



**AS "LATVIJAS BALZAMS"**  
**REMUNERATION REPORT FOR YEAR 2020**

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Remuneration report for the year 2020

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## Introduction

The remuneration report of the members of the Board and the Council of AS "Latvijas balzams" (hereinafter - the Company) for 2020 has been prepared in accordance with the remuneration policy for the members of the Board, approved by the decision of the Company's shareholders on meeting at 7 July 2020, and the remuneration policy of the members of the Council, prepared according to Directive (EU) 2017/828 of the European Parliament and of the Council on the promotion of long-term shareholder involvement and Article 59.3 of the Financial Instruments Market Law of the Republic of Latvia.

Remuneration report has been prepared by the Board of the Company and revised by the Council of the Company.

The remuneration report is verified by a sworn auditor and it is reviewed and approved at the Shareholders' meeting together with other components of the annual report. The remuneration report is published simultaneously in Latvian and English languages together with the audited annual report of the Company as a separate component of the annual report on the [Company's website](#), section „[For investors](#)”, as well as on the stock exchange [Nasdaq Riga website](#).

The audited net profit for the reporting period is EUR 9.3 million, which is 7.2 % less as in the respective period in the year 2019 due to a decrease in sales volumes. The audited net revenue of the Company for the year 2020 reached EUR 68.6 million, a decrease by 12.7% against the year 2019, mainly affected by the Covid-19 pandemic in many parts of the world and the restrictions implemented by national governments

In the year 2020, there were no significant events as well as no significant risks that the Company could face and that could affect its financial capabilities and financial performance of future operations.

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**Remuneration for the Board members**

<b>Name, surname</b>	<b>Position</b>	<b>Remuneration for year, EUR *</b>	<b>Additional payments</b>	<b>Regular part, %</b>	<b>Variable part, %</b>
Intars Geidāns	Chairman of the Board	55 156	n/a	100%	0%
Guntars Betlers	Member of the Board	30 727	n/a	100%	0%
<b>Total</b>		<b>85 883</b>		<b>100%</b>	<b>0%</b>

\* Remuneration information for the year is reported starting from the adoption of the policy for the remuneration of the Board on 7 July 2020.

The Remuneration - a sum, which is paid to each Member of the Management Board consisting of the reward for the performance of his Management Board member duties, salary, and other payments and it is stipulated by Supervisory Board decision, taking into account the terms of the employment agreement, if any. The reward for the performance of Management Board member duties is stipulated by Supervisory Board's decision, (referred to as Consideration). The variable part of the Consideration is not determined. The Consideration to the Management Board members, which have an employment relationship with the Company in any other position, is included in salary. The right to reclaim or defer Consideration is not provided. In case the member of the Management Board has an employment or other civil relationship with the Company, the Remuneration includes salary and other payments or benefits to the Management Board members. The part of Remuneration arising from employment or other civil law relationship could vary, in case of granting, for example, premiums, bonuses, health insurance, etc.

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**Remuneration for the Council members**

<b>Name, surname</b>	<b>Position</b>	<b>Remuneration for year, EUR *</b>	<b>Additional payments</b>	<b>Regular part, %</b>	<b>Variable part, %</b>
Rolands Gulbis	Chairman of the Council	24 000	n/a	100%	0%
Valizhan Abidov	Vice Chairman of the Council	24 000	n/a	100%	0%
Petr Aven*	Member of the Council	36 000	n/a	100%	0%
Velga Celmiņa	Member of the Council	24 000	n/a	100%	0%
Jānis Buks**	Member of the Council	11 613	n/a	100%	0%
Aleksandrs Maslo***	Member of the Council	12 387	n/a	100%	0%
<b>Total</b>		<b>132 000</b>		<b>100%</b>	<b>0%</b>

\* Including remuneration EUR 12 000 for the year of 2019

\*\* For the time period from 7 July 2020 till 31 December 2020

\*\*\* For the time period from 1 January 2020 till 7 July 2020

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**Remuneration for the Board and Council**

	<b>2020</b>
Net turnover, EUR 000	68 577
Remuneration for the Members of the Board for reporting period, EUR 000 (regular part)	86
Remuneration for the Members of the Council for year, EUR 000 (regular part)	132
Average remuneration for full - time employees from equivalent units, EUR 000 (regular part)	53

Remunerations of the Board and the Council Board are in accordance with policies.

The variable part is not set for the remuneration of the Board and Council and the Company's performance criteria are not applied.

No additional payments, including those related to the termination of the contract, were not made.

The company belongs to the concern within the meaning of the Law on Annual Accounts and Consolidated Annual Accounts. In addition to the remuneration for work in the Council, the Chairman of the Council, Rolands Gulbis, received EUR 8 472 for the reporting period. Valizhan Abidov, a member of the Council, also received remuneration in another group company "Amber Beverage Group" SIA, which was EUR 16 228 for the time period from January 1, 2020, to July 15, 2020.

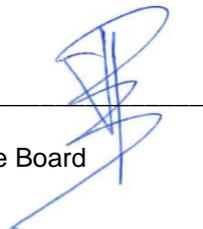
No shares or share options were granted or offered to the members of the Board and the Council.

Variable part for remuneration has not been set and, accordingly, has not been claimed.

There were no exceptional cases of temporary derogations from the remuneration policy.

On the behalf of Company:

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Intars Geidāns  
Chairman of the Board



Rīga, 30 April 2021