JOINT STOCK COMPANY IN LIQUIDATION

''KURZEMES ATSLĒGA 1''

(Unified registration number: **40003044007**)

2022 Closing Report

AUDITED

Aizpute

2022

2022 CLOSING ACCOUNTS

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Information on the Company

Name of the Company	Likvidējamā AS "KURZEMES ATSLĒGA 1"
Legal status of the Company	Joint stock Company
Number, place and date of registration	40003044007 Riga, 29 November 1991 Reregistered in Commercial Register with common registration No 40003044007 on 11 June 2004
Address	Kalvenes iela 27, Aizpute, Aizputes novads, LV-3456 Latvija
Liquidator	Pēteris Frīdmanis (from 30.12.2020)
Names of major shareholders	AS "Kurzemes atslēga" (48.36%) Wiederhold Oliver Kai (17.22%) SIA "Aizputes atslēgas" (15.26%) Others (19.16%)
Period of closing accounts	1 January 2022 – 29 August 2022
Name and address of the certified audit company and certified auditor in charge	Revidentu birojs Gatis Sviklis Lāsma Svikle SIA Certified audit company Licence No. 181 Kr. Valdemāra iela 123-15 Rīga, LV-1013 Latvija Certified auditor in charge: Gatis Sviklis Certificate No. 202

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Report of the Management.

Type of operations

Likvidējamā AS "KURZEMES ATSLĒGA 1" (hereinafter – the Company) was engaged in production of locks and hinges.

Performance of the Company during the year

On 30 December 2020 the Enterprise Register has accepted and approved the initiation of the liquidation process of the Company. The chairman of the board Pēteris Frīdenbergs has been approved as the liquidator of AS "KURZEMES ATSLĒGA 1". The deadline for creditor claims' submission was 30 April 2021.

During the 1st half of 2021 the already signed agreements were fulfilled. Initially it was planned to finanlize the liquidation of the Company during 2021, however, it was not achieved due to the COVID-19 crisis and the overall economic uncertainty in Latvia and globally. Furthermore, the outbreak of war in Ukraine furthered the economic uncertainty in Europe and put additional burden selling real estate in a small city.

Despite the difficulties , however, the Company has settled its debts towards all creditors and have finalized its activity with a small surplus. The liquidation process was impacted by significantly low interest in production facilities and real estate. Perhaps this is explained by the significant uncertainty and changes in the country and the world. Businesses are reluctant to invest into production.
A/S "KURZEMES ATSLĒGA 1" liquidation capital amounts to EUR 36 729.

The financial result of the operations of the Company in 2021 was a loss of 576 916 EUR. The loss during the reporting period in 2022 amounted to EUR 78 887.

The average number of employees in 2021 was 33, the average salary in 2021 was 753 EUR. The average number of employees in 2022 was 7 and the average salary in 2022 was 674 EUR.

Company's own shares
During 2022 and as of 29 August 2022 the Company did not own and does not own its own shares.

Future developments
The Company is in a state of liquidation, therefore the going-concern principle is not applicable in the preparation of these financial statements

Liquidation quota
The liquidation quota will be transferred to the Latvian Central Depository, which will further transfer it to the shareholders.

Pēteris Frīdenbergs
Liquidator

29 August 2022

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Statement of Liquidator Responsibility

The liquidator of Likvidējamā AS „KURZEMES ATSLĒGA 1" is responsible for the preparation of the financial statements of the Company.

On the basis of information available to the liquidator of Likvidējamā AS „KURZEMES ATSLĒGA 1", the financial statements are prepared in accordance with the applicable legal framework of the Republic of Latvia and give a true and fair view of the assets, liabilities, financial position, financial result and cash flows of Likvidējamā AS "KURZEMES ATSLĒGA 1". The Report of the Liquidator gives a true information on the Company's development and operating results.

The control procedures on internal risks, risk management and risk control have been managed acording to the internal conrol procedure instructions.

The liquidator of Likvidējamā AS "KURZEMES ATSLĒGA 1" is responsible for obeying the laws of the Republic of Latvia.

Pēteris Frīdenbergs
Liquidator

29 August 2022

2022 CLOSING ACCOUNTS

Corporate Governance Report

Likvidējamā AS „KURZEMES ATSLĒGA 1" Corporate Governance Report for the period from 1 January 2022 till 29 August 2022 is prepared according to NASDAQ Riga, AS Corporate governance principles and recommendations on their implementation, issued in 2010. The report is worked out in accordance with the principle "respect or explain".

The report has been prepared by the liquidator of Likvidējamā AS „KURZEMES ATSLĒGA 1".

This report is prepared and submitted to NASDAQ Riga, AS together with Likvidējamā AS "KURZEMES ATSLĒGA 1" audited annual financial report for the period from 1 January 2022 till 29 August 2022 and published at the official web site of NASDAQ Riga, AS www.nasdaqbaltic.com.

Pēteris Frīdenbergs
Liquidator

29 August 2022

2022 CLOSING ACCOUNTS

Remuneration report

Likvidējamā AS „KURZEMES ATSLĒGA 1" Remuneration Report for the period from 1 January 2022 till 29 August 2022 is prepared in accordance with the Financial Instrument Market Law, section 59.4.

The Remuneration Report has been prepared by the liquidator of Likvidējamā AS „KURZEMES ATSLĒGA 1", to be handed to the shareholders meeting.

This report is prepared and submitted to NASDAQ Riga, AS together with Likvidējamā AS "KURZEMES ATSLĒGA 1" audited annual financial report for the period from 1 January 2022 till 29 August 2022 and published at the official web site of NASDAQ Riga, AS www.nasdaqbaltic.com.

Pēteris Frīdenbergs
Liquidator

29 August 2022

2022 CLOSING ACCOUNTS

Profit and loss account for the period from 1 January 2022 till 29 August 2022

	Note	01.01.2022-29.08.2022 EUR	2021 EUR
Net sales		18 854	758 228
Cost of sales	1	(80 762)	(1 330 079)
Gross (loss) / profit		**(61 908)**	**(571 851)**
Selling expenses	2	(3)	(19 416)
Administrative expenses	3	(19 497)	(45 930)
Other operating income	4	24 782	219 334
Other operating expenses	5	(17 172)	(147 771)
Interest expenses and similar expenses	6	(5 089)	(11 282)
Loss before corporate income tax		**(78 887)**	**(576 916)**
Corporate income tax for the reporting year		-	
Current year's loss		**(78 887)**	**(576 916)**
Loss per share		**(0.09)**	**(0.63)**

Notes on pages 13 to 22 form an integral part of these financial statements.

2022 CLOSING ACCOUNTS

Balance sheet as at 29.08 2022

(1)

	Note	29.08. 2022. EUR	31.12.2021. EUR
Current assets			
Fixed assets			
Land,buildings and enginieering structures		-	283 940
Equipment and machinery		-	6 338
Other fixed assets		-	3 711
Total fixed assets	7	-	**293 989**
Inventories:			
Raw materials and consumables		-	13 330
Advances for goods receivable		-	335
Total inventories:	8	-	**13 665**
Debtors:			
Trade debtors	9	-	44 182
Other debtors	10	170	10 814
Total debtors:		**170**	**54 996**
Cash and bank:	11	**39 806**	**5 818**
Total current assets:		**39 976**	**368 468**
Total assets		**39 976**	**368 468**

Notes on pages 13 to 22 form an integral part of these financial statements.

2022 CLOSING ACCOUNTS

Balance sheet as at 29.08 2022 (2)

	Note	29.08.2022. EUR	31.12.2021. EUR
Liabilities and liquidation capital			
Liquidation capital:			
Liquidation capital		115 616	692 532
Current year's loss		(78 887)	(576 916)
Total liquidation capital:		**36 729**	**115 616**
Short-term creditors:			
Other borrowings	13	-	178 924
Advances from customers	14	-	7
Trade creditors	15	-	18 530
Accounts payable to affiliated companies	16	-	5 885
Taxes and the state compulsory social insurance contributions	17	-	20 217
Other creditors	18	-	6 903
Accrued liabilities	19	3 247	22 386
Total short-term creditors:		**3 247**	**252 852**
Total creditors:		**3 247**	**252 852**
Total liabilities and liquidation capital		**39 976**	**368 468**

Notes on pages 13 to 22 form an integral part of these financial statements.

2022 CLOSING ACCOUNTS

Statement of changes in Liquidaton capital for the period from 1 January 2022 till 29 August 2022

	liquidation capital EUR	Retained earnings/loss EUR	Total EUR
Balance as at 31 December 2020	1 114 420	**(421 888)**	**692 532**
Transfer of retained loss into liquidation capital	(421 888)	421 888	-
Loss for the year	-	(576 916)	**(576 916)**
Balance as at 31 December 2021	692 532	**(576 916)**	**115 616**
Transfer of retained loss into liquidation capital	(576 916)	576 916	-
Loss for the period	-	(78 887)	**(78 887)**
Balance as at 29 August 2022	**115 616**	**(78 887)**	**36 729**

Notes on pages 13 to 22 form an integral part of these financial statements.

2022 CLOSING ACCOUNTS

Cash flow statement for the period from 1 January 2022 till 29 August 2022

	Note	01.01.2022-29.08.2022 EUR	2021 EUR
Cash flows from operating activities			
Profit or loss before taxation		(78 887)	(576 916)
Adjustments for:			
a) Fixed asset depreciation and impairment		10 640	216 048
b) Amortization of intangible assets		-	449
c) Net gain from sales of fixed assets		(8 902)	-
d) Interest expense		5 089	11 206
		(72 060)	**(349 213)**
Adjustments for:			
a) Debtors decrease		54 826	46 555
b) Inventories decrease		13 665	364 838
c) Trade and other creditors' decrease		(70 681)	(133 492)
Cash used in operations		**(74 250)**	**(71 312)**
Interest paid		(5 089)	(11 206)
Net cash used in operations		**(79 339)**	**(82 518)**
Cash flows from investing activities			
Proceeds from sale of fixed assets		292 251	-
Net cash used in investing activities		**292 251**	**-**
Cash flows from financing activities			
Borrowings (repaid) / received		(178 924)	(13 753)
Net cash generated from / (used in) financing activities		**(178 924)**	**(13 753)**
Net increase (decrease) in cash and cash equivalents		**33 988**	**(96 271)**
Cash and cash equivalents at the beginning of the reporting year		5 818	102 089
Cash and cash equivalentrs at the end of the reporting year		**39 806**	**5 818**

Notes on pages 13 to 22 form an integral part of these financial statements.

2022 CLOSING ACCOUNTS

Notes
Accounting policies

(a) Information on the Company

The legal address of Likvidējamā AS "KURZEMES ATSLĒGA 1" is Kalvenes iela 27, Aizpute, Aizputes novads, LV-3456. The Company is registered in Commercial Register with common registration number 40003044007. The Company's shareholders are AS "Kurzemes atslēga" (48.36%), Wiederhold Oliver Kai (17.22%), SIA"Aizputes atslēgas" (15.26%) and others (19.16%). The liquidator of the Company is Pēteris Frīdenbergs. The Company's auditor is the certified audit company Revidentu birojs Gatis Sviklis Lāsma Svikle SIA and certified auditor in charge Gatis Sviklis.

(b) Closing financial statements preparation basis

Till 31 December 2019 the Company prepared the financial statements in accordance with the Law on Accounting and Law on Annual Reports and Consolidated Annual Reports of the Republic of Latvia and based on MK rules No. 775 Application rules of Law on Annual Reports and Consolidated Annual Reports, prepared on a going concern basis.

In accordance with section 3, subsection (6) of the Law on Annual Reports and Consolidated Annual Reports, the Company is classified as a large company. The shares of the Company are listed on NASDAQ stock exchange.

The closing financial statements have been prepared on a liquidation basis. Assets have been valued at the recoverable amounts. Liabilities have been valued based on the amounts needed to settle the liabilities.

The profit and loss account is classified by function of expense. Cash flow statement is prepared using indirect method.

Based on the fact that the Company is in a state of liquidation, the going-concern principle is not applicable in the preparation of these financial statements. The assets and liabilities of the balance sheet have been valued in accordance with MK Rule No. 775, section 13.2:

- Intangible assets, fixed assets and inventories have been valued based on the expected proceeds from sale of these assets, net of transaction costs;
- Receivables have been vlaued based on amounts the recoverability of which is certain;
- Liabilities and accrued liabilties, as well as the liabilities arrising from liquidation are based on amounts that are agreed with the creditors and that the Company is liable to settle. If the amounts due to creditors are in discpute, the amounts have been valued based on cost in the accounting records;
- Shareholders' equity, except the profit or loss for the current year, is combined under "Liquidation capital". Liquidation capital is comprized of paid-in share capital, adjusted for share issue discount as well as of other reserves and the accumulated loss of the prior years.
- The liquidation quota will be transferred to the Latvian Central Depository, which will further transfer it to the shareholders.

(c) Net sales and income recognition

Net sales represent the total of goods and services sold during the year net of discounts and value added tax. Sales of goods are recognised when the customer has accepted the goods in accordance with the goods delivery terms. Sales of services are recognised in the accounting period in which the services are rendered. Dividend income is recognised when the right to receive payment is established.

(d) Currency unit and revaluation of foreign currency

All amounts in these financial statements are expressed in the Latvian official currency - euro (EUR).

Foreign currency transactions have been translated into euro applying the exchange rate valid at the beginning of the day of transaction determined by the conversion procedure between central banks of the European System of Central Banks and other central banks and which is published on the European Central Bank's website.
On the last day of the reporting period all monetary assets and liabilities were translated into euros in accordance with the rates (at the end of the day) published on the European Central Bank's website.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

2022 CLOSING ACCOUNTS

Notes (continued)
Accounting policies (continued)

(e) Intangible assets and fixed assets

Intangible assets and fixed assets are recorded at historical cost or net of accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the intangible assets and fixed assets. The cost of software licences includes the purchase cost and costs related to their implementation in use.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives using the following rates set by management:

	% per annum
Intangible assets	20
Transmission devices	5
Buildings	2
Technological equipment	10 - 14.3
Other fixtures and fittings, motor vehicles	10 - 20

Where the carrying amount of an intangible or a fixed asset exceeds its estimated recoverable amount, it is written down immediately to its recoverable amount. Recoverable amount is the higher of the fair value less costs to sell and the value in use of the related intangible or fixed asset.

Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Such costs are depreciated over the remaining useful life of the related asset. When capitalising the cost of mounted spare parts, the carrying value of the part replaced is written off to the profit and loss account.

Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Leasehold improvements are amortised on a straight-line basis over the shorter of the estimated useful life of the leasehold improvement and the term of the lease.

Gains or losses on disposals are determined by comparing carrying amount with proceeds and are charged to the profit and loss account during the period in which they are incurred.

Intangible and fixed assets are classified under Long-term investments when it is certain that the manufacturing will continue at least one year after the last day of the reporting period.

In July 2021 the operating activities of the Company were ceased and as of 31 December 2021 a high certainty exists that the liquidation process of the Company will be finalized in 2022. Therefore the fixed assets of the Company as of 31 December 2021 have been classified within current assets, based on values determined by independent certified valuation experts and the realisable value of other assets have been assessed by the liquidator.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. When the net realisable value of inventories is lower than its cost, provisions are created to reduce the value of inventories to its net realisable value. Based on the fact that the Company is in a state of liquidation and in line with MK rules No. 775, section 13.2, the inventories have been valued at amounts the recoverability of which is certain.

(g) Accounts receivable

Accounts receivable are recorded in the balance sheet at their amortised cost less provisions for impairment. Provisions for impairment are established when there is an objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provisions for impairment is the difference between the amortised cost and the recoverable amount. The amount of the provision is recognised in the profit and loss account. Based on the fact that the Company is in a state of liquidation and in line with MK rules No. 775, section 13.2, the accounts receivable have been valued at amounts the recoverability of which is certain.

2022 CLOSING ACCOUNTS

Notes (continued)
Accounting policies (continued)

(h) Borrowings

Borrowings are recognised initially at the proceeds received net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account or in accordance with fixed asset accounting policy capitalised as part of the cost of fixed assets under construction over the period of borrowings.

(i) Taxation

Corporate income tax for the reporting period is included in the financial statements based on the management's calculations prepared in accordance with Latvian Republic tax legislation.

Corporate income tax is calculated on the basis of distributed profit (20/80 of the net amount payable to shareholders). Corporate tax on distributed profit will be recognized when the shareholders of the Company make a decision about profit distribution.

The Company calculates and pays corporate income tax also for the conditionally distributed profit (20/80 of calculated taxable base), which includes taxable objects in accordance with the Corporate Income Tax law, such as the expenditure not related to economic activity, the doubtful debts of debtors and the loans to the related parties, if they meet criteria provided in the Corporate Income Tax law, as well other expenses exceeding statutory limits for deduction. Corporate income tax for the conditionally distributed profit is recognized in the profit or loss statement in the year for which it is assessed. Corporate income tax for the distributed profit and corporate income tax for the conditionally distributed profit is included in the profit and loss statement line item "Corporate income tax for the reporting year" and disclosed by the components in the notes to the financial statements.

(j) Accrued unused annual leave expenses

Amount of accrual for unused annual leave is determined by multiplying the average daily wage of employees for the last six months of the reporting year by the amount of accrued but unused annual leave at the end of the reporting year.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances of current account with banks and other highly liquid investments with original maturities up to 90 days.

(l) Related parties

Related parties are defined as Company's shareholders, members of the Executive Board and Supervisory Board, their close relatives and companies in which they have a significant influence or contro

2022 CLOSING ACCOUNTS

Notes (continued)

(1) Cost of sales

	01.01.2022-29.08.2022 EUR	2021 EUR
Materials and spare parts	19 759	473 279
Salaries	19 539	265 199
State compulsory social insurance contributions	4 609	61 520
Electroenergy costs	-	52 359
Depreciation	10 640	216 049
Amortization	-	449
Low value inventory	-	14 727
Depreciation of own punches	6 993	18 470
Customs tax	-	713
External services received	-	77 046
Work safety expenses	755	8 486
Real estate tax	5 304	5 304
Other expenses	13 163	15 035
Expenses total	**80 762**	**1 208 636**
Changes in work-in-prcess	-	64 315
Change in goods for sale	-	57 128
	80 762	**1 330 079**

(2) Selling expenses

Salaries	-	4 866
State compulsory social insurance contributions	-	1 272
Selling services	-	2 247
Transportation expenses	-	9 436
Other expenses	3	1 595
	3	**19 416**

(3) Administrative expenses

Salaries	13 473	30 389
State compulsory social insurance contributions	2 990	6 915
Communication expenses	496	1 071
Office expenses	697	3 130
Audit expenses	1 500	3 500
Bank services	341	925
	19 497	**45 930**

(4) Other operating income

Sales of other assets	10 075	185 102
Net gain on sale of fixed assets	8 902	-
Reduction of accruals	3 767	30 052
Foreign exchange gains	-	1 858
Other income	2 038	2 322
	24 782	**219 334**

2022 CLOSING ACCOUNTS

Notes (continued)

(5) Other operating expenses

	01.01.2022-29.08.2022 EUR	2021 EUR
Cost of sold materials	3 332	124 568
Compensation of damage to health	13 701	21 270
Social expenditure	-	815
Debtor write-offs	139	1 006
Other expenses	-	112
	17 172	**147 771**

(6) Interest expenses and similar expenses

Interest expenses	5 089	11 206
Penalties	-	76
	5 089	**11 282**

(7) Fixed assets

	Land, buildings and engineering structures EUR	Equipment and machinery EUR	Other fixed assets EUR	Total EUR
Cost				
31.12.2021.	**984 391**	**243 693**	**71 386**	**1 299 470**
Additions	-	-	-	-
Disposals	(984 391)	(243 693)	(71 386)	(1 299 470)
29.08.2022.	-	-	-	-
Depreciation				
31.12.2021	**(700 451)**	**(237 355)**	**(67 675)**	**(1 005 481)**
Depreciation for the period	(7 481)	(2 886)	(273)	(10 640)
Write-offs	(276 459)	(3 452)	(3 438)	(283 349)
Disposed	984 391*	243 693**	71 386***	1 299 470
29.08.2022	-	-	-	-
Net book value 31.12.2021	**283 940**	**6 338**	**3 711**	**293 989**
Net book value 29.08.2022	-	-	-	-

*Proceeds from sale EUR -	283 000	** Proceeds from sale EUR -	6 617
NBV write-off EUR -	276 459	NBV write-off EUR-	3 452
Net gain on sale EUR -	6 541	Net gain on sale EUR-	3 165

***Proceeds from sale EUR-	2 634
NBV write-off EUR -	3 438
Loss from sale EUR -	804

2022 CLOSING ACCOUNTS

Notes (continued)

(8) Inventories

	29.08.2022. EUR	31.12.2021. EUR
Materials	-	6 337
Punches and presforms	-	104 573
Advances for inventories	-	335
Provisions for inventory	-	(97 580)
	-	**13 665**

(9) Trade debtors

Customers' debts	-	80 357
Accruals for bad and doubtful debtors	-	(36 175)
	-	**44 182**

Accruals for bad and doubtful debtors

	Customers' debts EUR	Total EUR
31 December 2021		
Decrease	36 175	36 175
29 August 2022	(36 175)	(36 175)
	-	-

(10) Other debtors

Other debtors	170	10 814
	170	**10 814**

(11) Cash and bank

Cash at bank	39 806	5 154
Cash at hand	-	664
	39 806	**5 818**

(12) Liquidation capital

The Company's share capital was decreased on 12 October 2020 by decreasing the nominal value of each share from EUR 1.40 to EUR 1.00. The Company's share capital amounts to 918 144 EUR as of 29 August 2022 and it consists of 918 144 shares. The nominal value of each share is 1.00 EUR.

	% from share capital	Amount of shares 29.08.2022	EUR	% from share capital	Amount of shares 31.12.2021	EUR
Bearer shares – public	71.5%	656 356	656 356	71.5%	656 356	656 356
Closed-issue shares (ordinary shares with volting rights)	28.5%	261 788	261 788	28.5%	261 788	261 788
	100%	**918 144**	**918 144**	**100%**	**918 144**	**918 144**

2022 CLOSING ACCOUNTS

Notes (continued)

(12) Liquidation capital

Shareholders as of 29 August 2022 and their positions	Position in Company	% from share capital
AS"Kurzemes atslēga"	Shareholder	48.36%
Olivers Wiederholds	Shareholder	17.22%
SIA "Aizputes atslēgas"	Shareholder	15.26%
Other shareholders	Shareholder	19.12%
Pēteris Frīdenbergs	Liquidator	0.04%
	Total	100%

Information pursuant to the requirements set out in Financial Instrument Market Law section 56.[1] - information to be additionally included in the financial statements:

Regulatory requirements	Compliance
Information on the capital structure, share categories, the rights and obligations arising from each category of the shares and the percentage of the share capital, by specifying separately the number of the shares which are not included in regulated markets	Total amount of issued shares are 914 144. 656 356 are bearer' shares, which are circulated in the regular market. 261 788 are registered ordinary shares with voting rights.
Details on the restrictions applicable to share transfers or the need to get the consent of the Company or other shareholders for the alienation of the shares	None
Persons who have directly or indirectly acquired a substantial holding in the Company, as well as their interests	AS "Kurzemes atslēga" 48,36%
Shareholders who have special control rights; description of the rights	None
The manner in which the Company will use the voting rights arising from the shares of employees if they are not used by employees themselves	Such category of shares does not exist
Voting limitations in case of the maximum voting rights are set, independently of the amount of voting shares owned, as well as the shareholder rights to share of profit, which is not related to the shares directly proportionally owned by them and other similar limitations	None
Shareholders' agreement, which is known to the Company and can result in restrictions on the transfer of the shareholders' equity or voting rights to other persons, including the terms and conditions providing for a prior approval of such transfer	None
Terms governing the election of Board members, changes in the composition of the Board and amendments of Articles of Association	In accordance with the Articles of Association and legislative requirements.
The authority of the members of the board, including the authority to issue or to repurchase shares	The authority of the members of the board is determined in the Commercial Law. The members of the Board are not authorised to issue or to repurchase shares without the authorisation of the shareholders' meeting.
All significant agreements and contracts, concluded by the Company under which in the case of change of the control they will become effective, the term of which will expire or which will be modified, as well as the effect of their entry into force, termination or amendment	None
All agreements between the Company and its members of the board, providing for the payment of compensation in the event of the loss of the office, when they are dismissed without sufficient case or when they are dismissed after expressing the offer to repurchase the shares.	None

2022 CLOSING ACCOUNTS

Notes (continued)

(13) Other borrowings

	29.08.2022 EUR	31.12.2021. EUR
AS "Kurzemes atslēga"	-	178 924
	-	**178 924**

(14) Advances from customers

Latvian customers	-	7
	-	**7**

(15) Trade creditors

Latvian creditors	-	17 633
Foreign creditors	-	897
	-	**18 530**

(16) Accounts payable to affiliated companies

AS "Kurzemes atslēga"	-	5 885
	-	**5 885**

(17) Taxes and the state compulsory social insurance contributions

Value added tax	-	16 588
State compulsory social insurance contributions	-	2 355
Personal income tax	-	1 011
Natural resource tax	-	260
State risk duty	-	3
	-	**20 217**

(18) Other creditors

Salaries	-	4 475
Damage to health liability	-	1 876
Other creditors	-	552
	-	**6 903**

(19) Accrued liabilities

Accrued unused annual leave expenses	-	3 761
Accrued liabilities towards Nasdaq	1 060	18 625
Accrued liabilities for damage to health	2 130	-
Other	57	-
	3 247	**22 386**

2022 CLOSING ACCOUNTS

Notes (continued)

(20) Average amount of employees

	01.01.2022-29.08.2022	2021
Liquidator	1	1
Other employees	6	33
	7	34

(21) Management remuneration

	01.01.2022-29.08. 2022 EUR	2021 EUR
Liquidator		
- salary	5 250	9 000
- state compulsory social insurance contribution	1 090	1 869
	6 340	10 869

(22) Related party transactions

The related parties of the Company are AS "Kurzemes atslēga" and Liepājas rajona SIA "Gutta ".
The Company engaged in the following transactions with related parties:

(a) Sale of gods and rendering of services

	01.01.2022-29.08. 2022 EUR	2021 EUR
Sale of goods:		
- Liepājas rajona SIA firma "Gutta"	10 704	422
-AS "Kurzemes atslēga"	185 135	538 501
Rendering of services:		
- AS "Kurzemes atslēga"	8 008	32 035
- Liepājas rajona SIA firma "Gutta"	-	80
	203 847	571 038

(b) Purchase of goods and services

Purchase of goods:		
- AS "Kurzemes atslēga"	-	78 176
- Liepājas rajona SIA firma "Gutta"	-	444
Purchase of services:		
- Liepājas rajona SIA firma "Gutta"	777	3 271
	777	81 891

(a) Debtors arrising from transactions with related parties

	29.08.2022. EUR	31.12.2021. EUR
Liepājas rajona SIA firma "Gutta"	-	1 503
Asciētās sabiedrības	-	52 286
	-	53 789

(b) Creditors arrising from transactions with related parties

Associated companies	-	5 885
Liepājas rajona SIA firma "Gutta"	-	3 073
	-	8 958

2022 CLOSING ACCOUNTS

Notes (continued)

(23) Remuneration of auditor

	2022 EUR	2021 EUR
Audit of financial statements	1 500	3 500
	1 500	**3 500**

The Financial statements set out on pages 8 to 22 were signed on 29 August 2022 by:

Pēteris Frīdenbergs
Liquidator

Irēna Burve
Chief accountant