



JSC VEF, Brīvības gatve 214, Rīga, LV-1039

JOINT STOCK COMPANY VEF
(Unified registration number 40003001328)

NON- AUDITED FINACIAL STATEMENTS
For the period ended on March 31, 2020



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GENERAL INFORMATION

Title of enterprise	Joint stock company VEF
Legal type of enterprise	Public joint stock company
Registered:	On April 15, 1991 in the Register of Enterprises of the Republic of Latvia, re-registered on December 7, 2000 with Nbr. 000300132 On April 14, 2004 registered in the Commercial Register, Nbr. 40003001328
Taxpayers' Reg. Nbr.	LV 40003001328
Legal address	Brīvības gatve 214, Rīga, LV-1039, Republic of Latvia
Equity capital ¹ :	EUR 2 722 492 registered and paid up capital.
Core businesses:	*Power supply - distribution of power; *Letting and renting of real-estate property
Chief executive officer:	Chairman of the Board of the Company: GINTS FEŅUKS TAMĀRA KAMPĀNE
Members of the Board:	MĀRTIŅŠ CAUNA MODRIS ZOMMERS ERVINS KAMPANS
Members of the Supervisory Council:	EGILS ARAJS GUNTIS LIPIŅŠ LAILA LIDUMA 01.01.2020. - 31.03.2020.
Period of account:	

¹ Paid-up and registered equity capital EUR 2 722 492

² The company's capital consists of the 623 528 bearer shares and 1 321 109 registered shares nominal value of shares EUR 1.40



Report on the Management Board's responsibility to the non-audited financial statement of JSC „VEF” for the three months of 2020

Management Board of JSC „VEF” (hereinafter – the Company) is responsible for preparation of the middle-term financial statements of the Company. The middle-term financial statements are not audited.

Middle-term financial statements are prepared based on justifying documents and represent true and clear overview on the Company's Assets and Equity and Liabilities, its financial standing and results of activity as well as cash flows within the reporting period ended on March 31, 2020.

Accounting principles used in preparation of the middle-term financial statements have not been changed comparing to the previous reporting period. During preparation of the middle-term financial statements decisions taken by the Management Board and estimations made have been cautious and well-founded. The information included in the middle-term management's report is true.

The Management Board of the Company is responsible for ensuring the corresponding accounting system, securing the assets of the Company, as well as for prevention and exposure of fraud and other violation within the Company.

On behalf of the Management Board of JSC „VEF”,

Gints Feņuks
Chairman of the Management Board



ASSETS			
	EUR	EUR	EUR
	31.03.2020	31.03.2019	31.12.2019
LONG-TERM INVESTMENTS			
Intangible assets			
Concessions, patents, licences	32	39	35
Total intangible assets	32	39	35
Fixed Assets			
Land, buildings and other property	5 485 112	5 457 779	5 499 911
Other fixed assets and inventory	83 555	86 331	92 985
Advance payments for fixed assets	0	11 524	0
Total fixed assets	5 568 667	5 555 634	5 592 896
Long-term financial investments			
Investments in subsidiaries	3 000	3 000	3 000
Loans to subsidiaries	60 000	60 000	60 000
Long-term financial investments, total	63 000	63 000	63 000
Non-current assets, total	5 631 699	5 618 673	5 655 931
Debtors			
Customers and client debts	13 399	53 234	23 901
Other debtors	15 098	76 773	24 799
Future period	4 450	4 432	4 830
Future period expenses	32 230	36 107	37 262
Total debtors	65 177	170 546	90 792
Cash	394 977	260 331	370 392
Total Current assets	460 164	430 877	461 184
TOTAL ASSETS	6 091 853	6 040 550	6 117 115



LIABILITIES			
	EUR	EUR	EUR
	31.03.2020	31.03.2019	31.12.2019
Stockholder's Equity			
Common stock	2 722 492	2 722 492	2 722 492
Long-term investments revaluation reserve	649 285	657 470	649 285
Other reserves	44 477	44 477	44 477
Total accumulation			
Retained earnings from the previous years	40 907	-81 389	-81 389
Retained earnings of the financial years	20 583	35 196	122 296
Total stockholder's equity	3 477 744	3 378 246	3 457 161
LIABILITIES			
Long-term liabilities			
Borrowings from credit institutions	2 150 174	2 318 174	2 150 174
Prepayments from buyers	47 273	47 273	47 273
Other liabilities	61 594	57 117	61 594
Total long-term liabilities	2 259 041	2 422 564	2 259 041
Current liabilities			
Borrowings from credit institutions	126 000	120 000	168 000
Accounts payable	35 267	37 679	34 658
Taxes and social security payments	30 212	25 458	30 891
Other liabilities	15 726	14 599	13 699
Other borrowings	15 971	9 728	21 221
Accrued liabilities	98 250	22 573	99 514
Prepayments from buyers	33 642	18 703	32 930
Total current liabilities	355 068	248 740	400 913
Total liabilities	2 614 109	2 671 304	2 659 954
TOTAL LIABILITIES&STOCKHOLDER'S EQUITY	6 091 853	6 049 550	6 117 115
EQUITY			

**PROFIT AND LOSSES ACCOUNT FOR YEAR, WHICH ENDS
ON MARCH 31.2020.**

		EUR 31.03.2020 -	EUR 31.03.2019 -
1	2	4	4
Net turnover		302 415	305 349
Cost of goods sold	1	-227 401	-209 284
Gross profit		75 014	96 065
Administrative expenses	2	-23 723	-28 746
Other income from operations	3	0	329
Other expenses from operations	4	-431	-387
Financial services expenses	6	-30 277	-32 065
Profit before taxes		20 583	35 196
Other taxes	7	0	0
Net profit		20 583	35 196

Earnings per share (EPS) on

31.03.20 – 0.01 EUR**31.03.2019 -0.01 EUR**

Chairman of the Board

G.Feņuks

Member of the Board

T.Kampāne



CASH FLOW STATEMENT FOR YEAR THAT ENDS ON MARCH 31, 2020

	2020	2019	2019
	31.03.	31.03.	31.12.
	EUR	EUR	EUR
I. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before outstanding items and taxes (+)	20 583	35 196	122 296
<i>Adjustments:</i>			
fixed assets depreciation (+)	24 230	21 971	92 578
intangible assets depreciation (+)	2	2	2
financial services income	30 277	32 065	129 531
<i>Profit or losses before adjustments from current assets and liabilities</i>	75 092	89 234	344 412
<i>Adjustments:</i>			
debtors : increase (-); decrease (+)	25 615	-95 686	15 932
liabilities: increase (-); decrease (+)	1 405	-16 773	45 101
<i>Gross cash provide by operating activities</i>	102 112	-23225	405 445
Payments for financial	-30 277	-32 065	-129 531
<i>Net cash provided by operating activities before outstanding items:</i>			
Cash flow from outstanding items (-/+)			
Net cash provided by operating activities :	71 835	-55 290	275 914
CASH FLOWS FROM INVESTING ACTIVITIES :			
Fixed assets purchase	0	0	-86 458
Loans to subsidiaries			
Interest in related companies	0		0
Net cash used in investing activities :	0	0	-86 458
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payments for leased fixed assets	-5 250	-3 717	-18 402
Expenses for borrowings repayment	-42 000	-24 000	-144 000
Net cash provided by financing activities :	-47 250	-27 717	-162 402
Net cash flom	24 585	-83 007	27 054
IV. CASH AT BEGINNING OF YEAR	370 392	343 338	343 338
CASH AT END OF YEAR	394 977	260 331	370 392

**STATEMENT OF CHANGES IN EQUITY FOR YEAR THAT ENDS ON
MARCH 31, 2020**

	31.03.2020 EUR	31.03.2019 EUR	31.12.2019 EUR
Stockholder's equity			
Balance at the beginning of the financial year	2 722 492	2 722 492	2 722 492
Increase from			
Decrease from			
Balance at the end of the financial year	2 722 492	2 722 492	2 722 492
Long-term investments revaluation reserve			
Balance at the beginning of the financial year	649 285	657 470	657 470
Increase from			
Decrease from			-8 185
Balance at the end of the financial year	649 285	657 470	649 285
Accumulations			
Balance at the beginning of the financial year	44 477	44 477	44 477
Increase from			
Decrease from			
Balance at the end of the financial year	44 477	44 477	44 477
Retained earnings			
Balance at the beginning of the financial year	40 907	-81 389	-81 389
Profit or losses of the financial year	20 583	35 196	122 296
Dividendes			
Included in accumulations			
Balance at the end of the financial year	61 490	-46 193	40 907
Stockholder's equity (total)			
Balance at the beginning of the financial year	3 457 161	3 343 050	3 343 050
Balance at the end of the financial year	3 477 744	3 378 246	3 457 161

**(1) Net turnover**

Turnover consists of revenues that the Company gained in the first three months of 2020 from its core business-service provision without VAT

Type of commercial operations	2020.03.31	2019.03.31
	EUR	EUR
power supply, distribution and servicing	36 233	41 247
Rental income	155 441	178 864
utility services	110 741	85 238
Total	302 415	305 349

Distribution of net turnover by geographical markets

Country	2020.03.31	2019.03.31
	EUR	EUR
Latvia	302 415	305 349
Total	302 415	305 349

(2) Cost of sales

	2020.03.31	2019.03.31
	EUR	EUR
labor and social payments	62 374	48 711
depreciation	24 230	21 971
cash turnover expenses	88	166
transport	4 089	3 709
residential services (electricity, water....)	81 347	91 398
personnel training	0	0
telecommunication service	228	263
other costs tied to commercial operations	48 897	38 264
intangible asset depreciation	2	2
insurance (buildings)	1 207	1 087
real estate tax (buildings ,land)	3 784	1 887
land rent to LPA	1 155	1 826
Total	227 401	209 284

**(3) Costs of administration**

	2020.03.31	2019.03.31
	EUR	EUR
labor and social payments	16 820	22 989
telecommunication service	227	263
office supplies	102	126
transport expenses for administrative needs	4 089	3 709
representative expenses	705	460
legal assistance or raid	0	309
NASDAQ annual fee	1 780	890
Total	23 723	28 746

(4) Other revenues from commercial operation

	2020.03.31	2019.03.31
	EUR	EUR
finances	0	327
other income	0	2
Total	0	329

(5) Other costs of commercial operations

	2020.03.31	2019.03.31
	EUR	EUR
allowances and bonuses	431	387
donations	0	0
Total	431	387

(6) Payments of interest and similar expenses

	2020.03.31	2019.03.31
	EUR	EUR
credit interests	30 138	31 723
interest to Līzings	139	342
Total	30 277	32 065