

Rīga, May 10, 2022

GIVEN Latvia SIA
Reg. No. 40203166474
Lielirbes iela 17A-11, Rīga, LV-1046
Annual report for year 2021
and an Independent Auditor's Report

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COMPANY INFORMATION

Name of the Company	GIVEN Latvia SIA		
Legal status of the Company	Limited liability company		
Registration No., place and date	Registration No.40203166474, Rīga, 05.09.2018		
Registered office	Lielirbes iela 17A-11, Rīga, LV-1046		
Major shareholders	AS GIVEN Jewellery - 100%		
Members of the Board	Ģirts Rudzītis	from 23.07.2021	– Board Member
	Springģis Ainārs	till 23.07.2021	– Chairman of the Board
Annual report prepared by	Lilija Adejeva		– Chief Accountant
Reporting year	from	01.01.2021	to 31.12.2021
Previous reporting year	from	01.01.2020	to 31.12.2020
Type of company's activity	Retail sale of watches and jewellery in specialized stores		
NACE classification code	47,77		
Auditors	Grant Thornton Baltic Audit Ltd		Certified Auditor
	Blaumana str. 22		Raivis Irbītis
	Rīga, LV - 1011		Certificate No. 205
	License No. 183		

MANAGEMENT REPORT

Type of activity

SIA GIVEN Latvia (hereinafter - the Company) is the leading jewellery retail chain in Latvia. At the end of 2021, the Company operated 41 retail shops in 20 different cities of Latvia, as well as an online shop www.given.lv. The Company offers a wide range of jewellery at affordable prices.

Performance and Financial Situation of the Company

In 2021 the Company's operations were significantly affected by restrictions related to the Covid-19 pandemic. Due to the restrictions, all retail shops were closed in the 1st quarter of 2021, as well as various restrictions related to working hours and customer flow were in force in the remaining nine months of 2021, which significantly affected the Company's operations. Nevertheless, in 2021 the Company managed to open 14 new retail shops, become the largest jewellery retail chain in Latvia, as well as achieve its historically highest turnover. In 2021 the Company's turnover was EUR 6.37 million, which is by 51% more than in 2020. The Company closed the reporting year with a profit of EUR 370'025.

Future Development Plans

In 2022 the Company plans to continue expanding its retail chain in Latvia, developing its online shop, expanding the assortment, and promoting brand awareness.

Financial risk management

The Company's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, liquidity risk, and credit risk.

Foreign currency risk

The Company's financial assets and liabilities, which are exposed to foreign currency risk, comprise cash and cash equivalents, trade receivables, trade payables, as well as current and non-current borrowings. The Company is mainly exposed to foreign currency risk of the US dollar (USD).

Interest rate risk

Interest rate risk arises from changes in interest rates that affect the Company's net profit and future cash flows. At the end of the year all of the Company's liabilities are interest bearing borrowings with a fixed interest rate. The Company's policy is to ensure that the majority of its borrowings are at a fixed rate. The interest rate payable on the Company's borrowings is disclosed in Note 15.

Liquidity risk

Liquidity risk is related to the Company's ability to meet short-term and long-term liabilities in a timely manner. The Company manages its liquidity risk by arranging an adequate amount of committed credit facilities with banks, planning the repayment terms of trade receivables, and developing and analysing future cash flows.

Credit risk

The Company is exposed to credit risk through its trade receivables, issued current loans, as well as cash and cash equivalents. The Company manages its credit risk by continuously assessing the credit history of customers and assigning credit terms on an individual basis. In addition, receivable balances are monitored on an ongoing basis to ensure that the Company's exposure to bad debts is minimised.

Ģirts Rudzītis
(Board Member)

signature

May 10, 2022

INCOME STATEMENT
(classified per function of expenditure)

	Note number	2021 EUR	2020 (corrected)* EUR
Net turnover	3	6 371 005	4 205 691
Cost of sales	4	(3 144 515)	(2 093 390)
Gross profit or loss		3 226 490	2 112 301
Selling costs	5	(2 361 978)	(1 783 732)
Administrative costs	6	(576 872)	(282 093)
Other revenue from economic activities	7	316 038	6 864
Other costs of economic activity	8	(38 572)	(30 135)
Other revenue from interest and similar revenue		3 036	527
Interest payments and similar costs:		(198 063)	(76 682)
<i>a) for related undertakings</i>		(93 284)	-
<i>b) for other persons</i>		(104 779)	(76 682)
Profit or loss before corporate income tax		370 079	(52 950)
Corporate income tax for the reporting year		(54)	(10 394)
Profit or losses for the reporting year		370 025	(63 344)

Notes on pages 10 to 23 form an integral part of these financial statements.

*Corrected, see note 2

Ģirts Rudzītis
(Board Member)

signature

May 10, 2022

Annual report prepared by:

Lilija Adejeva
(Chief Accountant)

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BALANCE SHEET

ASSETS	Note number	31.12.2021 EUR	31.12.2020 (corrected)* EUR
Long-term investments			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights		115 666	55 851
Advance payments for intangible investments		3 939	2 132
Total intangible assets	9	119 605	57 983
Fixed assets, investment properties, and biological assets:			
Long-term investments in rented fixed assets		361 927	292 989
Other fixed assets and inventory		592 089	455 242
Costs of the establishment of fixed assets and unfinished building objects		57 946	18 305
Advance payments for fixed assets		12 850	26 073
Total fixed assets	10	1 024 812	792 609
Long-term financial investments			
Loans to associated entities		-	110 000
Total long-term financial investments		-	110 000
Total long-term investments		1 144 417	960 592
Current assets			
Inventories			
Finished goods and goods for sale		5 517 931	3 292 541
Advance payments for inventories		130 089	20 243
Total inventories		5 648 020	3 312 784
Receivables			
Trade receivables	11	169 681	90 439
Receivables from related parties		428 434	-
Receivables from associated entities		68 192	50 675
Other receivables	12	191 825	88 282
Deferred expenses		56 985	2 163
Accrued income		9 852	-
Total receivables		924 969	231 559
Cash	13	542 553	13 755
Total current assets		7 115 542	3 558 098
TOTAL ASSETS		8 259 959	4 518 690

*Corrected, see note 2

BALANCE SHEET

EQUITY AND LIABILITIES	Note number	31.12.2021 EUR	31.12.2020 *(corrected) EUR
Equity			
Stock or share capital (fixed capital)	14	925 000	925 000
Retained earnings or uncovered losses from previous years		(440 650)	(377 306)
Profit or losses for the reporting year		370 025	(63 344)
Total equity		854 375	484 350
Liabilities			
Long-term liabilities			
Loans from credit institutions		-	536 843
Other loans		-	2 131 343
Debts to related parties	15	5 734 045	-
Total long-term liabilities		5 734 045	2 668 186
Short-term liabilities			
Received advance payables		60 913	38 325
Trade payables		564 657	340 856
Payables to related parties		29 986	-
Payables to associated entities		417 516	751 168
Taxes and State mandatory social insurance payments	16	284 757	138 973
Other liabilities	17	133 454	59 526
Accrued liabilities	18	180 256	37 306
Total short-term liabilities		1 671 539	1 366 154
Total liabilities		7 405 584	4 034 340
TOTAL EQUITY AND LIABILITIES		8 259 959	4 518 690

Notes on pages 10 to 23 form an integral part of these financial statements.

*Corrected, see note 2

Ģirts Rudzītis
 (Board Member)

signature

May 10, 2022

Annual report prepared by:

Lilija Adejeva
 (Chief Accountant)

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CASH FLOW STATEMENT

(indirect method)

	Note number	2021 EUR	2020 EUR
Cash flow of principal activity			
Profit or loss before corporate income tax		370 079	(52 950)
Corrections:			
Corrections of decrease in value of fixed assets		215 705	136 494
Corrections of decrease in value of intangible assets		19 323	5 592
Profit or loss from fluctuations of foreign currency rates		(1 401)	(4 097)
Other revenue from interest and similar revenue		(3 036)	(527)
Interest payments and similar costs		186 392	67 745
Profit or loss before corrections of influence of changes in balances of current assets and short-term creditors		787 062	152 257
Corrections:			
Increase or decrease in balances receivables		(693 410)	136 241
Increase or decrease in balances of inventories		(2 335 236)	(1 017 173)
Increase or decrease in balances of payables		305 386	465 552
Gross cash flow of principal activity		(1 936 198)	(263 123)
Expenses for interest payments		(186 392)	(67 745)
Expenses for corporate income tax payments		(54)	(10 394)
Net cash flow of principal activity		(2 122 644)	(341 262)
Investment activity cash flow			
Acquisition of fixed assets and intangible assets		(532 834)	(514 247)
Revenue from sale of fixed assets and intangible investments		3 980	19 825
Loans issued		-	(110 000)
Income from repayment of loans		110 000	-
Interest received		3 036	527
Investment activity cash flow		(415 818)	(603 895)
Financing activity cash flow			
Income from stock and debenture issue or investments of capital participatory shares		-	325 000
Loans received		6 507 341	2 105 880
Repayment of loans		(3 441 482)	(1 541 684)
Financing activity cash flow		3 065 859	889 196
Result of fluctuations of foreign currency exchange rates		1 401	4 097
Net cash flow of the reporting year		528 798	(51 864)
Balance of cash and its equivalents at the beginning of the reporting year		13 755	65 619
Balance of cash and its equivalents at the end of the reporting year	13	542 553	13 755

Notes on pages 10 to 23 form an integral part of these financial statements.

Girts Rudzītis
(Board Member) signature

May 10, 2022

Annual report prepared by:

Lilija Adejeva
(Chief Accountant) signature

STATEMENT OF CHANGES IN EQUITY

	Stock or share capital (fixed capital)	Retained earnings or uncovered losses*	Total equity
	EUR	EUR	EUR
As at 31.12.2019	600 000	(349 166)	250 834
Correction of the amount indicated in the balance sheet of the previous year	-	(28 140)	(28 140)
Increase in stock (fixed capital)	325 000	-	325 000
Decrease in retained profit	-	(63 344)	(63 344)
As at 31.12.2020	925 000	(440 650)	484 350
Increase in retained profit	-	370 025	370 025
As at 31.12.2021	925 000	(70 625)	854 375

Notes on pages 10 to 23 form an integral part of these financial statements.

*Corrected, see note 2

Ģirts Rudzītis
(Board Member)

signature

May 10, 2022

Annual report prepared by:

Lilija Adejeva
(Chief Accountant)

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NOTES TO THE FINANCIAL STATEMENTS

(1) Corporate information

SIA GIVEN Latvia (hereinafter - the Company) is registered in the Register of Enterprises of the Republic of Latvia on September 5, 2018. The legal address of the Company is Lielirbes iela 17A-11, Rīga, Latvia. The Company is mainly engaged in the retail sale of jewellery and watches in specialized stores.

The participant of the Company that prepares the consolidated annual report and includes the Company as its subsidiary is AS GIVEN Jewellery, Reg. no. 40203279291, Lielirbes Street 17A - 11, Riga, LV-1046. Copies of the consolidated annual report are available from AS GIVEN Jewellery.

(2) Significant accounting principles

Principles of preparation of financial statements

The annual report has been prepared in accordance with the Law of the Republic of Latvia on Accounting and the Law on Annual Accounts and Consolidated Annual Accounts. Items in the financial statements are valued in accordance with the following accounting principles:

- 1) It is assumed that the company will continue to operate.
- 2) The same valuation methods were used as in the previous year.
- 3) The assessment was performed with due care:
 - a. only the profit earned up to the balance sheet date is included in the report;
 - b. all expected amounts of risk and losses incurred in the reporting year or in previous years have been taken into account, even if they became known in the period between the balance sheet date and the date of preparation of the annual report;
 - c. all amounts of impairment and depreciation have been calculated and taken into account, regardless of whether the reporting year is closed with profit or loss.
- 4) Revenues and expenses related to the reporting year are taken into account regardless of the date of payment and the date of receipt or issue of the invoice. Costs are reconciled with revenues during the reporting period.
- 5) The components of assets and liabilities are valued separately.
- 6) In the balance sheet and profit and loss account items, the amounts shall be indicated taking into account the content of economic transactions and substance, not just legal form;
- 7) Items in the balance sheet and profit and loss account shall be valued at acquisition cost or production cost. Purchase cost is the purchase price of a good or service (less discounts received) plus additional costs associated with the purchase. Production costs are the costs of purchasing raw materials, basic materials and consumables and other expenses that are directly attributable to the construction of the item. Production costs may also include parts of costs that are indirectly related to the production of the facility, provided that these costs are attributable to the same period.
- 8) The opening balance sheet of the reporting year coincides with the closing balance sheet of the previous year.
- 9) All items that significantly affect the assessment or decision-making of the users of the annual report are indicated, insignificant items are combined and their details are provided in the appendix.

The statement of profit or loss has been prepared according to the function of expense method.

The statement of cash flows has been prepared under the indirect method.

Reporting period

The reporting period is 12 months	01.01.2021	to	31.12.2021
The previous reporting period is 12 months from	01.01.2020	to	31.12.2020

Accounting principles

These financial statements are prepared on the going concern basis, the accounting and measurement methods applied are consistent with those of the previous financial year, and prudent estimates have been made in preparing these financial statements.

Transactions in foreign currencies

The presentation currency of the Company is the euro (EUR), the monetary unit of the European Union. Transactions in foreign currencies are translated into the euro at the euro foreign exchange reference rate published by the European Central Bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the euro applying the euro foreign exchange reference rate published by the European Central Bank at the last day of the reporting year.

	31.12.2021	31.12.2020
USD	1,1326	1,2271

Foreign exchange gains and losses are recognised in the statement of profit or loss for the respective reporting period.

Related parties

A related party is a person or an entity that is related to the reporting Company.

A person or a close member of that person's family is related to the reporting Company if that person has control, joint control or significant influence over the reporting Company or is a member of the key management personnel of the reporting Company or of a parent of the reporting Company.

An entity is related to the reporting Company if both are members of the same group. Besides, an entity is related to the reporting Company if the entity is controlled, jointly controlled or significantly influenced by a related party of the reporting Company or this related party of the reporting Company is a member of the key management personnel of that entity or of a parent of that entity.

Intangible assets and fixed assets

Fixed assets are displayed in their acquisition value less depreciation. The acquisition value of fixed assets consists of purchase price, import duties and non-refundable purchase taxes, other costs directly attributable to delivery of the assets to their location and getting in the working condition pursuant to the suggested use. Depreciation and amortisation is calculated over the useful life of the asset according to the linear method applying the following depreciation rates as the basis of calculation:

Buildings and structures	5-10%
Technological equipment	20-35%
Computer hardware	20-35%
Other fixed assets	20-35%

Intangible assets are displayed in their acquisition value less depreciation. Depreciation has been calculated within the period of useful life of an asset according to the linear method, applying the following depreciation rates:

Licenses	10-20%
Other intangible investments	20-35%

Gains or losses from sales of fixed assets are displayed in the income statement of the respective period. Repair or renovation expenses that increase the useful life of fixed assets or their value are capitalised and written off within the period of useful life of assets. Other repair or renovation expenses are recognised as the loss of the accounting period.

Expenses related to leasehold improvements are capitalised and displayed in the fixed assets. Depreciation is calculated over the lease period using the linear method. Loan issue expenses that are directly related to formation of fixed assets and construction in progress are capitalised, if such expenses are reasonably attributable and directly related. Loan issue expenses are capitalised before putting the fixed assets into operation.

Research costs are recognized in the statement of profit and loss of the reporting year they are incurred. The Company's development costs are capitalized if their recoverability in the future may be substantially proved. Amortisation is calculated during the whole recovery period of development costs.

Long-term financial investments

Associated entities

Associated entities is a company over which the group has direct or indirect significant influence (at least 20% but not more than 50% of the shareholders' voting rights in this company) but has no control over financial and operating policy. The company recognizes income from investments only in case if it receives distribution of profit from the related company after the purchase date. The received distribution which exceeds this profit shall be considered as investment recovery costs and is recognized as a decrease of purchase costs in the related company's investment.

Valuation of Inventories

Inventory cost price is determined using FIFO method. Inventories are stated at the lower of cost or net realizable value at the balance date.

If necessary, obsolete, slow-moving or damaged inventories are written down. Stock balances are checked in the inventory.

Receivables

Debtors are recognized according to the amount of initial invoices, less allowances for doubtful debts. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts. Receivables are written off if their recovery is considered as impossible.

Provisions for bad and doubtful debtors

Provisions for bad and doubtful debtors are estimated over the whole year based on expected budget created as for proportional income and expense flows. Accounts receivables can be written off from the provisions if their recovery is considered to be impossible. At the end of the year the Company evaluates all account receivables - bad debts are written off, but doubtful debts are assigned to Provisions for doubtful debts.

Deferred expenses

The deferred expenses reflect the payments made during the accounting year, but the use of expenditure is referring to the following reporting periods. The balance value of the balance sheet asset is assessed to the extent that the expected economic benefit is expected in the following reporting periods.

Cash

Cash is cash in hand and non-cash in payment accounts and deposit accounts.

Loans and borrowings

All borrowings are recognized initially at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. In subsequent periods, borrowings are recognized at amortized cost.

A borrowing is classified as long-term if the payment or write-off occurs later than one year after the end of the respective reporting year. Amounts payable or written off during the year are presented under short-term borrowings.

Financial leasing liabilities

Leases of assets under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease. Lease interest payments are included in the income statement for the period in order to reflect a constant rate of lease liability.

Lease is classified as a financial lease if in fact all risks and remunerations that are a characteristic of ownership are transferred to a tenant and if it corresponds to at least one of the following conditions:

- a) ownership to the leased asset will be transferred to the tenant upon expiration of the leasing term;
- b) the lease term includes the majority of the asset's time of useful life;
- c) the leased assets are so specific that only the tenant is entitled to use them without a significant modification.

The assets for financial lease are initially recognised as the Company's assets after their true value or after the current value of the minimum leasing payments if it is lower than the true value. Each of these values are determined on the date of acquiring the lease asset. Lease liabilities are included in the balance sheet as long-term and short-term liabilities of financial lease. Financial expenditure are reflected in the income statement on the relevant period so that a regular and periodic cost rate from the liability surplus would be provided for each reporting period.

Operative lease

Lessee

Leases of assets under which the lessor assumes substantially all the risks and rewards of ownership are classified as operating leases. Lease payments under an operating lease are recognized as an expense over the term of the lease period using the linear method. The Company's liabilities arising from operating leases are recognized as off-balance sheet liabilities.

Costs of operating lease are charged to the income statement on a linear method basis over the period of the lease.

Accrued liabilities

Accrued liabilities are clearly known trade liability sums for the goods or services received within the reporting year when a relevant payment document (an invoice) has failed to be received on the date of drawing up the balance sheet. The liability sums are calculated, based on the price, which is defined in the relevant agreement, and on the documents that approve actual receipt of the goods or services.

Accrued liabilities for unused vacation compensation

Accrued liabilities for unused vacation compensations are established by multiplying the average wage for the last six months of the reporting period with the number of days of unused annual leaves on the end date of the reporting period, including also the mandatory state social insurance contributions made by the employer.

Accrued liabilities for not received expense invoices

Accrued liabilities for unreceived invoices are clearly known trade liability sums for the goods or services received within the reporting year when a relevant payment document (an invoice) has failed to be received on the date of drawing up the balance sheet. The liability sums are calculated, based on the price, which is defined in the relevant agreement, and on the documents that approve actual receipt of the goods or services.

Accrued liabilities for bonus compensation

Accrued liabilities for bonus payments are made according to the operational results of the reporting year. The accrued liabilities are diminished by making actual money payments to employees.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, less value added tax and sales-related discounts. Revenue is recognized by reference to the economic nature and substance of the transaction rather than its legal form.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, and amounts of income earned and expense incurred in connection with the sale of the relevant goods can be measured reliably.

Rendering of services

Revenue from services is recognized in the period in which the services are rendered. Revenue from services and related costs are recognized by reference to the stage of completion of the transaction at the balance sheet date.

If the outcome of a transaction involving a service cannot be estimated reliably, revenue is recognized only to the extent of the costs recognized that are recoverable.

Corporate income tax

The corporate income tax for the reporting period consists of the calculated tax for such period. The corporate income tax is recognised in the profit or loss statement. The tax for the reporting period is calculated according to the provisions of the law "Enterprise Income Tax Law".

Corporate income tax is calculated for distributed profit (dividends) and conditionally distributed profit by applying the rate of 20%. Corporate income tax is recognised at the moment when the participants of the Company make a decision on distribution of profit, or when the costs not promoting further development of the Company (conditionally distributed profit) is recorded.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and disclosure of contingencies. Future events occur which cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements, when determinable. The actual results may ultimately differ from those estimates (e.g., vacation pay reserve, etc.).

The Company based its assumptions and estimates on the parameters available when the financial statements were prepared. However, the current circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Any gain or loss arising on derecognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount of the item and is included in the statement of profit or loss in the year the item is derecognized.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the higher of an asset's net selling price and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of profit or loss.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of profit or loss in the year the item is derecognized.

Reclassification

Certain items in financial reports of 2020 have been reclassified to correspond to the form of reflecting this year's report.

Year 2020*	Initial balance, EUR	Correction, EUR	Corrected balance, EUR
<i>Selling costs</i>	(1 962 349)	200 990	(1 761 359)
<i>Administrative costs</i>	(72 877)	(200 990)	(273 867)
<i>* Reclassified administrative costs</i>			

Information on errors and adjustments of previous years

Point of error	Initial balance, EUR	Correction, EUR	Corrected balance, EUR
<u>Year 2020</u>			
<u>BALANCE SHEET</u>			
<u>ASSETS</u>			
<i>1. Long-term investments in rented fixed assets</i>	301 235	(8 246)	292 989
<i>2. Other fixed assets and inventory</i>	486 924	(31 682)	455 242
<i>3. Concessions, patents, licences, trademarks and similar rights</i>	57 310	(1 459)	55 851
<u>LIABILITIES</u>			
<i>4. Accrued liabilities</i>	-	37 306	37 306

STATEMENT OF CHANGES IN EQUITY

<i>Retained earnings or uncovered losses from previous years</i>	(349 166)	(28 140)	(377 306)
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INCOME STATEMENT

<i>Selling costs</i>	(1 962 349)	(29 080)	(1 991 429)
<i>Administrative costs</i>	(72 877)	(8 226)	(81 103)
<i>Other costs of economic activity</i>	(10 181)	(19 954)	(30 135)

** Explanation on the reasons when the error impact cannot be defined, and the date when determination of general impact of the accounting policy change was initiated*

- 1. write-offs, depreciation of fixed assets and intangible assets shall be performed*
- 2. write-offs, depreciation of fixed assets and intangible assets shall be performed*
- 3. write-offs, depreciation of fixed assets and intangible assets shall be performed*
- 4. provisions for unused leave have been made*

Subsequent events

Post-year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

(3) Net turnover

Net turnover - proceeds from Company's major activity - rendering of services without value added tax.

Type of activity	NACE code	2021 EUR	2020 EUR
Operating income	47.77	6 371 005	4 205 691
Total	X	6 371 005	4 205 691

(4) Cost of sales

	2021 EUR	2020 EUR
Cost of goods purchased	3 144 515	2 093 390
Total	3 144 515	2 093 390

(5) Selling costs

	2021 EUR	2020 (corrected) EUR
Personnel costs	978 629	754 050
Retail space rental & utilities	570 356	-
Payment for services	283 986	674 249
Depreciation of property, plant and equipment and intangible assets	235 483	142 087
Advertising expenses	205 816	-
Transport costs	11 439	-
Other selling expenses	76 269	213 346
Total	2 361 978	1 783 732

(6) Administrative costs

	2021 EUR	2020 (corrected) EUR
Personnel costs	438 755	146 786
Bank charges	52 384	64 578
Office costs	20 373	-
Professional services expenses	14 087	1 132
Other administration costs	51 273	69 597
Total	576 872	282 093

(7) Other revenue from economic activities

	2021 EUR	2020 EUR
Received financial support*	300 000	-
Revenue from foreign currency fluctuations	1 401	890
Proceeds from sale of fixed assets	-	1 744
Other income	14 637	4 230
Total	316 038	6 864

(8) Other costs of economic activity

	2021	2020
	EUR	(corrected)
	EUR	EUR
Provisions for bad and doubtful debts	31 145	-
Loss from disposal and sale of fixed assets**	3 981	21 569
Donations	2 580	2 453
Loss from exchange rate fluctuations	-	4 997
Other costs	866	1 116
Total	38 572	30 135

*** Clarification on financial assistance received during the reporting year and previous years**

Provider of financial support	Year of receipt	Sum, EUR	Receipt objective	Conditions	The sum to be paid back in the reporting year if any of the conditions is not reached
State revenue service	2021	100 000	One-off aid to the company to ensure working capital	The funding must be used from the moment of submitting the application until July 31, 2021.	-
State revenue service	2021	100 000	One-off aid to the company to ensure working capital	The funding must be used from the moment of submitting the application until July 31, 2021.	-
State revenue service	2021	100 000	One-off aid to the company to ensure working capital	The funding must be used from the moment of submitting the application until July 31, 2021.	-

**** Information on profit or loss from disposal of long-term investment objects during the reporting year**

Long-term investment object	Balance value at the moment of exclusion	Alienation income	Alienation expenses	Gross income or profit	Profit or loss from the object's alienation
	EUR	EUR	EUR	EUR	EUR
Object No. 1	5 678	7 981	-	2 303	2 303
Object No. 2	516	-	-	(516)	(516)
Object No. 3	5 768	-	-	(5 768)	(5 768)
Total	11 446	7 981	-	(3 981)	(3 981)

(9) Intangible assets

		Concessions, patents, licences, trademarks and similar rights	Advance payments for intangible investments	Total intangible assets
		EUR	EUR	EUR
Acquisition value	01.01.2021	63 558	2 132	65 690
Additions		65 940	15 521	81 461
Disposal		(1 290)	-	(1 290)
Reclassified		13 714	(13 714)	-
Acquisition value	31.12.2021	141 922	3 939	145 861
Accumulated amortization	01.01.2021	7 707	-	7 707
Amortization charge		19 323	-	19 323
Amortization of intangible assets that have been liquidated or reclassified		(774)	-	(774)
Accumulated amortization	31.12.2021	26 256	-	26 256
Net book value	01.01.2021	55 851	2 132	57 983
Net book value	31.12.2021	115 666	3 939	119 605

(10) Fixed assets, investment properties, and biological assets:

		Long-term investments in rented fixed assets	Other fixed assets and inventory	Costs of the establishment of fixed assets and unfinished building objects	Advance payments for fixed assets	Total fixed assets
		EUR	EUR	EUR	EUR	EUR
Acquisition value	01.01.2021	363 318	566 225	18 305	26 073	973 921
Additions		100 150	219 734	157 679	101 431	578 994
Disposal		(7 248)	(18 464)	(4 985)	-	(30 697)
Reclassified		55 476	57 577	(113 053)	(114 654)	(114 654)
Acquisition value	31.12.2021	511 696	825 072	57 946	12 850	1 407 564
Accumulated depreciation	01.01.2021	70 329	110 983	-	-	181 312
Depreciation charge		83 780	131 925	-	-	215 705
Amortization of intangible assets that have been liquidated or reclassified		(4 340)	(9 925)	-	-	(14 265)
Accumulated depreciation	31.12.2021	149 769	232 983	-	-	382 752
Net book value	01.01.2021	292 989	455 242	18 305	26 073	792 609
Net book value	31.12.2021	361 927	592 089	57 946	12 850	1 024 812

(11) Trade receivables

	31.12.2021	31.12.2020
	EUR	EUR
Trade receivables carrying amount	200 826	90 439
Provisions for bad and doubtful debtors	(31 145)	-
Total	169 681	90 439
	31.12.2021	31.12.2020
	EUR	EUR
Changes in provisions		
Increase	31 145	-
Provisions at the end of the year	31 145	-

(12) Other receivables

	31.12.2021	31.12.2020
	EUR	EUR
Guarantee instalments	179 272	61 879
Other debtors	12 553	26 403
Total	191 825	88 282

(13) Cash

	31.12.2021	31.12.2021
	EUR	EUR
Cash in bank accounts (EUR)	514 708	1 914
Cash on hand	27 845	11 841
Total	542 553	13 755

(14) Stock or share capital (fixed capital)

On 31 December 2021, the share capital has been fully paid. It consists of 925 000 shares with the nominal value of EUR 1 each.

(15) Debts to related parties

	% rate	Date of payment	31.12.2021	31.12.2020
			EUR	EUR
Long-term loans (from 1 to 5 years)				
AS GIVEN Jewellery (EUR)	6%	31.12.2023	5 734 045	-
Total long-term borrowings	X	X	5 734 045	-

(16) Taxes and State mandatory social insurance payments

	31.12.2021	31.12.2020
	EUR	EUR
Value added tax	174 140	16 509
Personal income tax	32 940	33 671
Social contributions	70 172	65 728
Corporate income tax	7 295	23 065
Risk duty	43	-
Natural resources tax	167	-
Total	284 757	138 973
Including:	31.12.2021	31.12.2020
	EUR	EUR
Tax surplus	-	-
Tax debt	284 757	138 973

(17) Other liabilities

	31.12.2021	31.12.2020
	EUR	EUR
Short-term other creditors		
Wages and salaries	128 187	57 876
Settlements with other creditors	5 267	1 650
Total short-term other creditors	133 454	59 526

(18) Accrued liabilities

	31.12.2021	31.12.2020
	EUR	EUR (corrected)
Accrued vacation pay	105 892	37 306
Accrued liabilities for employee bonuses	49 495	-
Accrued liabilities to suppliers	24 869	-
Total	180 256	37 306

(19) Transactions with related parties

	Services rendered and goods sold	Services rendered and goods purchased	Amounts owed by related parties	Payables to related parties
Related party	2021	2021	31.12.2021	31.12.2021
	EUR	EUR	EUR	EUR
SIA Grenardi	159 088	1 728 582	33 147	410 144
AS GIVEN Jewellery	-	-	-	5 764 031
OÜ GIVEN Estonia	455 876	-	428 434	-
Other	48 483	53 581	44 897	7 372
Total	663 447	1 782 163	506 478	6 181 547

Transactions are made at market prices

(20) Average number of employees

	2021	2020
Members of the Board	1	1
Other employees	100	65
Average number of employees	101	66

(21) Personnel costs

	2021	2020
	EUR	EUR
Wages and salaries	1 152 322	728 382
Mandatory state social insurance contributions	265 062	172 454
Other personnel expenses	1 417 384	900 836

(22) Information on the payments for members of the council and the board

Members of the Board of the Company do not receive remuneration for the work performed.

(23) Information on issued guarantees, warranties, and other possible liabilities and pledged assets

All the property belonging to SIA GIVEN Latvia as a joint property at the time of the pledge, as well as the subsequent components of the joint property, establishing a first-order commercial pledge on it, have been pledged in 2021 in favor of ZAB VILGERTS SIA, Registration No. 40203309933 as a collateral for bonds (ISIN: LV0000860054) issued by the parent company of SIA GIVEN Latvia AS GIVEN Jewellery, as well as establishing the second and third order commercial pledges on the same collateral in favor of Signet Bank AS, registration No. 40003076407, to secure the guarantees issued by Signet Bank AS to the lessors of the retail premises of SIA GIVEN Latvia and OÜ GIVEN Estonia. The commercial pledge agreements concluded with Baltic International Bank SE in 2020 are no longer valid after the full repayment of the granted credit line and cancellation of the issued guarantees.

(24) Information on lease and rent agreements, that have important influence on company's activity

The company's stores are located in rented premises. The company has entered into long-term lease agreements with shopping centers. At the end of the year the Company has 41 long-term lease agreements with shopping centers.

(25) Operating lease arrangements (The Company as lessee)

General description of lease agreement

The company leases three cars for 5 years on an operating lease basis. The company has the opportunity to purchase cars at the end of the lease term.

Future payments of irrevocable operating leases

	31.12.2021	31.12.2020
	EUR	EUR
From one to five years	27 788	-
Up to one year	7 478	-
Total future payments	35 266	-

(26) Important events after the end of the report year

We have carefully considered all the information available to us, including the impact of the COVID-19 crisis and the Russian invasion of Ukraine that began on February 24, 2022. Currently there is high uncertainty on how the war in Ukraine will impact the world's economy and the development of financial markets, including the availability of resources, inflation, and the purchasing power of population. However, no significant impact on the Company's financial performance was observed in the first quarter of 2022, and we believe that the going concern basis is fully applicable in the financial statements.

In the period from the last day of the reporting year to the date of signing these financial statements, there have been no other events that would result in adjustments to these financial statements or that should be explained in these financial statements.

(27) Proposal for Distribution of Profit or Covering of Loss

The proposal of the Board is to leave the Company's profit of the reporting year undistributed and use it to cover the losses of previous years.

(28) Going concern

The financial statements are prepared with the assumption that the Company will continue as a going concern.

Ģirts Rudzītis
(Board Member)

signature

May 10, 2022

Annual report prepared by:

Lilija Adejeva
(Chief Accountant)

signature

THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS TIMESTAMP

INDEPENDENT AUDITORS' REPORT

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To the shareholder of “GIVEN Latvia” SIA

Our Opinion on the Financial Statements

We have audited the accompanying financial statements of SIA “GIVEN Latvia” (“the Company”) set out on pages 5 to 23 of the accompanying annual report, which comprise:

- the balance sheet as at 31 December 2021,
- the profit and loss statement for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SIA “GIVEN Latvia” as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with the ‘Law On the Annual Reports and Consolidated Annual Reports’ of the Republic of Latvia.

Basis for Opinion

In accordance with the Law on Audit Services of the Republic of Latvia we conducted our audit in accordance with International Standards on Auditing adopted in the Republic of Latvia (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and independence requirements included in the Law on Audit Services of the Republic of Latvia that are relevant to our audit of the financial statements in the Republic of Latvia. We have also fulfilled our other professional ethics responsibilities and objectivity requirements in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) and Law on Audit Services of the Republic of Latvia.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Reporting on Other Information

The Company’s management is responsible for the other information. The other information comprises:

- Information about the Company, as set out on page 3 of the accompanying Annual Report,
- the Management Report, as set out on page 4 of the accompanying Annual Report.

Our opinion on the financial statements does not cover the other information included in the Annual Report, and we do not express any form of assurance conclusion thereon, except as described in the Other reporting responsibilities in accordance with the legislation of the Republic of Latvia section of our report.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and in light of the knowledge and understanding of the entity and its environment obtained in the course of our audit, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other reporting responsibilities in accordance with the legislation of the Republic of Latvia

In addition, in accordance with the Law on Audit Services of the Republic of Latvia with respect to the Management Report, our responsibility is to consider whether the Management Report is prepared in accordance with the requirements of the 'Law On the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Based solely on the work required to be undertaken in the course of our audit, in our opinion:

- the information given in the Management Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Management Report has been prepared in accordance with the requirements of the 'Law On the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the 'Law On the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SIA „Grant Thornton Baltic Audit”
License No. 183

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WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS TIME STAMP

Silvija Gulbe
Member of the Board

Raivis Irbitis
Sworn auditor
Certificate No. 205