

Freeport of Riga Authority

*Summary financial statements
for the year 2018**

Riga, 2019

** This version of summary financial statements is a translation from the original, which was prepared in the Latvian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, the original language version of financial statements takes precedence over this translation.*

FREEPORT OF RIGA AUTHORITY
Reg. No. 90000512408, Kalpaka bulvāris 12, Riga, Latvia
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR 2018

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Independent Auditors' Report on the Summary Financial Statements

To the Board of Freeport of Riga Authority

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2018, the summary statements of income and expenses for the year ended, and related note, are derived from the audited financial statements of Freeport of Riga Authority ("the Authority") for the year ended 31 December 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 17 June 2019.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

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Armine Movsisjana
Chairperson of the Board
Riga, Latvia

28 June 2019

Inga Lipšāne
Latvian Certified Auditor
Certificate No. 112

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SUMMARY FINANCIAL STATEMENTS FOR 2018

BALANCE SHEET AS AT 31 DECEMBER 2018

ASSETS	31.12.2018. EUR	31.12.2017. EUR
Long-term investments		
Intangible assets		
Intangible assets	113,937	173,616
Total intangible assets	<u>113,937</u>	<u>173,616</u>
Fixed assets		
Land, buildings and engineering structures	396,177,235	355,126,812
Leasehold improvements	8,996	13,494
Equipment and devices	1,682,089	1,897,059
Other fixed assets	833,022	1,221,274
Construction in progress	2,157,008	9,596,573
Prepayments for fixed assets	15,726,846	18,024,883
Total fixed assets	<u>416,585,196</u>	<u>385,880,095</u>
Long-term financial investments		
Investments in subsidiaries	22,859,110	27,913,380
Total long-term financial investments	<u>22,859,110</u>	<u>27,913,380</u>
Total long-term investments	<u>439,558,243</u>	<u>413,967,091</u>
Current assets		
Stock		
Raw materials	129,924	133,596
Prepayments for goods	707	911
Total stock	<u>130,631</u>	<u>134,507</u>
Receivables		
Trade receivables	2,814,649	1,972,245
Due from related parties	10,978	16,607
Other receivables	318,221	350,329
Prepaid expenses	153,550	202,351
Accrued income	9,978	15,883
Total receivables	<u>3,307,376</u>	<u>2,557,415</u>
Cash	<u>3,487,217</u>	<u>9,404,309</u>
Total current assets	<u>6,925,224</u>	<u>12,096,231</u>
TOTAL ASSETS	<u><u>446,483,467</u></u>	<u><u>426,063,322</u></u>

The accompanying Note 1 on page 7 forms an integral part of these financial statements

On behalf of Freeport of Riga Authority the summary financial statements were signed on 28 June 2019 by:



 Ainars Zeltiņš
 Chief Executive Officer



 Santa Šveda
 Chief Accountant

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SUMMARY FINANCIAL STATEMENTS FOR 2018

BALANCE SHEET AS AT 31 DECEMBER 2018

EQUITY AND LIABILITIES	31.12.2018.	31.12.2017.
	EUR	EUR
Shareholders' equity		
Long-term investment revaluation reserve	1,007,038	1,007,038
Reserves:		
a) statutory reserves	173,456,480	164,320,860
b) other reserves	107,401,978	107,401,978
Surplus for the reporting year	8,371,445	9,135,620
Total equity	290,236,941	281,865,496
Provisions	5,287,019	4,866,440
Liabilities		
Long-term liabilities		
Loans from credit institutions	66,339,810	52,787,192
Accounts payable to suppliers and contractors	210,853	210,853
Deferred income	71,077,236	73,621,205
Total long-term liabilities	137,627,899	126,619,250
Short-term liabilities		
Loans from credit institutions	5,447,382	5,213,007
Customer advances	10,908	9,226
Accounts payable to suppliers and contractors	2,301,566	1,829,613
Taxes and compulsory state social security contributions	342,223	325,880
Other liabilities	746,984	833,364
Deferred income	2,341,206	1,696,571
Accrued liabilities	2,141,339	2,804,475
Total short-term liabilities	13,331,608	12,712,136
Total liabilities	150,959,507	139,331,386
TOTAL EQUITY AND LIABILITIES	446,483,467	426,063,322

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 Ansis Zeltiņš
 Chief Executive Officer



 Santa Šveda
 Chief Accountant

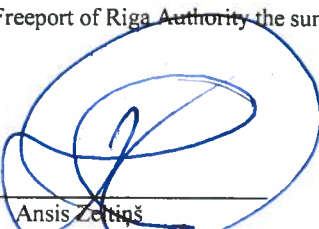
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STATEMENT OF INCOME AND EXPENSES FOR 2018

	2018	2017
	EUR	EUR
Net sales	47,490,783	44,006,182
Cost of services	<u>(29,541,595)</u>	<u>(28,771,522)</u>
Gross surplus	17,949,188	15,234,660
Administrative expenses	(7,897,854)	(7,690,326)
Other operating income	2,134,914	2,672,742
Other operating expenses	(2,827,390)	(236,705)
Interest and similar expenses	<u>(987,413)</u>	<u>(844,751)</u>
Surplus for the reporting year	<u>8,371,445</u>	<u>9,135,620</u>

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Ansis Zeltnis
Chief Executive Officer



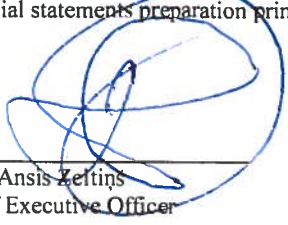
Santa Šveda
Chief Accountant

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SUMMARY FINANCIAL STATEMENTS FOR 2018


NOTE TO THE SUMMARY FINANCIAL STATEMENTS

Note 1 SUMMARY FINANCIAL STATEMENTS PREPARATION PRINCIPLES

These summary financial statements for the year ended 31 December 2018 are prepared by the decision of the management of Freeport of Riga Authority to be submitted to different institutions and other users. These summary financial statements comprise the balance sheet as at 31 December 2018 and the related statement of income and expenses for the year 2018. Full version of audited financial statements of Freeport of Riga Authority for the year ended 31 December 2018 was prepared in accordance with 'Annual Reports and Consolidated Annual Reports Law' of Republic of Latvia. Management considers that summary financial statements preparation principles are in accordance with the purpose of these statements.



Ansis Zeltiņš
Chief Executive Officer



Santa Šveda
Chief Accountant

28 June 2019