

**"Rigas kugu buvetava" JSC**

*Financial information on nine months of the year 2016*

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Name of the company	Rigas kugu buvetava JSC	
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	Gales street 2, Riga, LV-1015, Latvia	
Share capital of the Company	16 340 950 EUR	
Associates	Tosmares kugubuvetava JSC (49.72%) Reg.No.42103022837 Generala Baloza Street 42/44, Liepaja, Latvia  Remars Granula LLC (49.80%) Reg.No.54103022521 Gales street 2, Riga, 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	Janis Skvarnovics	Chairman of the Board
	Einars Buks	Member of the Board
	Jekaterina Melnika	Member of the Board
Names and positions of the Council	Vasilijs Melniks	Chairman of the Council
	Aleksandrs Cernavskis	Deputy Chairman of the Council
	Linards Baumanis	Member of the Council
	Valentina Andrejeva	Member of the Council
	Gaidis Andrejs Zeibots	Member of the Council
Financial period	1 January 2016 - 30 September 2016	
Previous financial period	1 January 2015 - 30 September 2015	
Auditor's name and address	"Oriens Audit & Finance" LLC LZRA Licence No. 28 Gunara Astras street 8b, Riga, LV-1082 Latvia  Natalija Zaiceva Sworn Auditor Certificate No. 182	

**RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2016  
PROFIT OR LOSS STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2016**

	9 month 2016	9 month 2015
Notes	EUR	EUR
Net sales	15 139 129	15 543 202
Cost of sales	<u>(13 854 414)</u>	<u>(14 509 914)</u>
<b>Gross profit</b>	<b>1 284 715</b>	<b>1 033 288</b>
Distribution expenses	(8 585)	(15 632)
Administrative expenses	(700 281)	(704 760)
Other operating income	800 873	1 216 005
Other operating expenses	(638 498)	(907 630)
Interest and similar income	57 967	7 809
Interest and similar expenses	<u>(197 470)</u>	<u>(295 756)</u>
<b>Profit before taxes</b>	<b>598 721</b>	<b>333 324</b>
Other taxes	<u>(117 259)</u>	<u>(100 659)</u>
<b>Net profit for the period</b>	<b><u>481 462</u></b>	<b><u>232 665</u></b>
Profit per share	0.041	0.0199

These financial statements were signed on 28th of November, 2016 on behalf of the Company:

\_\_\_\_\_  
Janis Skvarnovics  
(Chairman of the Board)

\_\_\_\_\_  
Einars Buks  
(Member of the Board)

\_\_\_\_\_  
Jekaterina Melnika  
(Member of the Board)

**RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2016**

**BALANCE SHEET AS OF 30 SEPTEMBER 2016**

ASSETS	Notes	30.09.2016. EUR	30.09.2015. EUR	31.12.2015. EUR
<b>Non-current assets</b>				
<b>Intangible assets</b>		<b>18 468</b>	<b>59 723</b>	<b>55 458</b>
<b>Fixed assets</b>				
Land and buildings		7 808 284	8 018 621	8 022 928
Leasehold improvements		-	3 358	-
Equipment and machinery		4 351 143	4 458 528	4 516 767
Floating docks		16 388 295	16 063 469	16 562 568
Other fixed assets		397 182	449 298	434 967
Fixed assets under construction		891 890	1 084 507	525 090
Advances for fixed assets		18 550	24 719	9 562
<b>Total fixed assets</b>		<b>29 855 344</b>	<b>30 102 500</b>	<b>30 071 882</b>
<b>Investment property</b>		<b>465 363</b>	<b>498 882</b>	<b>490 502</b>
<b>Non-current financial investments</b>				
Investments in associates		4 830 590	4 830 590	4 830 590
Securities		235	235	235
Loans and non-current receivables		1 628 614	1 218 022	1 158 614
<b>Total non-current financial investments</b>		<b>6 459 439</b>	<b>6 048 847</b>	<b>5 989 439</b>
<b>Total non-current assets</b>		<b>36 798 614</b>	<b>36 709 952</b>	<b>36 607 281</b>
<b>Current assets</b>				
<b>Inventories</b>				
Raw materials and consumables		2 069 176	2 312 611	1 933 874
Work in progress		124 120	85 428	137 070
Unfinished orders		14 844	36 923	28 753
Advances for inventories		268 418	152 472	164 437
<b>Total inventories</b>		<b>2 476 558</b>	<b>2 587 434</b>	<b>2 264 134</b>
<b>Account receivable</b>				
Trade receivables		1 844 559	1 975 457	1 702 607
Receivables from associates		1 285 525	1 270 634	1 277 673
Other receivables		1 294 340	955 595	1 276 418
Deferred expense		5 969	9 534	28 678
Accrued income		2 885 670	739 047	1 062 734
<b>Total receivables</b>		<b>7 316 063</b>	<b>4 950 267</b>	<b>5 348 110</b>
<b>Cash and bank</b>		<b>20 448</b>	<b>259 544</b>	<b>132 200</b>
<b>Total current assets:</b>		<b>9 813 069</b>	<b>7 797 245</b>	<b>7 744 444</b>
<b>TOTAL</b>		<b>46 611 683</b>	<b>44 507 197</b>	<b>44 351 725</b>

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(Member of the Board)

**RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2016**  
**BALANCE SHEET AS OF 30 SEPTEMBER, 2016**

	Notes	30.09.2016. EUR	30.09.2015. EUR	31.12.2015. 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		11 895 164	12 056 273	12 056 273
<b>Retained earnings</b>		266 962	266 962	266 962
prior year's retained earnings		2 453 233	2 211 395	2 231 051
net loss for the year		481 462	232 665	222 182
<b>Total retained earnings</b>		<u>2 934 695</u>	<u>2 444 060</u>	<u>2 453 233</u>
<b>Total equity</b>		<u>31 437 771</u>	<u>31 108 245</u>	<u>31 117 418</u>
<b>Provisions</b>		<b>23 492</b>	<b>3 138</b>	<b>1 643</b>
<b>Non-current liabilities</b>				
Loans from banks		1 900 000	-	1 900 000
Deferred income		584 277	656 397	638 367
Leasing liabilities		25 644	49 784	42 216
Other loans		1 165 000	1 165 000	1 182 863
Deferred tax liabilities		2 685 427	2 661 850	2 685 427
<b>Total non-current liabilities</b>		<u>6 360 348</u>	<u>4 533 031</u>	<u>6 448 873</u>
<b>Current liabilities</b>				
Loans from banks		-	1 900 000	-
Other loans		513 607	750 000	762 909
Leasing liabilities		22 394	34 390	29 660
Advances from customers		2 950 537	1 479 787	1 589 864
Trade payables		2 770 661	2 061 186	2 686 385
Payables to associates		492 347	372 969	472 203
Taxes and social insurance payments		843 502	949 561	275 239
Other liabilities		560 046	453 648	452 692
Deferred income		72 120	72 120	72 120
Dividends unpaid		25 680	32 540	25 680
Accrued liabilities		539 178	756 582	417 039
<b>Total current liabilities:</b>		<u>8 790 072</u>	<u>8 862 783</u>	<u>6 783 791</u>
		<u>15 150 420</u>	<u>13 395 814</u>	<u>13 232 664</u>
<b>Total liabilities:</b>		<u>46 611 683</u>	<u>44 507 197</u>	<u>44 351 725</u>

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STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER, 2016

	Share capital	Non-current investments revaluation reserve	Other reserves	Retained earnings	Total
	EUR	EUR		EUR	EUR
<b>Balance as of 31 December 2014</b>	<b>16 607 912</b>	<b>12 056 273</b>	-	<b>2 211 395</b>	<b>30 875 580</b>
Reserves drawn up in the result of the denomination	(266 962)	-	266 962	-	-
Net profit for the period	-	-	-	232 665	<b>232 665</b>
<b>Balance as of 30 September 2015</b>	<b>16 340 950</b>	<b>12 056 273</b>	<b>266 962</b>	<b>2 444 060</b>	<b>31 108 245</b>
<b>Balance as of 31 December 2015</b>	<b>16 340 950</b>	<b>12 056 273</b>	<b>266 962</b>	<b>2 453 233</b>	<b>31 117 418</b>
Revaluation reserve	-	*(161 109)	-	-	<b>(161 109)</b>
Net profit for the period	-	-	-	481 462	<b>481 462</b>
<b>Balance as of 30 September 2016</b>	<b>16 340 950</b>	<b>11 895 164</b>	<b>266 962</b>	<b>2 934 695</b>	<b>31 437 771</b>

\* A decrease in the revaluation reserve for the estimated depreciation

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**RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2016**  
**CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2016**

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	Notes	9month 2016 EUR	9month 2015 EUR
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>			
Sales and service income		14 897 208	17 444 541
Cash to suppliers, personnel and other primary activity costs		(14 540 193)	(16 805 336)
<b>Gross cash flow generated from/(used in) operating activities</b>		<b>357 015</b>	<b>639 205</b>
Interest paid		(127 804)	(295 756)
Corporate income tax paid			(79)
<b>Net cash flow generated from/(used in) operating activities</b>		<b>229 211</b>	<b>343 370</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>			
Sale of shares			
Acquisition of fixed and intangible assets		(109 622)	(587 113)
Proceeds from sales of fixed assets and intangible assets		111	175 317
Loans issued		23 841	-
Interest received		18 543	7 809
<b>Net cash flow used in investing activities</b>		<b>(67 127)</b>	<b>(403 987)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loans received		-	690 000
Lons repaid		(273 838)	(435 000)
<b>Net cash flow (used in)/ generated from financing activities</b>		<b>(273 838)</b>	<b>255 000</b>
Net foreign exchange gains/losses		2	34
Net decrease in cash and cash equivalents		(111 752)	194 417
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>132 200</b>	<b>65 127</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		<b>20 448</b>	<b>259 544</b>

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