

AS "Rīgas kuģu būvētava"

Financial information on 9 (nine) months of the year 2018

RĪGAS KUĢU BŪVĒTAVA AS REPORT ON NINE MONTHS OF YEAR 2018
STATEMENT OF MANAGEMENT RESPONSIBILITIES

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**RĪGAS KUĢU BŪVĒTAVA AS REPORT ON NINE MONTHS
OF YEAR 2018
STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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	Einars Buks Ainars Tropins Jekaterina Melnika	Chairman of the Board Member of the Board Member of the Board
Names and positions of the Council	Vasilijs Melniks Aleksandrs Cernavskis Linards Baumanis Valentina Andrejeva Gaidis Andrejs Zeibots	Chairman of the Council Deputy Chairman of the Council Member of the Council Member of the Council Member of the Council
Financial period	1 January 2018 – 30 September 2018	
Previous financial period	1 January 2017 – 30 September 2017	
Auditor's name and address	“Nexia Audit Advice” SIA LZRA Licence No. 134 Grecinieku street 9-3, Riga, LV-1050 Latvia Marija Jansone Sworn Auditor Certificate No. 25	

RĪGAS KUĢU BŪVĒTAVA AS REPORT ON THREE MONTHS OF YEAR 2018
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 2018 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:

Einars Buks
(Chairman of the Board)

Jekaterina Meļņika
(Member of the Board)

Ainars Tropins
(Member of the Board)

Rīga, on 29 November, 2018

**RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2018
PROFIT OR LOSS STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	9 month 2018	9 month 2017
Notes	EUR	EUR
Net sales	3 867 295	11 445 927
Cost of sales	(5 709 372)	(11 263 112)
Gross profit (loss)	(1 842 077)	182 815
Distribution expenses	-	(3 590)
Administrative expenses	(499 404)	(771 099)
Other operating income	1 065 203	820 579
Other operating expenses	(222 786)	(704 842)
Other interest income and similar income	42 103	49 912
incl.		
a)from other parties	42 103	49 912
Other interest payable and similar expenses	(287 523)	(347 897)
incl.		
a)to other parties	(287 523)	(347 897)
Profit or losses before corporate income tax	(1 744 485)	(774 122)
Profit and loss after the taxation	(1 744 485)	(774 122)
Net profit (loss) for the financial year	(1 744 485)	(774 122)
Profit or losses per share	(0.016)	(0.06)

These financial statements were signed on 29 November, 2018 on the Company's behalf by:

Einars Buks
(Chairman of the Board)

Jekaterina Melnika
(Member of the Board)

Ainars Tropins
(Member of the Board)

Alda Berzina
(Chief Accounting Officer)

RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2018

BALANCE SHEET AS OF 30 SEPTEMBER 2018

	Notes	30.09.2018. EUR	30.09.2017. EUR	31.12.2017. EUR
ASSETS				
Non-current assets				
Intangible assets:		4 773	4 987	14 004
Other intangible assets		4 773	4 987	14 004
Total intangible assets		4 773	4 987	14 004
Fixed assets				
Immovable properties				
a) land, buildings and engineering structures		8 557 749	8 089 653	8 637 577
b) investment properties				-
Technological equipment and machinery		21 686 952	20 790 005	22 114 510
Other fixed assets		410 922	343 093	459 821
Fixed assets under construction		135 410	2 402 024	324 011
Advances for fixed assets		7 114	7 114	7 114
Total fixed assets		30 798 147	31 631 889	31 543 033
Non-current financial investments				
Investments in associates		4 830 590	4 830 590	4 830 590
Other securities and investments		235	235	235
Loans and non-current receivables		1 624 207	1 630 182	1 624 207
Total non-current financial investments		6 455 032	6 461 007	6 455 032
Total non-current assets		37 257 952	38 097 883	38 012 069
Current assets				
Inventories				
Raw materials and consumables		1 384 102	2 225 657	1 850 738
Work in progress		36 560	338 282	12 228
Advances for inventories		142 809	142 646	115 578
Total inventories		1 563 471	2 732 585	1 978 544
Account receivable				
Trade receivables		1 087 059	746 469	427 803
Receivables from associates		1 309 211	1 301 273	1 309 211
Other receivables		759 246	785 510	656 162
Deferred expense		83 618	12 585	23 085
Accrued income		-	2 799 689	1 719 362
Total receivables		3 239 134	5 645 526	4 135 623
Cash and bank		36 705	590	69 250
Total current assets:		4 839 310	8 378 701	6 183 687
TOTAL		42 097 262	46 476 584	44 195 756

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(Chief Accountig Officer)

RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2018
BALANCE SHEET AS OF 30 SEPTEMBER 2018

	Notes	30.09.2018. EUR	30.09.2017. EUR	31.12.2017. EUR
EQUITY, PROVISIONS AND LIABILITIES				
Equity				
Share capital		16 340 950	16 340 950	16 340 950
Non-current investments revaluation reserve		11 551 014	11 745 595	11 697 050
Reserves:				
Other reserves		266 962	266 962	266 962
Retained profit or uncovered losses brought forward from previous years		2 314 824	2 623 040	2 623 040
Current year profit or losses		(1 744 485)	(774 122)	(308 216)
Total retained earnings		570 339	1 848 918	2 314 824
Total equity		28 729 265	30 202 425	30 619 786
Provisions:				
Other provisions		-	1 699	552 686
Total provisions		-	1 699	552 686
Non-current liabilities				
Loans from banks		721 296	829 749	740 396
Other borrowings		2 355 943	1 688 411	1 954 074
Deferred tax liabilities			2 752 048	-
Deferred income		494 127	512 158	494 127
Total non-current liabilities		3 571 367	5 782 366	3 188 597
Current liabilities				
Loans from banks		2 562 389	2 802 617	2 602 617
Other borrowings		992 354	52 228	902 840
Advances from customers		85	1 424 517	1 237 464
Trade payables		2 499 656	3 225 823	2 432 464
Payables to associates		207 126	443 956	245 802
Taxes and state social insurance payments		1 600 519	1 196 679	1 262 452
Other creditors		1 576 563	731 830	629 706
Deferred income		18 030	72 120	72 120
Unpaid dividends		11 746	18 617	11 746
Accrued liabilities		328 162	521 707	437 578
		9 796 630	10 490 094	9 834 687
Total current liabilities:		13 367 997	16 272 460	13 023 284
Total liabilities:		42 097 262	46 476 584	44 195 756

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Alda Berzina
(Chief Accountig Officer)

RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2018

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2018

STATEMENT OF CHANGES IN EQUITY

	9 month 2018	9 month 2017
	EUR	EUR
Share capital		
Opening balance	16 340 950	16 340 950
Closing balance	<u>16 340 950</u>	<u>16 340 950</u>
Long-term investment revaluation reserve		
Opening balance	11 745 595	11 891 225
Prior year adjustments	(194 581)	(145 630)
Closing balance	<u>11 551 014</u>	<u>11 745 595</u>
Reserves		
Opening balance	266 962	266 962
Closing balance	<u>266 962</u>	<u>266 962</u>
Retained earnings		
Opening balance	1 848 918	2 623 040
Increase/decrease in retained earnings	(1 278 579)	(774 122)
Closing balance	<u>570 339</u>	<u>1 848 918</u>
Equity		
Opening balance	30 202 425	31 122 177
Closing balance	<u><u>28 729 265</u></u>	<u><u>30 202 425</u></u>

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<u>Einars Buks</u> (Chairman of the Board)	<u>Jekaterina Melnika</u> (Member of the Board)	<u>Ainars Tropins</u> (Member of the Board)
<u>Alda Berzina</u> (Chief Accountig Officer)		

RIGAS KUGU BUVETAVA JSC REPORT OF NINE MONTH 2018
CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Notes	9 month 2018 EUR	9 month 2017 EUR
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Revenue from the sale of goods and provision of services		3 995 894	12 940 292
Payments to suppliers, employees, other expenses of principal activity costs		<u>(4 372 451)</u>	<u>(14 218 685)</u>
Gross cash flow generated from/(used in) operating activities		(376 557)	(1 278 393)
Interest payment		<u>(91 957)</u>	<u>(160 871)</u>
Net cash flow generated from /(used in) operating activities		(468 514)	(1 439 264)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Acquisition of fixed and intangible assets		(400)	(227 366)
Proceeds from sales of fixed assets and intangible assets		30 189	1 500
Interest received			7 207
Net cash flow generated from investing activities		29 789	(218 659)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of loans		(19 090)	1 754 713
Loans received		<u>425 000</u>	<u>(114 205)</u>
Net cash flow (used in)/ generated from financing activities		405 910	1 640 508
Net foreign exchange gains/losses			
Net increase /(decrease) in cash and cash equivalents		<u>(32 815)</u>	<u>(17 415)</u>
Cash and cash equivalents at the beginning of the financial year		69 520	18 005
Cash and cash equivalents at the end of the financial year		36 705	590

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