



**Joint stock company
„Rīgas autoelektroaparātu rūpnīca”**

Reg.No. 4 0003030454
Address: Klijanu str. 18, Riga, LV-1013

**Interim report
01.01.2021-30.06.2021**

Prepared according to the legislation standards of the Republic of Latvia

(Not audited)

Riga, 2021

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Information about the company

Name of the company	<i>Rīgas autoelektroaparātu rūpnīca</i>
Legal form	<i>Joint stock company</i>
Registration number, place and date	<i>000303045, Rīga, 22.04.1998</i> <i>Deregistration in Commercial register:</i> <i>40003030454, Rīga, 30.06.2004</i>
Address	<i>18, Klijanu street, Rīga, Latvia, LV-1013</i>
Main activities	<i>NACE 6820 renting and operating of own real estate</i>
Average number of employees	<i>10 (including Board and Council)</i>
Board	<i>Eriks Kazha – Chairman of the Board</i> <i>Gunars Lubis – Member of the Board</i>
Council	<i>Edgars Lubis – Chairman of the Council</i> <i>Viktors Rojs – Deputy Chairman of the Council</i> <i>Līga Lube – Member of the Council since 17.04.2018</i> <i>Nina Kazha – Member of the Council</i> <i>Galina Kraveca – Member of the Council</i>
Reporting period	<i>01.01.2021 - 30.06.2021</i>
Main shareholders	Basing on the list of shareholders prepared on June 30, 2021: <i>1.JSC „Baltijas Holdings”-43.9 %</i> <i>Reg.Nr.40003148033, 18, Klijanu street, Rīga</i> <i>2.„Tehprojekts”,Ltd.- 43.9%</i> <i>Reg.Nr. 40103020397, 12,Unijas street, Rīga</i> <i>3.Other physical and legal persons 12.2%</i>
Certified auditor	Auditors’ office Gatis Svīklis Lasma Svīkle, Ltd. Company license Nr. 181 123-15, Kr. Valdemara str., Rīga, LV-1013, Latvia Responsible sworn auditor: Gatis Svīklis – Sworn auditor’s License Nr. 202

Management report

Economic activities in the reporting period and further development

Net turnover of the enterprise in six months of 2021 is 77, 3 thousand EUR.

The result of economic activities in this period is profit 33, 2 thousand EUR.

Average number of employees in the reporting period is 10, including the members of council and board.

The company's main activity is renting and operating of own real estate. The company has invested great work and a lot of money in improvement and reconstruction of its real estate to improve the effectiveness of expenditure of energy. Autonomous heating system is created. The property has become competitive. Negotiations with potential tenants are ongoing, seeking to rent out more areas to one tenant.

Risks for the economic activities of the company

The activities of the company are not subjected to the fluctuations of foreign currencies' exchange rate because transactions with customers are in EUR.

The company uses bank credit to supplement current assets. Loan interest is calculated at a floating rate that exposes the company to the risk arising from interest rate fluctuations

The company believes that it will have sufficient cash resources to ensure its liquidity.

August 28, 2021

Chairman of the Board _____ E.Kazha

Member of the Board _____ G.Lubis

Statement of Management Responsibility

The Management Board of JSC „Rīgas autoelektroaparātu rūpnīca” is responsible for the preparation of the financial statements of the Company.

On the basis of information available the management of JSC „Rīgas autoelektroaparātu rūpnīca” confirms that the financial statements are prepared in accordance with the law „On accountancy”, „Law On the Annual Financial Statements and Consolidated Financial Statements” and Regulations No.775 issued by the Cabinet of Ministers of the Republic of Latvia “The rules for application of the law on annual accounts and consolidated annual accounts” in compliance with the assumption that the company will continue operating further on and gives a true and fair view on the financial situation on June 30, 2021 and its financial results and cash flow in the period ended on June 30, 2021. The management report gives a true review on the growth of the JSC „Rīgas autoelektroaparātu rūpnīca” and performance results.

The financial information of this period is prepared using the same principles for recognition and measurement of the items as in the annual accounts of the last year.

August 28, 2021

On behalf of the Board,

Eriks Kazha
Chairman of the Board

BALANCE SHEET AS AT 30 JUNE 2021

EUR

<u>ASSETS</u>		30.06.2021	31.12.2020
<u>LONG-TERM INVESTMENTS</u>			
I.Intangible assets			
1. Patents,licenses and other similar rights		13	32
I.Total		13	32
II. Fixed assets			
1.Land, buildings and engineering structures		3235840	3307420
2.Equipment and machinery,other fixed assets		16604	121746
II.Total		3252444	3429166
III. Long-term financial investments			
1Investments in associated companies		11196	12289
III.Total		11196	12289
Total long-term investments		3263653	3441487
<u>CURRENT ASSETS</u>			
I. Inventories			
1. Raw materials and consumables		2	5166
2. Finished goods and goods for sale		27889	28013
3. Advances for goods receivable		751	3651
I.Total		28642	36830
II. Debtors			
1. Trade debtors		10865	29459
2. Other debtors		542	0
3. Deferred expenses		114	209
II.Total		11521	29668
IV. Cash and bank			
		9734	17644
Total current assets		49897	84142
TOTAL ASSETS		3313550	3525629

BALANCE SHEET AS AT 30 JUNE 2021

EUR

<u>LIABILITIES</u>		30.06.2021	31.12.2020
<u>EQUITY</u>			
1. Share capital		4991713	4991713
2. Other reserves – the result of denomination		81549	81549
Total		5073262	5073262
3. Previous years' retained earnings or accumulated loss		-3425854	-3395983
4. Current year's profit or loss		33173	-5231
Total shareholders' funds		1680581	1672048
<u>CREDITORS</u>			
Long term creditors			
1. Loans from credit institutions		0	43389
2. Deferred income		1518447	1605341
Total long term creditors		1518447	1648730
Short term creditors			
1. Loans from credit institutions		13389	30000
2. Other loans		13520	69020
3. Trade creditors		33526	42633
4. Taxes and state compulsory social insurance contributions		3833	3900
5. Other creditors		4919	14235
6. Deferred income		43447	43447
7. Accrued liabilities		1888	1616
Total short term creditors		114522	204851
Total creditors		1632969	1853581
TOTAL LIABILITIES		3313550	3525629

PROFIT OR LOSS ACCOUNT
For 6 months of 2021

Item	EUR	
	2021 6 months	2020 6 months
Net turnover	77293	41496
Cost of sales	136804	121297
Gross profit or loss	-59511	-79801
Administrative expenses	12340	10635
Other operating income	106121	88447
Other operating expenses	0	1
Interest expenses and similar expenses	1097	3241
Profit or loss before income tax	33173	-5231
Income tax	-	-
Profit or loss after income tax	33173	-5231
Profit or loss for the accounting period	33173	-5231
Profit (+) or (-) per share	0,009	-0,001

STATEMENT OF CASH FLOWS for 6 months of 2021

	2021	2020
	6 months	6 months
I. Cash flows from operating activities		
1 Income from sales and services	144956	66217
2 Payments to suppliers, to employees and other operating expenses	97510	67417
3 Other income or expenses for economic activities	0	45000
4 Gross cash generated from operations	47446	43800
5 Net cash flow from operating activities	47446	43800
II. Cash flows from investing activities		
1 Proceeds from sale fixed assets and intangible assets	15769	0
2 Received repayment of the issued loans	0	0
3 Interest received	0	0
4 Net cash generated from investing activities	15769	0
III. Cash flows from financing activities		
1 Loans received	29800	29670
2 The loan repayment expenses	84097	56241
3 Net cash used in financing activities	-54297	-26571
V. Net increase in cash and cash equivalents	8918	17229
VI. Cash and cash equivalents at the beginning of the reporting period	816	415
VII. Cash and cash equivalents at the end of the reporting period	9734	17644

STATEMENT OF CHANGES IN EQUITY for 6 months of 2021

	30.06.2021	30.06.2020
Share capital		
At the beginning of reporting year	4991713	4991713
At the end of reporting year	4991713	4991713
Other reserves (the result of denomination)		
At the beginning of reporting year	81549	81549
At the end of reporting year	81549	81549
Retained earnings		
At the beginning of reporting period	-3425854	-3395983
Increase /decrease in retained earnings	33173	-5231
At the end of reporting period	-3392681	-3401214
Equity		
Previous year balance	1647408	1677279
Balance at the end of the reporting period	1680581	1672048

NOTES TO FINANCIAL STATEMENTS

General principles

The report is prepared in accordance with the law „On accountancy”, „The law on annual accounts and consolidated annual accounts”, Regulations No.775 issued by the Cabinet of Ministers of the Republic of Latvia “The rules for application of the law on annual accounts and consolidated annual accounts” and the „Law on financial and capital market”.

Profit or loss account is prepared in accordance with methods of turnover expenses.

Statement of cash flows is prepared using the direct method.

This interim financial report is prepared following the same accounting policies and the same methods for estimates that were used preparing the most recent annual report.

Share capital

Share capital is 4991712, 60 EUR. There are 36565509 shares. Nominal value of a share is 1.40 EUR.

Decision of the Annual extraordinary shareholders' meeting to be held on June 28, 2021 :” Withdraw 1.762.786 Company's shares from the regulation market ”.

August 28, 2021

Chairman of the Board _____ E.Kazha

Member of the Board _____ G.Lubis

Report is prepared by

Inna Vencenosceva
Chief accountant of
JSC ”Rīgas autoelektroaparātu rūpnīca”