

**JOINT STOCK COMPANY**

**‘KURZEMES ATSLEGA 1’  
LV40003044007**

**FINANCIAL REPORT FOR FIRST 9 MONTHS  
OF THE YEAR 2020  
(NON-AUDITED)**

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## **1.Information on enterprise.**

<b>Name</b>	<b>” KURZEMES ATSLEGA 1”</b>
<b>Legal status</b>	<b>Joint stock company</b>
<b>Registration number, place and date</b>	<b>40003044007,Riga, 29.11.1991</b>
<b>Register</b>	<b>Registration in the Commercial on 11 June 2004</b>
<b>Legal address</b>	<b>27 Kalvenes str.,Aizpute,LV3456</b>
<b>Main activities: NACE 2.red</b>	<b>2572-door locks,ironware,furniture fittings</b>
<b>Shareholders an their shares %</b>	<b>JSC”Kurzemes atslega”- 48,36% Olivers Wiederholds – 17,22% SIA”Aizputes atslegas” – 15,26 % Others –19.16%</b>
<b>Members of Supervisory Council</b>	<b>Guntars Stekjānis – Chairman of Supervisory Council Irēna Burve - - Member of Supervisory Council Rolands Livmanis - Member of Supervisory Council Ilgvars Jurjāns - Member of Supervisory Concil Daiga Lankovska – Member of Supervisory Concil</b>
<b>Members of Board</b>	<b>Peteris Fridenbergs-Chairman of Board  Aiga Ozola –Member of Board Voldemārs Magone –Member of Boar</b>
<b>Cief account</b>	<b>Irēna Burve</b>
<b>Reporting period</b>	<b>01.01.2020 – 30.09.2020</b>
<b>Previous reporting period</b>	<b>01.01.2019 – 30.09.2019</b>
<b>Auditors</b>	<b>Certified auditors office Gatis Sviklis Lāsma Svikle SIA Licence No. 181 Certified auditor in charge Gatis Sviklis,Certificate No. 202</b>

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

Non-audited report of the first 9 months 2020 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 2020 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:** **Voldemars Magone**

**Aiga Ozola**

## BALANCE SHEET FOR 9 MONTHS OF 2020

ASSETS 1	30.09.2020. EUR	30.09.2019. EUR
<b>1.LONG TERM INVESTMENT</b>		
1.Concessions, patents, licenses	488	638
2. Expenses of development	0	0
<b>Total</b>	<b>488</b>	<b>638</b>
<b>I. Intangible fixed assets</b>		
<b>II. Fixed assets</b>		
1. Land, building.	469068	484095
2.Equipment and machinery	34479	47146
3.Other fixed assets	5771	6539
4.Fixed assets development costs	8322	5822
5.Prepayment for fixed assets	0	0
<b>II Total fixed assets</b>	<b>517640</b>	<b>543602</b>
<b>1.Total LONG TERM INVESTMENT</b>	<b>518128</b>	<b>544240</b>
<b>2.CURRENT ASSETS</b>		
1.Inventories		
1.Raw materials	292678	328957
2.Work in progress	102906	245645
3.Finished goods and goods for sale	48949	114640
5.Advance payment for goods	33777	44397
<b>I. Total inventories</b>	<b>478310</b>	<b>733639</b>
<b>II. Debtors</b>		
1.Trade debtors	211579	169108
4.Other debtors	6274	16315
7.Deferred expenses	0	0
<b>II. Total debtors</b>	<b>217853</b>	<b>185423</b>
<b>III. Securities and capital participation</b>		
<b>IV . Cash</b>	<b>87271</b>	<b>25505</b>
<b>2.Total current assets</b>	<b>783434</b>	<b>944567</b>
<b>Total assets</b>	<b>1301562</b>	<b>1488807</b>

LIABILITIES 1	30.09.2020. EUR	30.09.2019. EUR
1.CAPITAL		
1.Share capital	918144	1285401
3.Revaluation reserve	0	0
4.Reserves		
a)legal reserves	21000	21000
4.Total reserves		
5.Retained profit		
a) previous years retained profit	175275	20239
current year profit	(206969)	(137609)
1Total Capital and reserves	<b>907450</b>	<b>1189031</b>
3.CREDITORS		
1.Long term creditors	0	0
Deferred tax	0	0
1.Total long term creditors	<b>0</b>	<b>0</b>
2.Short-term creditors	0	0
3. Other loans	90000	0
4..Bank loan	0	23742
5.Advances received from customers	6041	35878
6.Trade creditors	134113	120429
8.Accounts payable to associated companies	18956	33923
10.Taxes and social security payments	80635	25582
11.Other creditors	28284	24802
Deferred income		
Deferred liabilities	36083	35420
2. Total short-term creditors	394112	299776
Total creditors	<b>394112</b>	<b>299776</b>
Total liabilities	<b>1301562</b>	<b>1488807</b>

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Voldemars Magone**

**Aiga Ozola**

<b>4.Profit and loss account</b>			
N.	Item	30.09.2020.	30.09.2019.
		EUR	EUR
1	Net sales	1167800	1262340
2	Cost of sales	(1269117)	(1311972)
3	Gross profit	(101317)	(49632)
4	Distribution expenses	(40230)	(34644)
5	Administration expenses	(57543)	(63184)
6	Other operating income	10274	28219
7	Other operating expenses	(17251)	(16739)
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	(867)	(1248)
13	Operating profit	(206934)	(137228)
14	Extraordinary income	0	0
15	Extraordinary expenses	0	0
16	Profit before taxes	(206934)	(127228)
16	Corporate income tax	0	0
17	Other taxes	(35)	(381)
18	<b>Net profit for the year</b>	<b>(206969)</b>	<b>(137609)</b>

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Voldemars Magone**

**Aiga Ozola**

### 2.3.Cash flow statement.

(Cash flow statement, prepared using indirect method)

Indices	Appendices	30.09.2020.	30.09.2019.
		EUR	EUR
<b>I. Operation activities</b>			
1. Profit or loss before extraordinary items and taxes.		(206934)	(43988)
<u>Adjustments</u>			
Fixed asset depreciation		21271	23885
Amortization of intangible assets		119	0
Foreign exchange loss		538	0
Interest expense		867	(349)
			1298
2. Profit or loss before corrections of effects of changes of current assets and short-term liabilities		(184139)	(19154)
Adjustments:			
a) Increase or decrease of residues of debts of debtors;		(72559)	43248
b) Increase or decrease of residues of resources;		201626	(65184)
c) Increase or decrease of remains of debts to be paid to suppliers, contractors and other creditors.		74946	29001
3. The gross cash flow of basic activity.		19874	(12089)
4. Expenses for payments of enterprise income tax		(35)	(395)
5. Interest paid		(867)	0
<b>6. The net cash flow of basic activity</b>		<b>18972</b>	<b>16169</b>
<b>II. Investing activities</b>			
1 Purchase of fixed assets and nonmaterial investments		(3330)	(7086)
<b>9. Net cash flow used in investing activities</b>			<b>0</b>
2. Loans received		66998	(16238)
3. Financial aids, pump-priming, presents or donations received			(1298)
4. Expenses for repayment of loans			(1298)
<b>7. Net cash flow of financing activity</b>		<b>82640</b>	<b>22787</b>
<b>IV. The result of exchange rate fluctuations of foreign currency.</b>		<b>(538)</b>	<b>774</b>
<b>V. The net cash flow of year of account</b>		<b>82102</b>	<b>23561</b>
<b>VI. The reminder of currency and its equivalents at the beginning of year of account.</b>		5169	1944
<b>VII. The reminder of currency and its equivalents at the end of year of account.</b>		87271	25505



Statement of changes in equity for the first 9 months of 2020

	<b>Share capital EUR</b>	<b>Reserves EUR</b>	<b>Retained earnings EUR</b>	<b>Total EUR</b>
<b>Balance as at 31 December 2018</b>	<b>1 285 401</b>	<b>21 000</b>	<b>20 240</b>	<b>1 326 641</b>
Profit for the year	-	-	(212 221)	(212 221)
<b>Balance as at 31 December 2019</b>	<b>1 285 401</b>	<b>21 000</b>	<b>(191 981)</b>	<b>1 114 420</b>
Reduced equity	(367 257)		367 257	
Profit for the year	-	-	(206 969)	(206 969)
<b>Balance as at 30 september 2020</b>	<b>918 144</b>	<b>21 000</b>	<b>(31 693)</b>	<b>907 451</b>

**Chairman of the Board:**

**Peteris Fridenbergs**

**Board members:**

**Voldemars Magone**

**Aiga Ozola**