losses		
Net increase /(decrease) in cash and cash equivalents	<u>4 021 005</u>	<u>(32 815)</u>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>10 451</b>	<b>69 520</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4 031 456</b>	<b>36 705</b>

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Rīga, January 31<sup>st</sup> 2020