

**JOINT STOCK COMPANY**

**‘KURZEMES ATSLEGA 1’  
LV40003044007**

**FINANCIAL REPORT FOR FIRST 9MONTHS  
OF THE YEAR 2018  
(NON-AUDITED)**

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## 1.Information on enterprise.

Name	” KURZEMES ATSLEGA 1”
Legal status	Joint stock company
Registration number, place and date	40003044007,Riga, 29.11.1991
Register	Registration in the Commercial on 11 June 2004
Legal address	27 Kalvenes str.,Aizpute,LV3456
Main activities: NACE 2.red	2572-door locks,ironware,furniture fittings
Shareholders an their shares %	JSC”Kurzemes atslega”- 48.36% Olivers Wiederholds – 16.9 % SIA”Aizputes atslegas” – 8.5 % Liepājas rajona SIA firma”Gutta”-6.8% Others -19.4% Council and board members do not own shares.
Members of Supervisory Council	Guntars Stekjānis – Chairman of Supervisory Council Voldemārs Magone - Member of Supervisory Council Rolands Livmanis - Member of Supervisory Council Jānis Karkliņš - Member of Supervisory Council Irēna Burve - - Member of Supervisory Council
Members of Board	Peteris Fridenbergs-Chairman of Board Aldis Ozols - Member of Board Aiga Ozola –Member of Board
Cief account	Irēna Burve
Reporting period	01.01.2018 – 30.09.2018
Previous reporting period	01.01.2017 – 30.09.2017
Auditors	SIA”Nexia Audit Advice (License no 134) Certified auditor Marija Jansone (Certificate Nr.25)

### **Statement of responsibility of direction.**

Non-audited report of the first 9 months 2018 and a report of board are prepared being guided by the kindest conscience and good accounting practice. The accounting period is estimated being based on all information known to us at the moment of preparation of the financial report. Financial report gives a real and clear idea about assets, liabilities, financial situation and profits.

Responsibility for non-audited report of the first 9 months 2018 bears the Board of joint stock company "KURZEMES ATSLEGA 1".

The Board of AS "KURZEMES ATSLEGA 1":

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Aldis Ozols**

**Aiga Ozola**

## BALANCE SHEET FOR 9 MONTHS OF 2018

ASSETS 1	30.09.2018. EUR	30.09.2017. EUR
<b>1.LONG TERM INVESTMENT</b>		
1.Concessions, patents, licenses	795	0
2. Expenses of development	0	0
<b>Total</b>	<b>795</b>	<b>0</b>
<b>I. Intangible fixed assets</b>		
<b>II. Fixed assets</b>		
1. Land, building.	499123	515402
2.Equipment and machinery	57662	69775
3.Other fixed assets	8742	9213
4.Fixed assets development costs	5822	5822
5.Prepayment for fixed assets		0
<b>II Total fixed assets</b>	<b>571349</b>	<b>600212</b>
<b>1.Total LONG TERM INVESTMENT</b>	<b>572144</b>	<b>600212</b>
<b>2.CURRENT ASSETS</b>		
1.Inventories		
1.Raw materials	394198	403603
2.Work in progress	315007	262990
3.Finished goods and goods for sale	88567	114396
5.Advance payment for goods	47383	27971
<b>I. Total inventories</b>	<b>845155</b>	<b>808960</b>
<b>II. Debtors</b>		
1.Trade debtors	173294	188600
4.Other debtors	35105	25030
7.Deferred expenses	0	0
<b>II. Total debtors</b>	<b>208399</b>	<b>213630</b>
<b>III. Securities and capital participation</b>		
<b>IV . Cash</b>	<b>6840</b>	<b>8583</b>
<b>2.Total current assets</b>	<b>1060394</b>	<b>1031173</b>
<b>Total assets</b>	<b>1632538</b>	<b>1631385</b>

LIABILITIES 1	30.09.2018. EUR	30.09.2017. EUR
1.CAPITAL		
1.Share capital	1285401	1285401
3.Revaluation reserve	0	22193
4.Reserves		
a)legal reserves	21000	21000
4.Total reserves		
5.Retained profit		
a) previous years retained profit	94514	72895
current year profit	(43988)	(102540)
1Total Capital and reserves	<b>1356927</b>	<b>1298949</b>
3.CREDITORS		
1.Long term creditors	0	0
Deferred tax	0	57148
1.Total long term creditors	<b>0</b>	<b>57148</b>
2.Short-term creditors	0	0
3. Other loans	0	0
4..Bank loan	37286	26724
5.Advances received from customers	11513	30911
6.Trade creditors	110651	105074
8.Accounts payable to associated companies	33290	16461
10.Taxes and social security payments	20269	30386
11.Other creditors	25089	26320
Deferred income		
Deferred liabilities	37513	39412
2. Total short-term creditors	275611	275288
Total creditors	<b>275611</b>	<b>332436</b>
Total liabilities	<b>1632538</b>	<b>1631385</b>

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Aldis Ozols**

**Aiga Ozola**

#### 4. Profit and loss account

N.	Item	30.09.2018.	30.09.2017.
		EUR	EUR
1	Net sales	1348856	1302276
2	Cost of sales	(1303482)	(1288847)
3	Gross profit	45374	13429
4	Distribution expenses	(33184)	(51969)
5	Administration expenses	(68428)	(64577)
6	Other operating income	29623	32659
7	Other operating expenses	(15680)	(30771)
8	Income from participation in subsidiary capital	0	0
10	Income from other interest and similar incomes	0	0
11	Long term investments and short-terms bond write-off	0	0
12	Interest paid and similar expense	(1298)	(1311)
13	Operating profit	(43593)	(102540)
14	Extraordinary income	0	0
15	Extraordinary expenses	0	0
16	Profit before taxes	(43593)	(102540)
16	Corporate income tax	0	0
17	Other taxes	(395)	0
18	<b>Net profit for the year</b>	<b>(43988)</b>	<b>(102540)</b>

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Aldis Ozols**

**Aiga Ozola**

### 2.3.Cash flow statement.

(Cash flow statement, prepared using indirect method)

Indices	Appendices	30.09.2018.	30.09.2017.
		EUR	EUR
<b>I. Operation activities</b>			
1. Profit or loss before extraordinary items and taxes.		(43988)	(102540)
Corrections:			
a) Wear and tear of fixed assets;		23885	22968
b) Value cancellation if long-term investments;		0	0
c) Formation of reserves (except the reserves for unreliable debt);		0	0
d) Profit or loss from fluctuation of foreign currency exchange rate;		(349)	5155
e) Interest received		1298	1310
2. Profit or loss before corrections of effects of changes of current assets and short-term liabilities		(19154)	(73107)
Adjustments:			
a) Increase or decrease of residues of debts of debtors;		43248	(51885)
b) Increase or decrease of residues of resources;		(65184)	56961
c) Increase or decrease of remains of debts to be paid to suppliers, contractors and other creditors.		29001	76300
3. The gross cash flow of basic activity.		(12089)	8269
4. Expenses for payments of enterprise income tax		(395)	0
5. Expenses for fixed asset tax payments		0	0
<b>6. The net cash flow of basic activity</b>		<b>(12484)</b>	<b>8269</b>
<b>II. Investing activities</b>			
1 Purchase of fixed assets and nonmaterial investments		(7086)	(2275)
<b>9. Net cash flow used in investing activities</b>		<b>(7086)</b>	<b>(2275)</b>
<b>III. Financing activities</b>			
2. Loans received		(16238)	(7505)
3. Financial aids, pump-priming, presents or donations received			
4. Expenses for repayment of loans		(1298)	(1310)
<b>7. Net cash flow of financing activity</b>		<b>(37106)</b>	<b>(8815)</b>
<b>IV. The result of exchange rate fluctuations of foreign currency.</b>		<b>349</b>	<b>(5155)</b>
<b>V. The net cash flow of year of account</b>		<b>(36757)</b>	<b>(7976)</b>
<b>VI. The reminder of currency and its equivalents at the beginning of year of account.</b>		43597	16559
<b>VII. The reminder of currency and its equivalents at the end of year of account.</b>		6840	8583



## STATEMENT OF CHANGES IN EQUITY

	30.09.2018	31.12.2017
	EUR	EUR
<b><u>Share capital</u></b>		
Amount indicated in the balance sheet of the previous year	1285401	1285401
Amount indicated at the end balance sheet of the balance sheet of the financial year	1285401	1285401
<b><u>Reserves</u></b>		
Amount indicated in the balance sheet of the previous year	21000	43193
Reserves decrease trough the share capital	0	(22193)
Amount indicated at the end of the period in the balance sheet of the financial year	21000	21000
<b><u>Retained earnings</u></b>		
Amount indicated in the balance sheet of the previous year	94514	72894
Increase/decrease in retained earnings	(43988)	21620
Amount indicated at the end of the period in the balance sheet of the financial year	50526	94514
<b><u>Equity</u></b>		
Amount indicated in the balance sheet of the previous year	1400916	1401489
Amount indicated at the end of the period in the balance sheet of the financial year	1356927	1400916

