AS AMBER LATVIJAS BALZAMS

ANNUAL REPORT 2022

prepared in accordance with

International Financial Reporting Standards as adopted by the EU

CONTENTS

INFORMATION ON THE COMPANY

Name of the Company	Amber Latvijas balzams (until 30.04.2022 – Latvijas balzams)
Legal status of the Company	Joint stock company
Number, place and date of registration	Companies register Nr. 40003031873 Riga, 2 October 1991 Re-registered on 20 October 1998 Commercial register Riga, 19 June 2004
Address	A. Caka Street 160 Riga, LV- 1012 Latvia
Main business activities	Production of alcoholic beverages NACE2 11.01
Major shareholder	Amber Beverage Group Holding S.à r.l. (89.99%)
Names and positions of the Council members:	Rolands Gulbis – Chairman of the Council Valizhan Abidov – Vice Chairman of the Council Velga Celmiņa – Member of the Council Boriss Ņešatajevs – Member of the Council Guntars Reidzāns – Member of the Council
Names and positions of the Board members:	Intars Geidāns – Chairman of the Board Guntars Betlers – Member of the Board
The auditor of the Company and certified auditor in charge	PricewaterhouseCoopers SIA Licence No. 5 Kr. Valdemāra Street 21-21 Riga, LV-1010 Latvia Certified auditor in charge: Ilandra Lejina Certified auditor Certificate No. 168
Statement of corporate governance	https://amberlb.lv/en/corporate-governance/

REPORT OF THE MANAGEMENT

Type of operations

AS Amber Latvijas balzams (hereinafter also - the Company) is a leading producer of alcoholic beverages in the Baltic states. The Company was established in 1900 as Riga's 1st state alcohol warehouse; for many years since 1970 it has been operating under the name AS Latvijas balzams. The Company is part of Amber Beverage Group, Amber Beverage Group Holding S.à r.l. (Luxembourg registered company) owning 89.99% of the Company's share capital. To strengthen the Company's global recognition since 1 May 2022 the Company is operating under the name of AS Amber Latvijas balzams.

Nowadays the Company is operating two production facilities of alcoholic beverages in Riga, Latvia: a production facility of strong alcoholic beverages and a production facility of sparkling wines and light alcoholic beverages. By utilizing these facilities, the Company produces various types of alcoholic beverages, such as sparkling wines, fortified wines, ciders, RTDs (ready-to-drink beverages), vodka, liqueurs, brandy, strong alcoholic beverages, gin, etc. The recipes for some of AS Amber Latvijas balzams products date back hundreds of years; for example, the formula of Riga Black Balsam® was officially written down in 1752. The mission of AS Amber Latvijas balzams is "Excellence in everything we do".

Overall, the Company produces more than alcoholic beverages of more than 100 different brand names which are sold almost in all regions of the world via Amber Beverage Group, Stoli Group and direct export routes.

The Company cooperates with the largest suppliers of raw materials and consumables in the European Union. One of the key resources is water which is derived from artesian wells located in the territories of the Company. Ethyl spirt for the production of most of the products is supplied by cooperation partners working in the European Union.

Logistics services represent a small, but still a significant part of the Company's business. Logistic services are mainly rendered to related companies, however the volume of services, such as transit assurance, bonded warehouse services, value-added services, picking and other logistic services provided to other partners of the spirits industry are growing. These activities allow to improve the utilisation of resources.

The Company as a socially responsible and sustainable enterprise has developed and complies with basic principles of corporate social responsibility. They have been harmonized with the United Nations Sustainable Development Goals for 2030, guidelines published by the Organization for Economic Cooperation and Development and the Financial Instrument Market Law of the Republic of Latvia and are available in the section Corporate Social Responsibility on the Company's website.

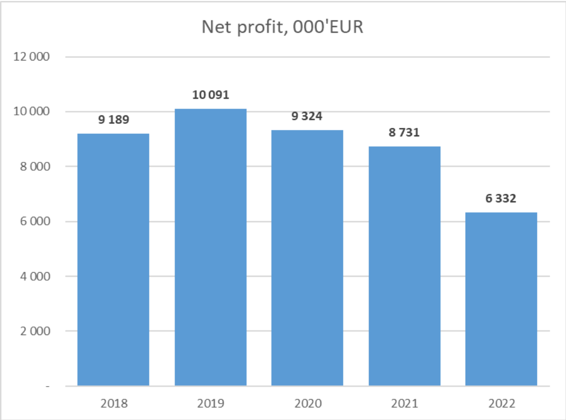
For compliance with these guidelines, the Company has drafted and adheres to the following procedures: the Corporate Social Responsibility Policy, the Company Procurement Procedure, the Collective Bargaining Agreement, the Quality Management Handbook, the Ethical Marketing Communications Code, the Anti-Corruption Policy, the Data Protection Policy, the Risk Management Policy, the Remote Work Policy and other internal documents. These documents, policies and procedures contained therein are reviewed regularly in accordance with the Quality Management System. The results of reviews and planned corrective measures are considered at the Company's management meetings.

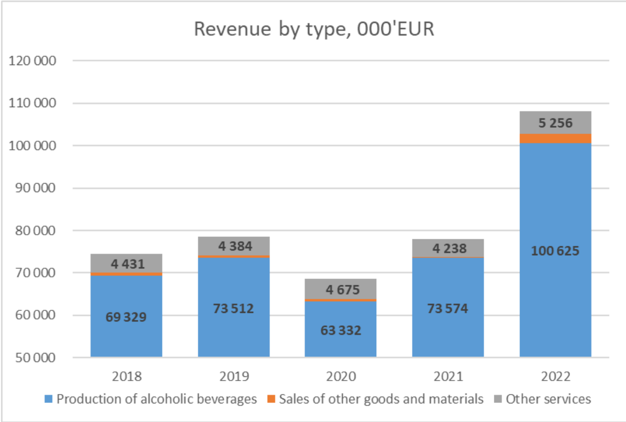
Performance of the Company during the financial year

Financial performance

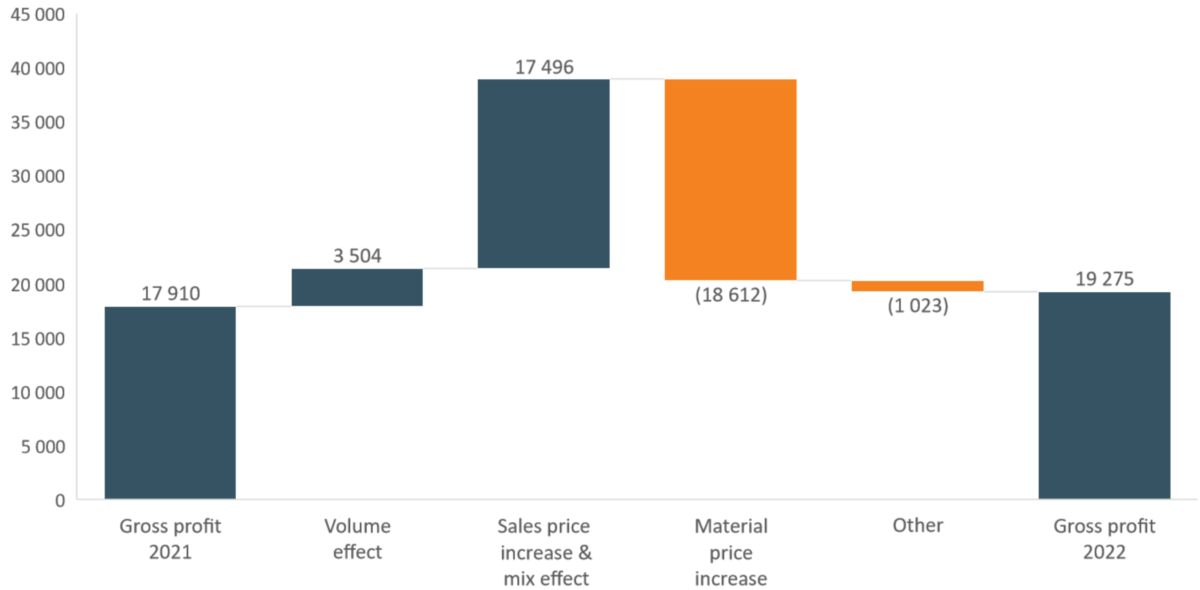
The net revenue of the Company for the year 2022 reached EUR 108.1 million, an increase of 37.7% against the year 2021. The increase in turnover is due to the improvement of the economic situation and the release of the restrictions imposed by the national governments on the Covid-19 pandemic situation, which positively affects the increase in the volume of production. The sales price review activities carried out also had a positive impact. Also, the Company continue to develop cooperation with clients in Sweden and Germany by significant increase of sales volumes into respective markets.

REPORT OF THE MANAGEMENT (continued)





The gross profit for the reporting year is 19.3 million euros (an increase of 1.4 million euros or 7.6% vs 2021). The change in gross profit compared to 2021 was impacted by the increase in production volume (+15.4%), however, the increase in the price of the main raw materials, the shortage of glass in Europe and the increase in its cost due to the energy-intensive production process, the increase in cost prices under the influence of rapidly growing general inflation, an increase in the cost of purchased energy resources as a result of changes in the market price, an increase in salary costs, which was affected by both the review of compensation in 2022 and an increase in costs due to the lack of labour had a much more significant impact on gross profit. During the reporting period, the Company has actively worked on the revision of sales prices to reduce the impact of cost increases on its results.



The operating profit for the year 2022 amounts to EUR 6.4 million, which is lower compared to 2021 (EUR 7.4 million). The operating margin for the reporting period in the year 2022 is 5.9% (2021: 9.4 %) which was impacted negatively by the rapid increase in production costs. The net profit of the reporting year is EUR 6.3 million (a decrease by EUR 2.4 million or 27.5% vs 2021), which was affected by above-mentioned factors.

The Company's alternative performance metrics for the reporting period and their comparative figures for previous reporting periods are as follows:

REPORT OF THE MANAGEMENT (continued)

The Company's return on equity (ROE) and return on assets (ROA):

	2022	2021	2020
ROA*	3.4%	5.1%	5.7%
ROE**	4.5%	6.4%	7.2%

** ROA = Net profit / average asset value x 100%.*
*** ROE = Net profit / average equity x 100%.*

In the reporting period the ROA and ROE ratios were negatively affected by recognized by losses from currency rate fluctuations. The adjusted ROA and ROE ratios (excluding unrealized losses from the calculation base) respectively would be 4.1% and 5.5 % at the end of the reporting period.

The Company's EBIT* and EBITDA** ratios:

	2022 EUR 000	2021 EUR 000	2020 EUR 000
EBITDA*	8 504	9 747	9 976
EBIT **	6 382	7 375	7 388

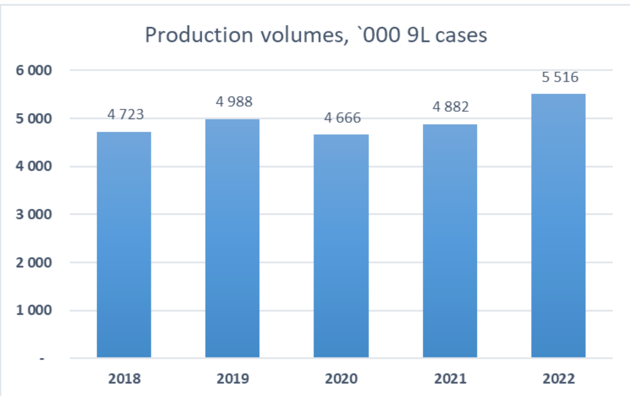
** EBIT = Earnings before interest and taxes.*
*** EBITDA = Earnings before interest and taxes, depreciation and amortization.*

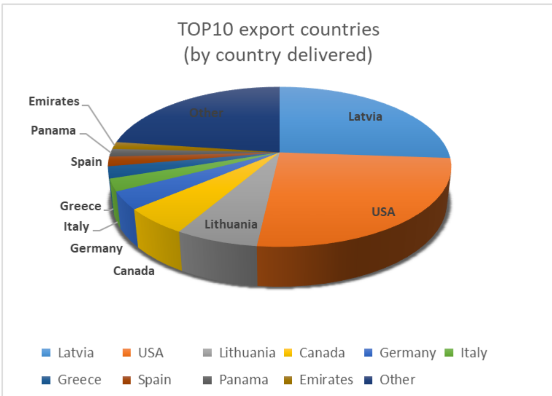
The Company's management uses the aforementioned alternative performance metrics in assessing the financial performance for a particular financial period and in making decisions.

AS Amber Latvijas balzams is one of the largest local taxpayers. During the reporting period, the Company paid taxes of EUR 74.9 million to the state budget, including excise tax amounting to EUR 60.9 million.

Non-financial performance and activities for the reporting year

Similar to net revenue, during the year 2022, the production volume has increased also by 13% compared with the year 2021. The increase in production volume was smaller as for turnover influenced by differences in the share of the product range (by economic segment and premium segment) and impact of price increase.





REPORT OF THE MANAGEMENT (continued)

AS Amber Latvijas balzams has been successfully operating as a European logistics hub for the distribution of the Group's brands (Rooster Rojo Tequila, KAH Tequila, Bayou Rum, Arinzano, Achaval Ferrer, Se Busca, Cenote, and Kentucky Owl) in Europe, Scandinavia, and other countries.

In 2022, the Company continued installation and implementation of efficiency and adaptability equipment/projects and the preservation of a low-cost base. The main implemented projects were:

- Reconstruction of heating system at a distillery producing strong alcoholic beverages, providing significant energy and overhead savings;
- Installation of automated apple wine fermentation unit;
- Implementation of depository system as per LR regulations;
- Upgrade of existing ultra-premium segment production line to increase performance by 350%;
- Automated palletization project for next three lines;
- Implementation of e-label across the range of products.

In addition, AS Amber Latvijas balzams has undergone a quality management system supervisory audit, which successfully resulted in receiving of certificate of conformity of the system with the new version of ISO 9001:2015.

Apart from the financial indicators referred to in these financial statements, the Company is using the following comparative indicators for the purposes of operational analysis: RFT (*right first time*) and OTIF (*on time in full*) & quality. RFT shows the share of products manufactured right on the first time. During year 2022, RFT reached 95.6%, which is a small decrease against the year 2021 (97.6%). The OTIF result for the reporting period is 94.9% which is a decrease in comparison to the indicator for year 2021 – 96% - the reasons for decrease are related to challenges in logistics, production and warfare in Ukraine.

In 2022 a wide range of new products were developed and introduced to markets: Lucky Dog® with quince flavour, Black® Spritz, De Danann®, Grand Cavalier® with vanilla flavour, Žolynu® Spanguoline, Pepper Bitter® with honey taste, Bonaparte® with apple flavour, Riga Black Balsam® limited edition celebrating brand's 270 years anniversary, Black® 1752, limited edition of Mosko® Vodka, Moskovskaya® and Moskovskaya® Green, Rīgas® sparkling wine with special labels, Rīgas Anniversary®, Black® Orange winter edition, Tambovskaya® Silver, Tambovskaya® Pink, Dins® Vodka&Tonic with cranberry flavour.

Corporate social responsibility

Social responsibility is a significant part of the business model adopted by AS Amber Latvijas balzams. The Company conducts responsible and sustainable business operations, defining its three main areas of responsibility as the following:

1) responsibility to the parties affected by the Company
2) responsibility for the Company's production
3) responsibility for the environment.

REPORT OF THE MANAGEMENT (continued)

In 2015, the UN General Assembly adopted a resolution Transforming our World: the 2030 Agenda for Sustainable Development. This includes 17 Sustainable Development Goals (SDGs) and 169 sub-goals to be reached in order to reduce poverty in the world and make global development sustainable. The SDGs balance three dimensions: economic, social, and environmental.

17 UN Sustainable Development Goals.

The Company has adopted, for the purposes of its business, eight of the Sustainable Development Goals that can be impacted by the management:

- Goal 3: Good Health and Well-Being (point 3.5)
- Goal 4: Quality Education (points 4.3, 4.4)
- Goal 5: Gender Equality (points 5.1, 5.5)
- Goal 6: Clean Water and Sanitation (points 6.3, 6.4)
- Goal 8: Decent Work and Economic Growth (points 8.2, 8.3, 8.4, 8.8)
- Goal 10: Reduced Inequalities (points 10.2, 10.3, 10.4)
- Goal 11: Sustainable Cities and Communities (point 11.5)
- Goal 12: Responsible Consumption and Production (points 12.2, 12.4)

Activities implemented to achieve these goals are presented in this report below for responsibility to the parties affected by the Company and for responsibility for the environment, specifying introduced SDGs.

Responsibility to the parties affected by the Company

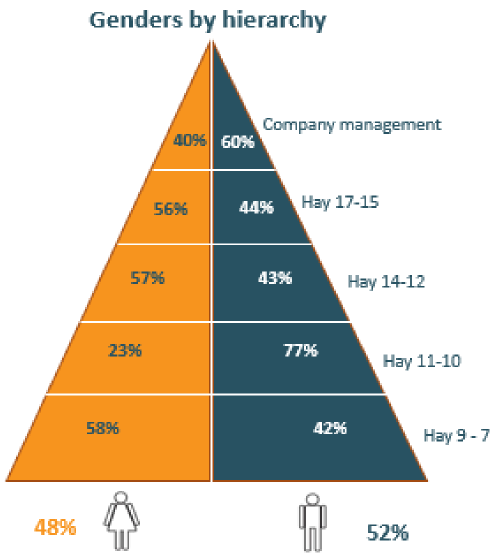
The priority of the Company's corporate social responsibility (hereinafter - CSR) is employees, suppliers, distributors, customers, society, and the state as a whole. The Company is reporting measurable values and activities implemented for each sub-section.

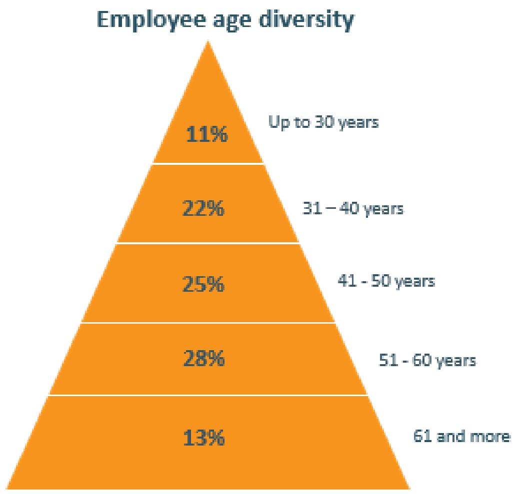
Employees (SDG 5, SDG 8, SDG 10, SDG 11)

AS Amber Latvijas balzams is a stable and reliable employer, which has provided more than 600 jobs in 2022 (in the previous year – 550). Although the Covid-19 pandemic, often-turbulent geopolitical and economical situation affected the Company's operations, the priority of AS Amber Latvijas balzams was to secure as many jobs as possible. 99% of the staff are employed on the basis of permanent employment contracts. The Company respects the principle of equality - of the persons employed in 2022, 48% are women and 52% are men.

REPORT OF THE MANAGEMENT (continued)

The world's recommended good practice for an optimal proportion of gender equality in companies is 60% to 40%, thus the indicators of AS Amber Latvijas balzams are excellent. Gender equality is also ensured in the AS Amber Latvijas balzams hierarchy; during the year 2022, 39% women and 61% men were employed in leading positions. Diversity and equality are also respected in terms of employee age.





AS Amber Latvijas balzams as a socially responsible employer has signed a collective bargaining agreement with its employees, which applies to all employees. The Company provides specific benefits and support to employees in different life situations, such as the birth of children, marriage, significant work anniversary, retirement, parents of first-graders, large families, health improvement, funerals of close relatives or in situations when material losses are suffered. In accordance with the collective bargaining agreement, AS Amber Latvijas balzams continues to provide life-long pensions to three former employees who have significantly contributed to the development and growth.

Safety is one of the priorities set by AS Amber Latvijas balzams. To this end, the Company ensures regular awareness-raising and educational activities for the staff, for which purpose various materials are prepared and briefing and training sessions are organized. Employees are constantly reminded not to come to work sick. It is also reminded regularly that the staff has to use appropriate workwear and personal protective equipment and observe hygiene requirements to prevent any risk of product contamination. The Company regularly reminds about reporting of near misses. Working areas have all required warning and information signs, such as those concerning the risk of explosion, the availability of first-aid kits, the mandatory use of hearing protectors, slippery surfaces, irritant and corrosive substances, repairs in progress, etc. (SDG 8.8). The Company monitors the workplace environment on a regular basis by conducting audits and checks.

AS Amber Latvijas balzams cares for the workplace environment, therefore, several of the Company's production facilities and its owned territories faced significant improvements in the amount of 142 thousand euros:

1. Asphalting works in all territories of the Company
2. Repair works of the container yard cover
3. Reconstruction of the sewer line at Briāna Street 7 to the Šarlotes Street outlet
4. Construction of the apple wine fermentation department
5. Repair of sewage wells at Čaka Street 160 and Briāna Street 7

Since the Company cares to have healthy and work-capable employees, in 2022 it spent more than EUR 72 thousand on employee health insurance, mandatory health checks, and accident insurance.

REPORT OF THE MANAGEMENT (continued)

The Company is constantly working towards the professional and individual development of its employees; therefore, also in the year 2022, AS Amber Latvijas balzams carried out a variety of systematic training sessions. 18% of all the Company's employees participated in training in the previous year, while the reporting year saw 44% attendance. The Company's goal has remained unchanged: to achieve at least a 2% growth in the number of training participants each year, thus the results of 2022 are highly welcomed.

The Company is also raising employee awareness about the guidelines of the Anti-Corruption Policy and the Commercial Confidentiality and Data Protection Policy, explaining the substance of these policies to the staff and organizing recurring training sessions.

As employees are very loyal and work for the Company for many years, the aging of employees is an issue for the Company, and it actively promotes the transmission of knowledge between generations. One should note that whenever there is a vacancy at the Company, it is first offered to the existing employees.

The Company believes that encouraging employees to do their job at the highest quality is essential for sustainable development, and it is something that is facilitated by the workplace environment. The Company's management is taking an array of measures for improving the workplace environment. Workplace environment and employee satisfaction are evaluated by AS Amber Latvijas balzams regularly after each two years; during the reporting period, a new survey wasn't carried out, so the latest data are from 2021: the total score is 4.6 points (out of a maximum of 5 points), which is an excellent result.

AS Amber Latvijas balzams prevents discrimination, ensuring equal opportunities for all employees, irrespective of age, sex, race, origin, etc. (SDG 5.1, 10.2, 10.3, 10.4). AS Amber Latvijas balzams has both women and men in leadership positions (SDG 5.5). The Company facilitates the achievement of higher levels of economic productivity through new technologies and artificial intelligence (AI) solutions (SDG 8.2). The Company also pursues development-oriented policies, providing decent work for all people, including migrant workers, and representation by a trade union (SDG 8.3, 8.8). AS Amber Latvijas balzams ensures regular awareness-raising activities about the Company's Anti-Corruption Policy. The Company is actively evaluating the efficiency of its production resources (SDG 8.4).

Suppliers

AS Amber Latvijas balzams implements fair partnerships with its business partners and adheres to a transparent purchasing policy, demanding that suppliers conform to the highest quality standards. In 2022, the Company implemented cooperation with suppliers in accordance with the Company's Anti-Corruption Policy and Procurement Procedure; no violations were recorded in 2022.

Distributors

The Company defines as affected parties the following distributors: SIA Amber Distribution Latvia, OU Amber Distribution Estonia, Amber Distribution Lithuania UAB, Amberbev International Ltd, S.P.I. Spirits (Cyprus) Ltd., and others. The Company implements responsible cooperation with the distributors of its products in Latvia, the Baltics, and on a global scale in a planned way, guaranteeing the quality of production and respecting arm's length pricing principles in cooperation with associated enterprises.

Customers (SDG 3)

The Company sees the minimization of potential negative effects of its products on society as one of its main corporate social responsibility tasks (SDG 3.5). AS Amber Latvijas balzams relentlessly educates society about responsible drinking and reminds consumers of the adverse impact that its products may produce on health, especially by means of a warning put on each bottle about the unsuitability of use of the product during pregnancy or when operating a motor vehicle. These activities are not obligatory required by law, it is an initiative supported by the Company and executed together with other members of the Latvian Alcohol Industry Association (LANA). The Company joined this project in 2014, and now most of the products are bearing the aforementioned warning labels.

REPORT OF THE MANAGEMENT (continued)

The Company respects its Ethical Marketing Communications Code, which was created in 2013. This code determines the offering of the Company's products on the market in a responsible manner and sets clear marketing guidelines, which are aimed at consistent compliance with the requirements of the legislation of the Republic of Latvia. In 2022, no violation was recorded by the Company in product communication (press releases, articles in the mass media, communication via social networks, event management, etc.) in a way that would promote the incorrect or excessive use of alcoholic beverages. The Company also processes customer information in accordance with the Data Protection Policy of AS Amber Latvijas balzams, which is developed in accordance with the General Data Protection Regulation.

Society (SDG 3, SDG 4)

AS Amber Latvijas balzams maintains cooperation with several educational institutions, where future industry specialists are trained, offering internship opportunities to familiarize them with the specifics of the Company's business (SDG 4.3, 4.4).

To facilitate the responsible use of products in society, the Company educates consumers about responsible drinking by conducting socio-educational campaigns in the public and digital environment (SDG 3.5). The Company performs this task in cooperation with the Latvian Alcohol Industry Association (LANA), to whose activities the Company contributed more than EUR 9.5 thousand in 2022. The Company is also supporting the educational website www.atbildigi.lv.

State

AS Amber Latvijas balzams is one of the largest taxpayers in the country, having paid EUR 74.9 million (including excise duty at the amount of 60.9 million euros) into the state budget in 2022. In the course of its operations, the Company maintains continuous cooperation with state oversight institutions, for example, the State Revenue Service. The Company is a member of the State Revenue Service's In-depth Cooperation Program, or the so-called *White List* being among the most responsible taxpayers in the country.

The Company actively cooperates with Latvian farmers by purchasing raw materials for making legendary beverages, such as Riga Black Balsam®. In 2022, just to support the production of the Riga Black Balsam® brand, the Company bought from domestic farmers 7.5 tons of dried blueberries, 4.8 tons of dried apples, and 340 kg of honey. For the production of Cross Keys Gin® Sea Buckthorn, the company bought 380 kg of sea buckthorn juice. In money terms, also this is considerable support for Latvia's agriculture, thus fuelling economic activity in Latvia.

AS Amber Latvijas balzams is involved in the activities of Latvia's largest industry and non-governmental organizations as a member of the Employers' Confederation of Latvia, the Latvian Chamber of Commerce and Industry, and the Latvian Federation of Food Companies. In cooperation with these organizations, the Company supports initiatives that are aimed at reducing the proportion of the shadow economy in the alcohol industry of the country, developing a sustainable tax policy, establishing a competitive business environment, etc.

For the sake of transparency, the Company clearly shows both on its website and in reports published through the Nasdaq Riga Stock Exchange the ownership structure, the composition of the Company's management and supervisory board, the Company's mission, vision and values and its relations with investors.

Responsibility for products

AS Amber Latvijas balzams production processes are carried out in accordance with the Quality Management Manual. Moreover, AS Amber Latvijas balzams has implemented a certified quality management system in accordance with ISO 9001:2015, affirming the conformity of production processes with international requirements. The Company has developed, implemented and maintains a self-controlling system according to HACCP principles to ensure the conformity of products with the requirements of the European Union, the Republic of Latvia and other special markets.

REPORT OF THE MANAGEMENT (continued)

In 2022 the Company continued intensive implementation of LEAN (a set of management principles and methods focusing on value for the end consumer and the creation of value for a company's product/service, linking it directly to the wishes of the end consumer) with the aim of reducing losses, which under LEAN are both material and non-material (inefficient processes, needless movements, waiting times, etc.).

More than 15 ALB employees were trained in one of the LEAN methods and its application to daily work. This is a decrease compared to previous year (35 employees), citing the production load as the main reason, which made it impossible to complete the training groups.

Activities were continued to implement 5S at the production units and materials warehouses, thereby creating an orderly work environment so that employees may have access to all that is needed to do high-quality work. In order to maintain the 5S standard at the required level, the performance of workplaces and/or departments is evaluated every year. The performance of the last five years is shown below, with some structural units showing significant improvements during the reporting period. The average performance indicator of the Company in 2022 was 77.5%, which, compared to the results of 2021, has improved by 4.1%.

ALB structural unit	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022
Filling stations	51.2%	54.7%	62.5%	68.9%	67.1%
Vodka department and Liqueur department	70.1%	63.9%	77.2%	76.5%	76.2%
Material warehouse	57.6%	63.7%	45.7%	71.3%	78.9%
Briāna Street 7 and Briāna Street 9	63.5%	50.6%	52.8%	69.7%	93.0%
Laboratories	72.8%	76.4%	75.9%	79.6%	78.6%
ALB overall rating	**63.6%**	**61.6%**	**62.8%**	**73.4%**	**77.5%**

The consumers of AS Amber Latvijas balzams products are those affected parties for whose satisfaction the Company's employees at the Customer Service Centre care every day. The Company ensures an instantaneous feedback link from consumers, using the toll-free phone number 8000 9990. In 2022, overall 158 complaints, suggestions, reviews, or simply questions were received from consumers and customers and forwarded to relevant Company specialists (in 2021: 174). 100% of feedback was accepted and resolved (in the case of complaints). From all 158 feedbacks, there were 113 complaints, of which 80% were justified.

All opinions provided to AS Amber Latvijas balzams are regularly analysed, and data are compiled for a customer and consumer satisfaction index once a month, thereby making it possible to evaluate general trends or consumer response to changes in particular product recipes. The customer feedback shows that in 2022, out of 90 substantiated claims, the most claims (35 claims or 39%) were received for shortages in cans that occurred at the filling station during production. This is followed by 22 complaints, or 24% of the total feedback, received for inappropriately designed products (damaged, detached, poorly glued, mixed labels). On the other hand, 15 claims or 17% were received for leaking aluminium cans. The departments of AS Amber Latvijas balzams are informed about these shortcomings and solutions are found to solve the problems.

REPORT OF THE MANAGEMENT (continued)

Responsibility for the environment (SDG 6, SDG 12)

When modernizing production processes and buying new equipment, AS Amber Latvijas balzams always evaluates the conformity of new equipment with environmentally friendly requirements. One can say with full confidence that all equipment purchased in 2022 promotes lower energy use, reducing the Company's environmental footprint (SDG 12.2). All indicators necessary for the energy audit were fixed also in 2022. In accordance with the existing requirements, the Company conducts CO_2 emission control, with CO_2 emissions of 2 115.1 tons reported across the Company's territories achieving a decrease of 25% (SDG 12.2).

AS Amber Latvijas balzams has implemented SDG 6 (Clean Water and Sanitation) and, in selecting packaging for products, prioritizes environmentally friendly solutions that are commensurate with the requirements of production processes. The Company also assumes responsibility for waste management, regularly delivering scrap paper, scrap metal, and environmentally dangerous waste for recycling. In addition, the Company is supplying packaging of its products for appropriate treatment as part of cooperation with *Zaļā Josta* (Green Belt) (SDG 6.3, 12.4). In 2022, supplies intended for recycling amounted to 344 tons, including 125 tons of polyethylene (previously – 107.1), 322.5 tons of cardboard (previously – 263.5), 86 tons of glass (previously – 206.9), and 11.3 tons of scrap metal (previously – 17.5).

AS Amber Latvijas balzams ensures the collection of hazardous waste and hands it over for recycling to a properly licensed service provider. Alcoholic effluents are collected from both Company's plants on a centralized basis and transported in tanks for recycling. Regular wastewater inspections are also carried out in the Company's territory (SDG 6.3).

The Company uses artesian wells located within its territories for production processes, and its use of water as a resource is careful and prudent (SDG 6.4). In 2022, the Company used 172 680 m^3 of water across all its territories, which is 7% less than in 2021 (181 274 m^3).

Pursuant to the legislation of Latvia a beverage packaging deposit system has been implemented from 1 February 2022. The Company as a producer has been proactively following the implementation process.

During reporting year AS Amber Latvijas balzams has gradually prepared for the launch of the packaging deposit system, indicating the appropriate markings on the products. The first of the products that the Company started producing with the new deposit system label was the cider Lucky Dog, followed by several other beverages produced by the Company in glass and PET bottles: the non-alcoholic Riga Sparkling, the Apple Garden cider, and the world-renowned sparkling drink Cosmopolitan Diva®. The full transition to these four brands, including the deposit system label, was carried out from 1 April 2022.

Information on environmentally sustainable economic activity

In accordance with European Commission Regulation (EC) No. 2020/852 and No. 2021/2178, the Company presents qualitative and quantitative information for economic activities related to taxonomy and non-related to the taxonomy for each of the three indicators: turnover, capital expenditures, operating expenses.

According to the classification included in the taxonomy compass (EU Taxonomy Compass), the economic activity of the Company is fully considered to be as non-related to taxonomy economic activity.

REPORT OF THE MANAGEMENT (continued)

Risk assessment and management

As regards the Company's products and risk management process, the following factors to which greater consideration is given should be mentioned on the basis of an assessment of external and internal factors that are likely to affect the Company's operations:

- The timely identification and compliance with statutory requirements by taking into account timely information and education of staff
- The ensuring of production continuity by timely planning production capacity and load, as well as compliance with epidemiological requirements;
- The creation of adequate jobs by investing in the development of production, services and human resources by means of training.

In the course of business, the Company strictly complies with the legislation of the Republic of Latvia. Considering the industry, the Company is devoting a great deal of attention to the assessment of transactions and their conformity with laws.

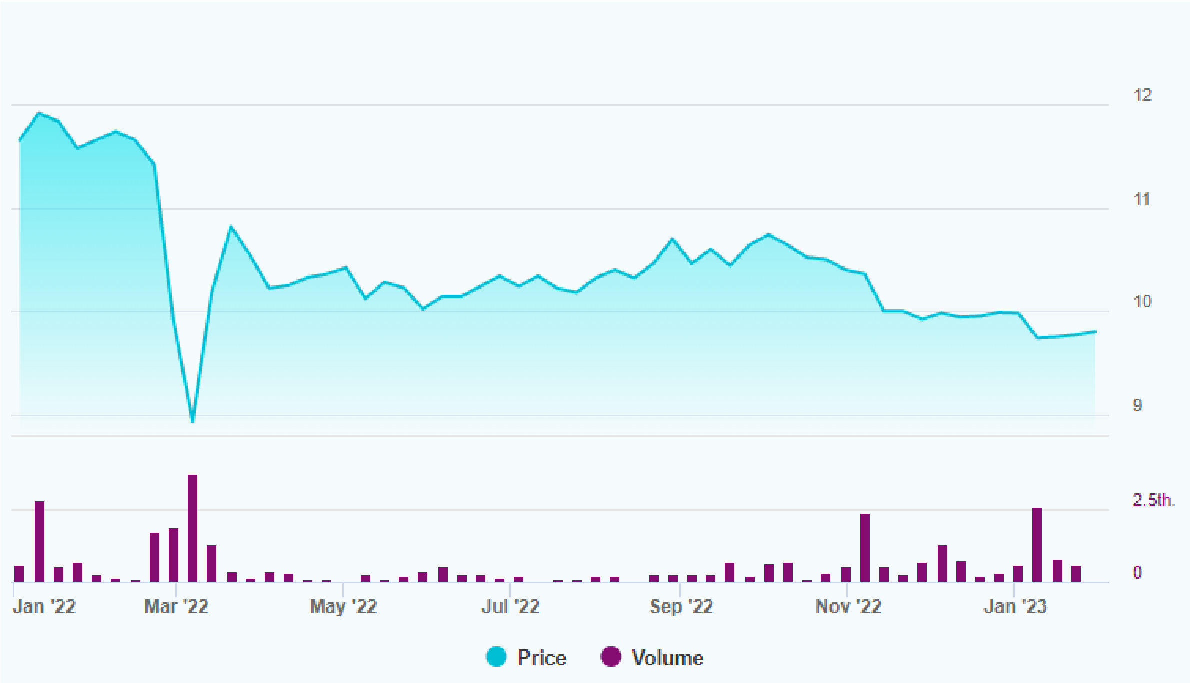
The biggest challenges in 2022 have been:

- Reduce the cost base;
- To implement the planned investment projects and new products in time and in full;
- Ensure fulfillment of orders in times of increased demand, especially in the second half of the year.

Stock and fund market

During the year 2022, the Company's share (Nasdaq Baltic indicator BAL1R; ISIN: LV0000100808) price fluctuated from EUR 8.93 to EUR 11.92 per share.

The members of the Management Board and the Council of the Company do not own shares of AS Amber Latvijas balzams.



REPORT OF THE MANAGEMENT (continued)

The dynamics of share prices for the previous three reporting periods is presented as follows:

	Average price, EUR	Minimum price, EUR	Maximum price, EUR
The year 2022	10.00	8.93	11.92
The year 2021	11.80	8.97	11.98
The year 2020	8.85	7.46	11.30

Financial risk management

In the ordinary course of business, AS Amber Latvijas balzams is exposed to a variety of financial risks, including credit risk, liquidity risk and interest rate risk. The Company's management handles financial risks on an ongoing basis to minimize their potential adverse effects on the financial performance of the Company.

The Company's borrowings have variable interest rates. The Company's management is considering the use of hedging instruments to minimize the effect of variable interest rates.

Financial assets which potentially expose the Company to a certain degree of credit risk concentration are primarily trade receivables, receivables from related companies and loans. The Company has introduced and pursues a credit policy whereby goods are sold on credit only to customers having sound credit histories. The Company also complies with sanctions regimes based on the information published on the website of the Ministry of Foreign Affairs of the Republic of Latvia for international transactions.

The Company pursues a prudent liquidity risk management policy, according to which adequate credit resources are ensured to settle liabilities when they fall due. The Company's management handles liquidity and cash flow risks by maintaining adequate cash reserves and securing sufficient financing by means of loans, credit lines, finance leases, etc., by monitoring forecasted and actual cash flows and by matching the maturities of financial assets and liabilities on an ongoing basis.

On 31 December 2022, the Company's current assets exceeded its current liabilities by 89 million euros (on 31.12.2021 by 124 million euros). The Company has a strong ability to meet its current liabilities as they fall due. The Company's liquidity ratio (current ratio) and short-term liquidity ratio (quick ratio) for the last three years are as follows:

	2022	**2021**	**2020**
Current ratio*	2.70	4.56	3.30
Quick ratio**	2.08	3.83	2.55

** Current ratio = Current assets / current liabilities.*
*** Quick ratio = (Trade receivables + receivables from related companies + cash and cash equivalents) / current liabilities.*

Financial risk management is disclosed in Note 28.

Events after the reporting date

There were no subsequent events since the last date of the financial year until the date of signing of these financial statements, which would have a significant effect on the financial position of the Company as of 31 December 2022.

REPORT OF THE MANAGEMENT (continued)

Future prospects

In 2023, AS Amber Latvijas balzams will keep focusing on the following:

1. investments in core brands to build international recognition;
2. the efficiency improvement program.

The Company shall keep the strong focus on our core export brands, i.e., Riga Black Balsam® and Cosmopolitan Diva®, as well as the premium gin brand Cross Keys Gin®, by investing in their international recognition and the promotion of brand equity and market share.

The Company will continue improving the efficiency of production, with a focus on purchase, planning and infrastructure improvements to support our goal, which is to deliver quality products with a competitive cost advantage. To this end, the work on the following projects will be continued in 2023:

- investments in production infrastructure objects to promote the reduction of energy consumption;
- installation of an automatic palletizing equipment in the finished product warehouse at Caka Street 160 on the next production lines;
- pilot project installation of empty inspection equipment;
- updating of the carbonated drinks production line and filtering equipment of the Briana Street production plant;
- installation of a new, more productive production line for ultra-premium vodka Stoli Elit.

On behalf of the Board:

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Intars Geidāns
Chairman of the Board

Riga, 28 April 2023

REMUNERATION 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 www.amberlb.lv, section „For investors”, as well as on the stock exchange Nasdaq Riga website www.nasdaqbaltic.com.

STATEMENT OF THE MANAGEMENTS' RESPONSIBILITY

The Management is responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS). The financial statements give a true and fair view of the financial position of the Company at the end of the reporting year, and the results of its operations and cash flows for the year then ended.

The Management certifies that proper accounting methods were applied in the preparation of the financial statements set out on pages 20 to 57 and decisions and assessments were made with proper discretion and prudence. The Management confirms that the financial statements have been prepared on a going concern basis.

The Management is responsible for maintaining the accounting records and for safeguarding the Company's assets and preventing and detecting fraud and other irregularities in the Company. It is also responsible for operating the Company in compliance with the legislation of the Republic of Latvia.

On behalf of the Board:

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Intars Geidāns
Chairman of the Board

Riga, 28 April 2023

Income Statement

	Notes	2022 EUR	2021 EUR
Revenue	1	108 128 898	78 541 026
Cost of sales	2	(88 854 294)	(60 631 250)
Gross profit		**19 274 604**	**17 909 776**
Distribution expenses	3	(8 478 993)	(7 179 735)
Administrative expenses	4	(4 468 728)	(4 665 686)
Other operating income	5	689 188	1 529 290
Other operating expenses	6	(633 942)	(218 935)
Net financial income / (costs)	8	(50 007)	1 356 557
Profit before tax		**6 332 122**	**8 731 267**
Net profit		**6 332 122**	**8 731 267**
Earnings per share			
Basic	9	0.84	1.16
Diluted	9	0.84	1.16

Notes on pages 25 to 57 form an integral part of these financial statements.

Statement of Comprehensive Income

	Notes	2022 EUR	2021 EUR
Net profit		**6 332 122**	**8 731 267**
Total comprehensive income for the period		**6 332 122**	**8 731 267**

Notes on pages 25 to 57 form an integral part of these financial statements.

Statement of Financial Position

	Notes	31.12.2022 EUR	31.12.2021 EUR
ASSETS			
Non-current assets			
Intangible assets	10	360 940	231 191
Property, plant and equipment	11	15 236 211	13 358 670
Right-of-use assets	24	1 766 606	2 533 275
Loans to related parties	23 (e)	33 730 915	-
Other non current assets	14	1 352 901	423 325
Total non-current assets:		**52 447 573**	**16 546 461**
Current assets			
Inventories	12	31 939 822	24 908 893
Trade receivables	13	2 049 260	1 311 505
Receivables from related parties	23 (a)	60 108 353	64 593 875
Loans to related parties	23 (f)	46 433 065	67 296 278
Other current assets	14	719 222	476 842
Cash and cash equivalents		150 931	88 909
Total current assets:		**141 400 653**	**158 676 302**
Total assets		**193 848 226**	**175 222 763**

Statement of Financial Position

	Notes	31.12.2022 EUR	31.12.2021 EUR
EQUITY AND LIABILITIES			
Equity			
Share capital	15	10 495 660	10 495 660
Share premium		87 887	87 887
Reserves	16	2 318 823	2 318 823
Retained earnings		127 708 909	125 874 927
Total equity:		**140 611 279**	**138 777 297**
Liabilities			
Non-current liabilities			
Borrowings and lease liabilities	17	887 555	1 648 701
Total non-current liabilities:		**887 555**	**1 648 701**
Current liabilities			
Borrowings and lease liabilities	17	1 222 189	1 051 163
Trade payables		15 897 558	7 004 576
Payables to related parties	23 (b)	4 848 742	1 925 224
Taxes payable	18	27 409 203	22 489 422
Other liabilities	19	2 971 700	2 326 380
Total current liabilities:		**52 349 392**	**34 796 765**
Total liabilities:		**53 236 947**	**36 445 466**
Total equity and liabilities		**193 848 226**	**175 222 763**

Notes on pages 25 to 57 form an integral part of these financial statements.

On behalf of the Board:

Intars Geidāns
Chairman of the Board

Riga, 28 April 2023

Statement of Changes in Equity

	Share capital	Share premium	Reserves	Retained earnings	Total
	EUR	**EUR**	**EUR**	**EUR**	**EUR**
31.12.2020.	**10 495 660**	**87 887**	**2 318 823**	**120 592 233**	**133 494 603**
Net profit	-	-	-	8 731 267	8 731 267
Total comprehensive income	-	-	-	8 731 267	8 731 267
Dividends	-	-	-	(3 448 573)	(3 448 573)
31.12.2021.	**10 495 660**	**87 887**	**2 318 823**	**125 874 927**	**138 777 297**
Net profit	-	-	-	6 332 122	6 332 122
Total comprehensive income	-	-	-	6 332 122	6 332 122
Dividends	-	-	-	(4 498 140)	(4 498 140)
31.12.2022.	**10 495 660**	**87 887**	**2 318 823**	**127 708 909**	**140 611 279**

Notes on pages 25 to 57 form an integral part of these financial statements.

Cash Flow Statement

	Notes	2022 EUR	2021 EUR
Cash flow from operating activities			
Profit for the period before taxation		6 332 122	8 731 267
Adjustments for:			
deprecition and amortisation	7	2 122 180	2 372 128
net gain from disposal of property, plant and equipment, investment properties and intangible assets		(1 135)	(502 489)
impairment of long-term investments		-	366 848
changes in provisions for slow moving stock		55 401	-
interest income	8	(1 324 323)	(1 429 765)
interest expense	9	74 911	96 935
Changes in working capital:			
Increase / decrease in inventories		(7 086 330)	183 572
Decrease / increase in trade and other receivables		2 575 812	(9 791 499)
Increase in trade and other payables		17 390 627	142 203
Cash generated from operations		**20 139 265**	**169 200**
Net cash generated from operating activities		**20 139 265**	**169 200**
Cash flow from investing activities			
Acquisition of property, plant and equipment and intangible assets		(2 928 096)	(2 000 329)
Proceeds from sales of property, plant and equipment		7 473	33 652
Loan repayments received		4 047 876	-
Interest received		1 274 955	1 339 645
Loan to related parties (creditline)		(16 866 210)	5 218 280
Net cash generated from / (used in) investing activities		**(14 464 002)**	**4 591 248**
Cash flow from financing activities			
Borrowings repaid		(310 704)	(310 704)
Lease payments	24	(725 791)	(1 094 890)
Interest paid		(78 606)	(96 935)
Payment of dividends		(4 498 140)	(3 448 573)
Net cash used in financing activities		**(5 613 241)**	**(4 951 102)**
Net decrease / increase in cash and cash equivalents		**62 022**	**(190 654)**
Cash and cash equivalents at the beginnging of the period		**88 909**	**279 563**

Notes on pages 25 to 57 form an integral part of these financial statements.

Notes to the Financial Statements

I. GENERAL INFORMATION

AS Amber Latvijas balzams (“the Company”) is the largest producer of alcoholic beverages in the Baltic States. The Company produces more than 100 different alcoholic beverages. The major shareholder of the Company, which owns 89.99% of the Company’s share capital as of 31 December 2022, is Amber Beverage Group Holding S.à r.l. (a company incorporated in Luxembourg). The ultimate parent company of the Group is SPI Group Holding Limited (a company incorporated in Cyprus).

AS Amber Latvijas balzams is a joint-stock company, which is incorporated and has its registered office in Latvia. The Company was founded in 1900 but acquired its current name in 1970. The registered address of the Company is 160 A. Caka Street, Riga, LV-1012, Republic of Latvia. Shares of AS Amber Latvijas balzams are quoted on the second list of the Nasdaq Riga AS.

The current financial year of the Company is from 1 January 2022 to 31 December 2022.

The approval of the annual report of a Company at a meeting of shareholders shall be postponed if, disputing the correctness of separate positions in the annual report, the postponement is requested by shareholders who represent at least one-tenth of the equity capital.

II. ACCOUNTING POLICIES

(1) Basis of preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS).

The financial statements are presented in accordance with IAS 1 Presentation of Financial Statements. The Company has elected to present the Income statement and Statement of comprehensive income as separate statements. The financial statements are prepared on a going concern basis.

Expenses in the income statement are classified by function.

To ensure proper comparison of financial information, some positions of the 2021 Income Statement have been reclassified.

The cash flow statement is prepared according to the indirect method.

Preparation of the financial statements in compliance with IFRS requires critical assumptions. Moreover, the preparation of the financial statement requires the management to make estimates and judgments applying the accounting policies adopted by the Company. Critical estimates and judgments are disclosed in Section 20 to the Accounting Policies Note.

II. ACCOUNTING POLICIES (continued)

(1) Basis of preparation (continued)

a) Standards or interpretations effective for the first time for the annual periods beginning 1 January 2022:

Proceeds before intended use, Onerous contracts – cost of fulfilling a contract, Reference to the Conceptual Framework – narrow scope amendments to IAS 16, IAS 37 and IFRS 3, and Annual Improvements to IFRSs 2018-2020 – amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 (effective for annual periods beginning on or after 1 January 2022).

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The proceeds from selling such items, together with the costs of producing them, are now recognised in profit or loss. An entity has to use IAS 2 to measure the cost of those items. Cost does not include depreciation of the asset being tested because it is not yet ready for its intended use. The amendment to IAS 16 also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. An asset might therefore be capable of operating as intended by management and subject to depreciation before it has achieved the level of operating performance expected by management.

The amendment to IAS 37 clarifies the meaning of 'costs to fulfil a contract'. The amendment explains that the direct cost of fulfilling a contract comprises the incremental costs of fulfilling that contract; and an allocation of other costs that relate directly to fulfilling. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

IFRS 3 was amended to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. Prior to the amendment, IFRS 3 referred to the 2001 Conceptual Framework for Financial Reporting. In addition, a new exception in IFRS 3 was added for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 or IFRIC 21, rather than the 2018 Conceptual Framework. Without this new exception, an entity would have recognised some liabilities in a business combination that it would not recognise under IAS 37. Therefore, immediately after the acquisition, the entity would have had to derecognise such liabilities and recognise a gain that did not depict an economic gain. It was also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

The amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

Illustrative Example 13 that accompanies IFRS 16 was amended to remove the illustration of payments from the lessor relating to leasehold improvements. The reason for the amendment is to remove any potential confusion about the treatment of lease incentives.

IFRS 1 allows an exemption if a subsidiary adopts IFRS at a later date than its parent. The subsidiary can measure its assets and liabilities at the carrying amounts that would be included in its parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. IFRS 1 was amended to allow entities that have taken this IFRS 1 exemption to also measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. The amendment to IFRS 1 extends the above exemption to cumulative translation differences, in order to reduce costs for first-time adopters. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.

II. ACCOUNTING POLICIES (continued)

(1) Basis of preparation (continued)

The requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41 was removed. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.

Covid-19-Related Rent Concessions – Amendments to IFRS 16 (effective for annual periods beginning on or after 1 April 2021). In May 2020 an amendment to IFRS 16 was issued that provided an optional practical expedient for lessees from assessing whether a rent concession related to Covid-19, resulting in a reduction in lease payments due on or before 30 June 2021, was a lease modification. An amendment issued on 31 March 2021 extended the date of the practical expedient from 30 June 2021 to 30 June 2022.

The Company considers that aforementioned amendments to standards have no material impact on these financial statements.

b) Standards or interpretations effective for the first time for the annual periods beginning after 1 January 2022 or not yet endorsed by the EU:

- **IFRS 17 Insurance Contracts** (effective for annual periods beginning on or after 1 January 2023).
- **Amendments to IFRS 17 and an amendment to IFRS 4** (effective for annual periods beginning on or after 1 January 2023).
- **Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies** (effective for annual periods beginning on or after 1 January 2023).
- **Amendments to IAS 8: Definition of Accounting Estimates** (effective for annual periods beginning on or after 1 January 2023).
- **Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12** (effective for annual periods beginning on or after 1 January 2023).
- **Transition option to insurers applying IFRS 17 – Amendments to IFRS 17** (effective for annual periods beginning on or after 1 January 2023).
- **Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback** (effective for annual periods beginning on or after 1 January 2024, not yet endorsed by the EU).
- **Classification of liabilities as current or non-current – Amendments to IAS 1** (effective for annual periods beginning on or after 1 January 2024, not yet endorsed by the EU).

The Company has not early adopted these standards and interpretations and believes that the adoption of new or revised standards and interpretations has no material impact on the Company's financial statements.

II. ACCOUNTING POLICIES (continued)

(2) Revenue recognition

The Company is in the business of producing and selling alcoholic beverages. Revenue from contracts with customers is recognized when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

Income from rendering of services

Revenue from rendering of services (mainly logistic services) are recognized when the service has been provided, over time.

Sale of finished goods

Revenue from the sale of finished goods is a recognized net of discounts, returns, value-added taxes, export duties, and excise tax. The Company acts as an agent in collecting the excise duty from customers and transferring it to responsible tax collection authorities. Thus, the revenue is recognized net of excise tax levied on the customers. Revenue is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the finished goods. The normal credit term is 30 to 90 days upon delivery.

In determining the transaction price for the sale of finished goods, the Company considers the effects of variable consideration.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Financing component

The Company does not enter into contracts whereby the period between the transfer of the promised goods and the customers’ payment is more than one year. Accordingly, the Company does not adjust the transaction price for the time value of money.

(3) Functional currency and revaluation

The functional and presentation currency of the Company is the official currency of the Republic of Latvia – the euro (EUR).

Foreign currency transactions have been translated into euros 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 except for monetary assets and liabilities denominated in Russian rubles - for revaluation of such assets and liabilities the exchange rate published by the Central Bank of Russia on the last day of the reporting period is used.

The profit or loss resulting from the exchange rate fluctuations of the foreign currency are recognized net in the income statement in the respective period.

II. ACCOUNTING POLICIES (continued)

	31.12.2022. EUR	Average 2022 EUR	31.12.2021. EUR	Average 2021 EUR
1 USD	0.9376	0.9496	0.8829	0.8455
1 GBP	1.1275	1.1727	1.1901	1.1613
1 RUB	0.0132	0.0139	0.0117	0.0114

(4) Property, plant and equipment (PPE)

Property, plant, and equipment are recognised at cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly related to the acquisition of the asset.

Subsequent costs are recognised in the asset's carrying amount or as a separate asset 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. Other repairs and maintenance are recognised as an expense during the financial period when they are incurred.

The land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful life, as follows:

	Years
Buildings	10 - 71
Technological equipment	2 - 25
Other machinery and equipment	2 - 25

Items of PPE in the course of construction for production, supply or administrative purposes are carried at cost less any impairment recognized. Depreciation of these assets, on the same basis as other PPE items, commences when the assets are ready for their intended use.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each end of the financial year.

Costs of borrowing to finance assets under construction and other direct charges related to the particular asset under construction are capitalized during the time that is required to complete and prepare the asset for its intended use as part of the cost of the asset. Capitalization of the borrowing costs is suspended during extended periods in which active developments are interrupted.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the income statement in the relevant period when incurred.

(5) Intangible assets

Intangible assets, in general, consist of licenses, software, and related implementation costs.

Intangible assets are recognised at the cost of acquisition less accumulated amortisation and impairment. Amortisation is calculated from the moment the assets are available to use. Amortisation of intangible assets is calculated using the straight-line method to allocate amounts to their residual values over their estimated useful lives of 3 to 5 years.

II. ACCOUNTING POLICIES (continued)

(6) Impairment of property, plant and equipment, intangible assets and right-of use assets

Investment property is land, building, or part of a building held by the Company to earn rentals or for capital appreciation rather than use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business and are not occupied by the Company. Investment property is initially recognised at acquisition cost. Subsequently, investment property is carried at its cost less any accumulated depreciation and any accumulated impairment losses. The depreciation is calculated using the straight-line method. Applied depreciation rates are based on the estimated useful life set for respective assets and are within the range of 20 to 40 years. The useful lives are reviewed, and adjusted if appropriate, at each end of the financial year.

(7) Leases

The Company assesses at contract inception whether a contract is or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The Company's right-of-use assets represent leases of real estate and production equipment. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment, and adjusted for any remeasurement of lease liabilities. Cost includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made before the commencement date less any lease incentives received.

Except where the Company has sufficient confidence that the ownership of leased assets will be transferred at the end of the lease term, recognized right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (3 to 10 years). Right-of-use assets are subject to assessing for impairment indicators.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities relating to real estate and production equipment measured at the present value of lease payments. Lease liabilities represent fixed lease payments. In calculating the liabilities, the Company uses its incremental borrowing rate at the lease commencement date, except where the borrowing rate is readily determined. The Company has applied the discount rate of 5.09% for the calculation of lease liabilities upon initial recognition and their subsequent re-calculation at the year-end. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments, or a change in the assessment of an option to purchase the underlying asset at the end of the period. Every lease payment is apportioned between lease liabilities and interest expenses thereon. Interest paid on lease liabilities is recognized in the income statement over the lease term.

II. ACCOUNTING POLICIES (continued)

(7) Leases (continued)

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of other property, plant, and equipment items (i.e., those leases that have a lease term less than 12 months from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term. All other fixed assets with a purchase value of up to EUR 500 (five hundred euros), regardless of their useful life, or above EUR 500 (five hundred euros) if they have a useful life of up to one year, are accounted for as low-value inventory.

(8) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated 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.

The cost of inventories is determined based on the FIFO method. The purchase costs of raw materials include expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

(9) Financial instruments

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

II. ACCOUNTING POLICIES (continued)

(9) Financial instruments (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Expected credit losses are presented as a separate line item in the income statement.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets where the assets' cash flows represent solely payments of principal and interest are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the income statement.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such instruments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable.

Impairment of financial assets – provisions for expected credit losses (ECL)

Expected credit loss on financial assets are recognised and measured using one of two approaches: the general approach or the simplified approach.

The Company measures debt instruments (including loans) at amortised cost using the ECL. The Company determines the ECL and establish loan loss provisions at each reporting date. The principle of determining the ECL reflects: (i) an objective, transaction-weighted amount determined by analysing a range of possible outcomes; (ii) the time value of money; and (iii) all reasonable and demonstrable information about past events, current conditions, and future projections available without undue cost or effort at the end of each reporting period.

The Company applies the simplified approach under IFRS 9 in determining expected credit losses for trade receivables, which requires the recognition of provisions for lifetime expected credit losses for all trade receivables that are grouped based on common credit characteristics and past due payments. The amount of the expected credit losses depends on the days in arrears.

II. ACCOUNTING POLICIES (continued)

(9) Financial instruments (continued)

For all other financial assets for which impairment monitoring is required under IFRS 9, the Company applies the general approach of a three-step impairment model based on changes in credit quality since initial recognition. A financial instrument that is not impaired at initial recognition is classified as a Level 1 financial instrument. A Level 1 financial asset is measured at an amount equal to the portion of the lifetime ECL that would be incurred in the event of default within the next 12 months or until contractual maturity, whichever is shorter ("the 12-month ECL"). If the Company identifies a significantly increased credit risk ("SICR") at initial recognition, the relevant asset is transferred to Level 2 and its ECL is determined using the lifetime ECL, i.e., until the expiry of the contract but considering expected prepayments, if any ("the lifetime ECL"). If the Company determines that a financial asset is impaired, the asset is transferred to Level 3 and measured using a lifetime ECL.

Financial assets measured at amortised cost are presented in the balance sheet net of provisions for ECL.

The carrying amount of the financial assets is reduced using a provision account and the amount of the loss is recognised in the Statement of comprehensive income under *Other operating expenses*.

Financial liabilities

Liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

(10) Cash and cash equivalents

Cash and cash equivalents consist of banks' current accounts balances and other highly liquid investments with original maturities up to 90 days.

(11) Share capital

Ordinary shares are classified as share capital.

(12) Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

(13) Vacation accruals

Amount of vacation accruals is determined by multiplying the average day rate of employees for the last six months of the financial year by the amount of accrued but unused annual leave at the end of the reporting year.

(14) Income tax

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 income statement in the year for which it is assessed.

II. ACCOUNTING POLICIES (continued)

(14) Income tax (continued)

In accordance with International Accounting Standard No 12 Income Taxes requirements, in cases where income tax is payable at a higher or lower rate, depending on whether the profit is distributed, the deferred tax assets and liabilities are measured at the tax rate applicable to undistributed profits. In Latvia the applicable rate for undistributed profits is 0%.

(15) Earnings per share

Earnings per share are determined dividing the net gains or losses attributable to shareholders of the Company by the average weighted quantity of the shares in the reporting year.

(16) Related parties

Related parties are defined as the shareholders of the Company, who have a significant influence or control over the Company, members of the Board and the Council, their close relatives and companies, in which they have a significant influence or control.

(17) Employee benefits

Short-term employee benefits, including salaries and social security contributions, bonuses and paid vacation benefits are included in the income statement on an accrual basis.

The Company pays social security contributions to state pension insurance and to the state funded pension scheme in accordance with Latvian legislation.

In accordance with the Rules of the Cabinet of Ministers of the Republic of Latvia 71.87% (2021: 71.87%) of the social security contributions are used to fund the state defined contribution pension system. State funded pension scheme is a defined contribution plan under which the Company pays fixed contributions determined by law and will have no legal or constructive obligation to pay further contributions if the state pension insurance system or state funded pension scheme are not able to settle their liabilities to employees. The social security contributions are accrued in the year in which the associated services

(18) Government grants

Government grants are recognized where there is a reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as deduction of expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

(19) Critical accounting estimates and judgments

Preparation of financial statements in compliance with IFRS require estimates and assumptions affecting value of assets and liabilities recognised in the financial statements, and disclosures in the notes at the year-end, as well as income and expenditures recognised in the reporting period. Actual results may differ from these estimates. Items that are mostly affected by assumptions are determination of useful life period for buildings and equipment, as well as recoverable amount of debt receivables as disclosed in the relevant notes.

a) Determination of the useful life of property, plant and equipment

In estimating useful life of property, plant and equipment (PPE) the management relies on the historical information, technical survey, assessing the current state of the asset and external evaluations. During the reporting and previous year there are no factors that indicate a need for changes of the useful life of the Company's PPE.

II. ACCOUNTING POLICIES (continued)

(19) Critical accounting estimates and judgments (continued)

b) Expected credit loss allowance

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses lifetime expected credit loss allowance for all trade receivables. To measure the lifetime expected credit loss allowance, receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 and the corresponding historical lifetime expected credit loss allowance experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. (See also Note 28).

III. OTHER NOTES

(1) Segment Information and net sales

a) Operation and reportable segment

The core business segment of the Company is the production of alcoholic beverages. AS Amber Latvijas balzams produces over 100 different types of beverages under its own and 3rd party brands using shared technologies, assets, and other resources, the Company considers the production of alcoholic beverages to be the only operation and reportable segment.

b) Revenue by type

	2022 EUR	2021 EUR
Production of alcoholic beverages	100 624 546	73 574 468
Sales of other goods and materials	2 248 010	728 501
Other services	5 256 342	4 238 057
	108 128 898	**78 541 026**

c) Revenue by geography (by customer)

	2022 EUR	2021 EUR
Cyprus	63 263 571	43 526 904
Latvia	31 277 962	26 464 244
Lithuania	4 948 195	4 355 466
Germany	2 205 371	22 550
Sweden	490 936	73 274
Estonia	1 164 086	833 312
Romania	613 682	415 510
Turkey	654 922	279 028
Ukraine	282 738	281 675
Finland	113 109	-
Norway	164 243	180 457
Brazil	153 495	246 789
Other	2 796 588	1 861 817
	108 128 898	**78 541 026**

(2) Cost of sales

	2022 EUR	2021 EUR
Raw materials and consumables	74 785 712	48 778 771
Salary expense	6 651 189	5 691 781
The state compulsory social insurance contributions	1 560 379	1 331 880
Depreciation of non-current assets	1 164 604	1 205 140
Energy resources	1 502 878	860 998
Repair and maintenance expenses	703 846	655 685
Management of packaging	767 144	726 092
Insurance payments	28 664	27 958
Laboratory expenses	28 880	24 791
Accrued expenses on unused annual leave	59 053	80 869
Other costs	1 601 945	1 247 285
	88 854 294	**60 631 250**

III. OTHER NOTES (continued)

(3) Distribution expenses

	2022 EUR	2021 EUR
Advertising and sales promotion expenses	2 660 197	2 118 900
Salary expenses	2 142 195	1 922 746
Depreciation of non-current assets	880 848	992 726
Transportation expenses	876 430	696 162
The state compulsory social insurance contributions	499 610	452 534
Warehouse maintenance expenses	673 340	430 398
Other expenses	746 373	566 269
	8 478 993	**7 179 735**

(4) Administrative expenses

	2022 EUR	2021 EUR
Management services and expenses	2 766 149	2 433 359
Salary expenses	595 074	670 816
Depreciation of non-current assets	76 728	174 262
Computer maintenance	229 655	209 880
Financial support, sponsorship	12 500	103 954
The state compulsory social insurance contributions	117 259	154 388
Real estate tax	150 639	161 355
Professional service costs	108 718	78 868
Transport costs	34 134	27 664
Representation expenses	23 780	17 142
Communication and postal expenses	12 105	12 601
Office expenses	11 295	8 734
Bank commissions	8 651	15 685
Other expenses	322 041	596 978
	4 468 728	**4 665 686**

(5) Other operating income

	2022 EUR	2021 EUR
Gains on sale of property, plant and equipment	1 136	502 489
Government grants received	-	358 790
Other income	688 052	668 011
	689 188	**1 529 290**

III. OTHER NOTES

(6) Other operating expenses

	2022 EUR	2021 EUR
Other expenses	633 942	218 935
	633 942	**218 935**

(7) Expenses by nature

	2022 EUR	2021 EUR
Materials	74 785 712	48 778 771
Employee expenses	11 624 759	10 305 014
Management services and expenses	2 766 149	2 433 359
Depreciation of non-current assets	2 122 180	2 372 128
Advertising and sales promotion expenses	2 672 697	2 222 854
Repair and maintenance expenses	703 846	655 685
Transportation expenses	910 564	723 826
Management of packaging	767 144	726 092
Real estate tax	150 639	161 355
Other expenses	5 932 267	4 316 522
	102 435 957	**72 695 606**

(8) Finance income / (costs)

	2022 EUR	2021 EUR
Interest income from related parties	1 324 323	1 429 765
Profit from exchange rate fluctuations, net	-	23 727
	1 324 323	**1 453 492**

	2022 EUR	2021 EUR
Interest expenses	64 963	83 242
Interest expenses to related parties	9 948	13 693
Loss from exchange rate fluctuations, net	1 299 419	-
	1 374 330	**96 935**

Net financial income / (costs)	**(50 007)**	**1 356 557**

III. OTHER NOTES (continued)

(9) Earnings per share

Since the Company has not executed any transactions that could cause changes in the share capital, which would change the amount of earnings per share, the adjusted earnings per share are equivalent to the basic earnings per share.

Earnings per share are calculated by dividing the net profit of the reporting year by the average number of shares in the reporting year.

	2022	**2021**
Profit attributed to shareholders of the Company (EUR)	6 332 122	8 731 267
Average annual number of shares	7 496 900	7 496 900
Earnings per share (EUR)	**0.84**	**1.16**

(10) Intangible assets

	Licences and software	**Other intangible investments**	**Intangible assets under development**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Initial cost				
31.12.2020	**1 354 788**	**-**	**7 610**	**1 362 398**
Additions	-		181 929	181 929
Disposals	(212 504)	-	(2 799)	(215 303)
Reclassification	11 705	-	(11 705)	-
31.12.2021	**1 153 989**	**-**	**175 035**	**1 329 024**
Additions	-	-	194 062	194 062
Disposals	-	-	(3 206)	(3 206)
Reclassification	167 590	198 301	(365 891)	-
31.12.2022	**1 321 579**	**198 301**	**-**	**1 519 880**
Accumulated amortisation				
31.12.2020	**(1 275 207)**	**-**	**-**	**(1 275 207)**
Amortisation	(34 291)	-	-	(34 291)
Disposals	211 665	-	-	211 665
31.12.2021	**(1 097 833)**	**-**	-	**(1 097 833)**
Amortisation	(50 588)	(10 519)	-	(61 107)
Disposals	-	-	-	-
31.12.2022	**(1 148 421)**	**(10 519)**	-	**(1 158 940)**
Net book value				
31.12.2021	**56 156**	**-**	**175 035**	**231 191**
31.12.2022	**173 158**	**187 782**	**-**	**360 940**

III. OTHER NOTES (continued)

(11) Property, plant and equipment and Investment property

	Lands and buildings EUR	Equipment and machinery EUR	Other assets EUR	Assets under construction EUR	Total EUR	Investment property EUR
Initial cost						
31.12.2020	**15 736 388**	**23 964 483**	**5 661 202**	**571 158**	**45 933 231**	**2 915 745**
Additions	-	-	-	2 518 712	2 518 712	-
Disposals	(22 562)	(1 060 742)	(887 407)	(3 444)	(1 974 155)	(2 915 745)
Reclassification	398 870	856 689	749 902	(2 005 461)	-	-
Reclassification to right-of use assets	-	(10 560)	(578 770)	(2 062)	(591 392)	-
Reclassification from right-of use assets	-	739 575	-	-	739 575	-
31.12.2021	**16 112 696**	**24 489 445**	**4 944 927**	**1 078 903**	**46 625 971**	-
Additions	-	2 095		2 737 323	2 739 418	-
Disposals	-	(141 068)	(156 142)	(11 583)	(308 793)	-
Reclassification	855 888	730 661	227 826	(1 814 374)	-	-
Reclassification from right-of use assets	-	1 031 554	-	-	1 031 554	-
31.12.2022	**16 968 584**	**26 112 687**	**5 016 610**	**1 990 269**	**50 088 150**	-
Accumulated depreciation						
31.12.2020	**(8 900 746)**	**(19 422 583)**	**(4 711 553)**	**(339 225)**	**(33 374 107)**	**(1 202 960)**
Depreciation	(424 694)	(769 681)	(356 987)	-	(1 551 362)	(69 388)
Disposals	21 373	1 023 482	870 736	-	1 915 591	1 272 348
Reclassification from right-of use assets	-	(257 424)	-	-	(257 424)	-
31.12.2021	**(9 304 067)**	**(19 426 206)**	**(4 197 804)**	**(339 225)**	**(33 267 302)**	-
Depreciation	(405 628)	(790 565)	(233 501)	-	(1 429 694)	-
Disposals	-	135 605	155 645	-	291 250	-
Reclassification from right-of use assets	-	(446 193)	-	-	(446 193)	-
31.12.2022	**(9 709 695)**	**(20 527 359)**	**(4 275 660)**	**(339 225)**	**(34 851 939)**	-
Net book value						
31.12.2021	**6 808 629**	**5 063 239**	**747 123**	**739 678**	**13 358 669**	**-**
31.12.2022	**7 258 889**	**5 585 328**	**740 951**	**1 651 044**	**15 236 211**	**-**

The gross carrying value of the fully depreciated property, plant, and equipment that is still in use is EUR 11 119 043 (31.12.2021: EUR 12 307 824).

The tangible assets and real estate owned by the Company in the total amount of EUR 15.2 million (EUR 7.3 million – land and buildings, EUR 7.9 million – movable assets) are pledged under conditions of the agreement of the Commercial and Mortgage pledge as the security for loans from the credit institutions (see also Note 17, Note 26).

OTHER NOTES (continued)

(12) Inventories

	31.12.2022 EUR	31.12.2021 EUR
Raw materials and consumables	16 600 862	12 194 852
Finished goods and goods for sale	16 440 851	13 681 695
Inventory in transit	183 913	363 849
Work in progress	120 442	19 342
Provisions	(1 406 246)	(1 350 845)
	31 939 822	**24 908 893**

Inventories are recognized at cost less provision for potential impairment. Movement in provisions for impairment is as follows:

	2022 EUR	2021 EUR
Provisions at the beginning of the year	1 350 845	1 084 192
Changes in provisions recognized in the income statement	55 401	266 653
Provisions at the end of the year	**1 406 246**	**1 350 845**

All inventories of the Company are pledged in accordance with the terms of Commercial pledge agreements as security for loans from the credit institutions (see also Note 17, Note 26).

(13) Trade receivables

	31.12.2022 EUR	31.12.2021 EUR
Trade receivables	2 278 125	1 607 643
Expected credit losses allowance	(228 865)	(296 138)
	2 049 260	**1 311 505**

For additional information about trade receivables see Note 28.

III. OTHER NOTES (continued)

(14) Other assets

Financial assets:		
Current		
Advance payments for goods and services	346 488	202 357
Other receivables	65 015	64 983
	411 503	**267 340**
Non-financial assets:		
Non-current		
Deferred expenses	65 055	178 305
Other receivables	1 287 846	245 020
	1 352 901	**423 325**
Current		
Deferred expenses	132 318	118 703
Accrued income	175 401	90 799
	307 719	**209 502**
Other non-current assets	**1 352 901**	**423 325**
Other current assets	**719 222**	**476 842**

(15) Share capital

As of 31 December 2022, and 31 December 2021 the registered and fully paid share capital is in the amount of EUR 10 495 660, which consists of 7 496 900 ordinary shares with a nominal value of EUR 1.4 each.

All shares guarantee equal rights to dividends, reception of liquidation quotas and voting rights in the shareholder's meeting. One share gives rights to 1 vote. 1 705 000 shares are registered shares in a form of paper. 5 791 900 shares are dematerialized. The Company, or someone else in its interest, does not hold its own shares. Shares are not convertible, exchangeable or guaranteed.

The Company's shares are quoted in the Nasdaq Riga AS stock exchange in the Secondary list. At the end of the financial period 5 791 900 shares were quoted. Shares are registered in Latvia. ISIN code LV0000100808. The total number of registered shareholders is more than 10 000.

All shares owned by the main shareholder of the Company Amber Beverage Group Holding S.à r.l., as well as any other shares that Amber Beverage Group Holding S.à r.l. may acquire in the future are pledged in accordance with terms of the Commercial pledge agreement as security for loans of the credit institutions (see Note 17).

III. OTHER NOTES (continued)

(16) Reserves

	31.12.2022 EUR	31.12.2021 EUR
Special purpose reserve fund **	5 311 774	5 311 774
Share capital denomination	171 468	171 468
Reorganisation reserve *	(3 164 419)	(3 164 419)
	2 318 823	**2 318 823**

* In 2015 the Company acquired from the related party within the SPI Group a real estate management company Daugavgrivas 7 SIA. After the acquisition, in order to reduce the administrative burden of the two companies' governance, the Company decided to carry out a merger with the subsidiary. As a result of the acquisition and following reorganisation, the negative reorganisation reserve in the amount of EUR 3 164 419 was recognised.

** On 8 September 2016, an extraordinary meeting of shareholders decided to amend the Company's Articles of Association, providing establishment of Special purpose reserves in the amount of EUR 5 311 774 for real estate and reorganization-related projects development and prevention of related risks. A Special purpose reserve in the amount of EUR 5 311 774 was established by contributions of shareholders and was incorporated into the Company's equity.

(17) Borrowings and lease liabilities

	31.12.2022 EUR	31.12.2021 EUR
Non-current		
AS "Luminor Bank"	-	579 980
Lease liabilities (see Note 26)	887 555	1 068 721
	887 555	**1 648 701**
Current		
AS "Luminor Bank"	579 980	310 704
Lease liabilities (see Note 26)	642 209	740 459
	1 222 189	**1 051 163**
Total borrowings and lease liabilities	**2 109 744**	**2 699 864**

Non-current borrowings and lease liabilities are maturing within 2-5 years.

III. OTHER NOTES (continued)

(17) Borrowings and lease liabilities (continued)

a) Loan from AS Luminor Bank Latvian branch

At the end of 2018, the Group completed the restructuring of its loan portfolio from AS Luminor Bank Latvian branch. As a result, in January 2019 the duration of the existing loan agreement was extended until 31 December 2023. The interest rate applied to the loan is EURIBOR plus 2.65%. The outstanding balance of the Company's liabilities as of 31 December 2022 was EUR 579 980 (31.12.2021 – EUR 890 684).

b) Collateral

The fulfilment of the Company's liabilities arising from the above loan agreement signed with AS Luminor Bank Latvian branch is secured and enforced by:
(i) a mortgage on the largest part of real estate owned by the Company;
(ii) a commercial pledge on all the Company's assets as the aggregation of property at the date of pledging and any future constituent parts thereof;
(iii) a pledge on all shares of the Company owned by the major shareholder Amber Beverage Group Holding S.à r.l. and any other shares that may be acquired in the future.

For information about the net book value of the real estate and assets under the commercial pledge see also Notes 11, 12, 24.

(18) Taxes payable

	31.12.2022 EUR	31.12.2021 EUR
Excise tax	24 152 137	20 513 890
Value added tax	2 373 962	1 561 098
The state compulsory social insurance contributions	586 227	274 516
Personal income tax	284 322	139 703
Other taxes	12 555	215
	27 409 203	**22 489 422**

(19) Other liabilities

	31.12.2022 EUR	31.12.2021 EUR
Accrued liabilities	1 379 756	961 130
Vacation accruals	703 713	625 510
Salaries	579 125	502 596
Other liabilities	309 106	237 144
	2 971 700	**2 326 380**

(20) Auditors remuneration

	2022 EUR	2021 EUR
Fees paid for audit and audit related services	35 208	29 532
	35 208	**29 532**

III. OTHER NOTES (continued)

(21) Average number of employees

	2022 EUR	2021 EUR
Average number of people employed during the financial year:		
Council members	5	5
Board members	2	2
Other employees	601	555
	608	**562**

(22) Remuneration to Board and Council members

	2022 EUR	2021 EUR
Salary	357 135	332 041
Mandatory state social insurance contributions	84 248	77 821
	441 384	**409 862**

The remuneration to the members of the Board and Council is stipulated in the Policy for Remuneration of the Board members (effective from 7 July 2020) and Policy for Remuneration of the Council members (effective from 27 June 2019).

(23) Transactions with related parties

The majority shareholder (the Parent company) of AS Amber Latvijas balzams, who as of 31 December 2022 owns 89.99% of share capital, is Amber Beverage Group Holding S.à r.l. (incorporated in Luxembourg). The ultimate parent company of the Group is S.P.I. Group Holding Ltd (incorporated in Cyprus), the ultimate beneficial owner – Mr. Yuri Schefler. Related parties of the Company are shareholders who could control or who have significant influence over the Company in accepting operating business decisions, key management personnel of the Company including members of Supervisory Board and close family members of any above-mentioned persons, as well as entities over which those persons have a control or significant influence.

For additional information about guaranties see Note 26.

a) Accounts receivable from related parties

	31.12.2022 EUR	31.12.2021 EUR
Parent company	-	823 790
Other related parties	60 108 353	63 770 085
	60 108 353	**64 593 875**

The receivables from related parties arise mainly from the sales of goods and services. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties (31.12.2021: nil).

b) Accounts payable to related parties

	31.12.2022 EUR	31.12.2021 EUR
Parent company	856 634	127 843
Other related parties	3 992 108	1 797 381
	4 848 742	**1 925 224**

III. OTHER NOTES (continued)

(23) Transactions with related parties (continued)

c) Sales of services and goods to related parties

	2022 EUR	2021 EUR
Other related parties	97 890 850	74 959 033
	97 890 850	**74 959 033**

The value of transactions is disclosed net of discounts, excise and value added tax. In 2021 revenue from the sale of goods and services also includes revenue from the disposal of long-term investments (investment property) for a total amount of EUR 2.14 million.

d) Purchase of services and goods from related parties

	2022 EUR	2021 EUR
Parent company	105 366	122 452
Other related parties	19 802 124	14 895 276
	19 907 490	**15 017 728**

e) Non-current loans to related parties

	31.12.2022 EUR	31.12.2021 EUR
Parent company	33 730 915	-
	33 730 915	**-**

The loan granted to Amber Beverage Group Holding S.à r.l. matures on 31 December 2026. The currency of the loan is EUR and the interest rate is 3%.

f) Current loans to related parties

	31.12.2022 EUR	31.12.2021 EUR
Parent company	45 603 382	66 128 256
Other related parties	829 683	1 168 022
	46 433 065	**67 296 278**

Current loans to the Parent company includes the positive cash-pool balance due from Amber Beverage Group Holding S.à r. l as the Group account holder.

III. OTHER NOTES (continued)

(24) Right-of-use assets

	Right-of-use assets Buildings	Right-of-use assets Machinery and equipment	Total	Lease liabilities
	EUR	EUR	EUR	EUR
As at 31 December 2020	**1 230 943**	**1 389 909**	**2 620 852**	**1 707 457**
Impact on change in assumptior	520 268	-	**520 268**	459 455
Additions	2 062	582 931	**584 993**	700 312
Reclassification	-	(475 751)	**(475 751)**	-
Depreciation expense	(549 609)	(167 478)	**(717 087)**	-
Interest expense	-	-	-	63 540
Payment interest	-	-	-	(26 693)
Payment	-	-	-	(1 094 891)
As at 31 December 2021	**1 203 664**	**1 329 611**	**2 533 275**	**1 809 180**
Impact on change in assumptior	450 070	-	**450 070**	450 070
Additions			**-**	-
Reclassification	-	(585 361)	**(585 361)**	-
Depreciation expense	(535 420)	(95 958)	**(631 379)**	-
Interest expense	-	-	-	(30 269)
Payment interest	-	-	-	26 574
Payment	-	-	-	(725 791)
As at 31 December 2022	**1 118 314**	**648 292**	**1 766 606**	**1 529 764**

See Note 17 for the breakdown of lease liabilities by maturity profile.

Negative variable lease payments represent the rent concessions granted by lessors within existing lease agreements due to Covid-19, where the Company has elected to use the practical expedient not to account for as lease medication.

III. OTHER NOTES (continued)

(25) Contingent liabilities

Contingent tax liabilities

At the moment of distribution of profits generated after 1 January 2018, the Company will calculate corporate income tax in the amount of 20/80 from the net amount payable to shareholders. Contingent tax liabilities as of 31 December 2022 are EUR 11 million (31.12.2021: EUR 9.4 million).

(26) Guarantees issued

The Company together with other group companies has provided security for liabilities of the Parent company Amber Beverage Group Holding S.à r.l. towards AS Luminor Bank Latvian branch under an overdraft agreement of 19 December 2018, with the maximum overdraft limit amounting to EUR 22.7 million.

The Company together with other group companies has provided security for liabilities of the Parent company Amber Beverage Group Holding S.à r.l. towards AS Luminor Bank Latvian branch regarding the financing of the purchase of Fabrica de Tequilas Finos S.A. de C.V. (since May 2022 – Amber Production Tequila S.A. de C.V.), which is a tequila manufacturing company in Mexico, which arise out of a novation agreement signed on 19 December 2018. The maximum secured limit is EUR 9.2 million.

On 27 April 2018, the Company's Parent company Amber Beverage Group Holding S.à r.l. signed a loan agreement with AS Luminor Bank Latvian branch to finance the purchase of Think Spirits Pty Ltd. (since April 2021 Amber Beverage Australia Pty Ltd.). The maximum secured limit is EUR 4.6 million.

As a result of the refinancing of the Group's liabilities towards AS Swedbank, on 3 December 2019 the Company's Parent company Amber Beverage Group Holding S.à r.l. signed with Credit Suisse AG an agreement on a loan of EUR 27 million. On 2 December 2021, an agreement was concluded, which provides for the extension of the repayment term of the existing loan agreement until 2 December 2023.

On 4 November 2022, the Company's parent company Amber Beverage Group Holding S.à r.l. signed with AS Signet Bank a loan agreement of EUR 10 million for the partial refinancing of existing obligations. The company, together with other companies of the Group, issued collateral with a maximum amount of EUR 16.3 million.

Before mentioned securities of liabilities will be valid till the complete settlement of the liabilities under the agreements.

According to the terms of the agreements, the Company receives a fee from the parent company for the provided collateral as a percentage of the total value of the collateral. If loans are guaranteed by multiple parties, the interest rate is calculated on a proportionate basis, depending on the value of the assets of the guarantors.

Considering the financial position of the Group companies, it is not expected that the Company will be required to execute the guarantees; accordingly, no provisions have been recognized for these contingent liabilities in the financial statements.

Most of the Company's movable properties and real estate have been pledged in favour of Credit Suisse AG as security for the loan obtained at the Group level. The security will be valid till the complete settlement of the liabilities under the agreement. According to the mutual agreements, the Company receives remuneration from the parent for the collateral provided as a percentage of the total collateral value.

Information about net book value of real estate and assets under commercial pledge in Notes 11, 12, and 24.

III. OTHER NOTES (continued)

(27) Financial assets and financial liabilities

This note provides information about the Company's financial instruments, including a summary of all financial instruments held by the Company, specific information about each type of financial instrument and information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

The Company holds the following financial instruments:

On 31 December 2022

	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	EUR	EUR	EUR
Financial assets:			
Loans to related parties	80 163 980	-	**80 163 980**
Cash and cash equivalents	150 931	-	**150 931**
Trade and other receivables	62 569 116	-	**62 569 116**
	142 884 027	**-**	**142 884 027**
Financial liabilities:			
Borrowings:			
(i) Lease liabilities	-	(1 529 764)	**(1 529 764)**
(ii) Loans from credit institutions	-	(579 980)	**(579 980)**
Trade payables	-	(20 746 300)	**(20 746 300)**
	-	**(22 856 044)**	**(22 856 044)**

On 31 December 2021

	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	EUR	EUR	EUR
Financial assets:			
Loans to related parties	67 296 278	-	**67 296 278**
Cash and cash equivalents	88 909	-	**88 909**
Trade and other receivables	66 172 720	-	**66 172 720**
	133 557 907	**-**	**133 557 907**
Financial liabilities:			
Borrowings:			
(i) Lease liabilities	-	(1 809 180)	**(1 809 180)**
(ii) Loans from credit institutions	-	(890 684)	**(890 684)**
Trade payables	-	(8 929 800)	**(8 929 800)**
	-	**(11 629 664)**	**(11 629 664)**

The Company's exposure to various risks associated with the financial instruments is discussed in Note 28.

III. OTHER NOTES (continued)

(28) Financial and capital risk management

Fair value of financial assets and financial liabilities

Due to the short-term nature of cash and cash equivalents, trade receivables, trade payables, and other current financial assets and liabilities their carrying amounts largely approximate their fair value. For non-current financial assets and liabilities, the fair values are also not significantly different from their carrying amounts. The fair values were estimated based on cash flows discounted using the current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

All Company's financial assets and financial liabilities are classified in Level 3 excluding cash and cash equivalents that are classified in Level 2.

On 31 December 2022

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets:				
Loans to related parties	-	-	80 163 980	**80 163 980**
Cash and cash equivalents	-	150 931	-	**150 931**
Trade and other receivables	-	-	62 569 116	**62 569 116**
	-	**150 931**	**142 733 096**	**142 884 027**
Financial liabilities:				
Borrowings:				
(i) Lease liabilities	-	-	(1 529 764)	**(1 529 764)**
(ii) Loans from credit institutions	-	-	(579 980)	**(579 980)**
Trade payables	-	-	(20 746 300)	**(20 746 300)**
	-	**-**	**(22 856 044)**	**(22 856 044)**

On 31 December 2021

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets:				
Loans to related parties	-	-	67 296 278	**67 296 278**
Cash and cash equivalents	-	88 909	-	**88 909**
Trade and other receivables	-	-	66 172 720	**66 172 720**
	-	**88 909**	**133 468 998**	**133 557 907**
Financial liabilities:				
Borrowings:				
(i) Lease liabilities	-	-	(1 809 180)	**(1 809 180)**
(ii) Loans from credit institutions	-	-	(890 684)	**(890 684)**
Trade payables	-	-	(8 929 800)	**(8 929 800)**
	-	**-**	**(11 629 664)**	**(11 629 664)**

III. OTHER NOTES (continued)

(28) Financial and capital risk management

Foreign exchange risks

The Company operates internationally and is exposed to foreign currency risk arising mainly from the U.S. dollar, Russian rouble, and pound Sterling fluctuations mainly from the purchase of raw materials and consumables.

The Company's significant open currency position at the end of the reporting year is:

	31.12.2022 EUR	**31.12.2021 EUR**
Financial assets, USD	122 482	749 509
Financial liabilities, USD	(1 946 521)	(242 237)
Open position USD, net	**(1 824 039)**	**507 272**
Open position USD calculated in euro, net	**(1 710 219)**	**447 871**
Financial liabilities, GBP	-	(100 675)
Open position GBP net	**-**	**(100 675)**
Open position GBP calculated in euro, net	**-**	**(119 804)**
Financial assets, RUB	(13 996 604)	-
Open position RUB, net	**(13 996 604)**	**-**
Open position RUB calculated in euro, net	**(184 755)**	**-**

The following table demonstrates the sensitivity to a reasonably possible change in currency rates on outstanding foreign currency financial assets and liabilities. With all the other variables held constant the Company’s profit before tax is affected as follows:

	2022		**2021**	
	Change in exchange rates	**Effect on equity EUR**	**Change in exchange rates**	**Effect on equity EUR**
USD	+10%	171 022	+10%	(44 787)
	-10%	(171 022)	-10%	44 787
GBP	+10%	-	10%	11 980
	-10%	-	-10%	(11 980)
RUB	+10%	18 476	10%	-
	-10%	(18 476)	-10%	-

III. OTHER NOTES (continued)

(28) Financial and capital risk management (continued)

Interest rate risks

The Company is exposed to interest rate risk as the main part of the liabilities are interest bearing borrowings with variable interest rate.

	31.12.2022 EUR	**31.12.2021 EUR**
Financial liabilities with variable interest rate, EUR	(2 109 744)	(2 699 864)
Total financial liabilities, EUR	**(2 109 744)**	**(2 699 864)**

The following table demonstrates the sensitivity to a reasonably possible change in interest rate on outstanding financial liabilities. According to the current agreements, the variable interest rate is set at 3 months EURIBOR. With all the other variables held constant the Company's profit before tax is affected as follows:

	2022		**2021**	
	Increase/ decrease in basis points	**Effect on profit before tax EUR**	**Increase/ decrease in basis points**	**Effect on profit before tax EUR**
EUR	+30	(7 214)	+30	(8 413)
	-30	7 214	-30	8 413

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate due to other market factors. The Company's management monitors the market fluctuations on a continuous basis and acts accordingly but does not enter any hedging transactions.

Credit risk

Financial assets, which potentially expose the Company to a certain degree of credit risk concentration are primarily cash, trade receivables, receivables from the related parties and loans. The Company's policy provides that the goods are sold, and services are provided to customers with appropriate credit history. If there is no independent rating available, risk control assesses the credit quality of the customer, considering its financial position, experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Company. The compliance with credit limits by customers is regularly monitored by line management. For the bank transactions only the local and foreign financial institutions with appropriate ranking are accepted.

III. OTHER NOTES (continued)

(28) Financial and capital risk management (continued)

Maximum exposure to credit risk:

	31.12.2022 EUR	**31.12.2021 EUR**
Issued loans to related companies	80 163 980	67 296 278
Trade receivables - related companies	60 108 353	64 593 875
Financial guarantees issued	-	-
Trade receivables - non-related parties	2 049 260	1 311 505
Other current assets	411 690	267 340
Cash	150 931	88 909
	142 884 214	**133 557 907**

The largest concentration of credit risk arises from the debts of related parties: on 31 December 2022 98% of the total trade receivables related to Group companies (31.12.2021: 98%). Taking into account the strong financial position of the related parties, no lifetime expected credit loss allowance for receivables from the related parties has been recognized as the Company's management believes that the credit risk is considered to be immaterial.

Trade receivables

To measure the expected credit losses (ECL), trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. On that basis, the lifetime expected credit loss allowance as of 31 December 2022 and 31 December 2021 was determined for trade receivables, as follows:

III. OTHER NOTES (continued)

(28) Financial and capital risk management (continued)

Trade receivables (continued)

31.12.2022.	Total	Not due	1-90 days	91-180 days	181-270 days	270-360 days	>361 days
Gross carrying amount - Trade receivables	2 278 125	1 735 643	335 593	(3)	22 122	-	184 769
ECL rate		0.78%	2.50%	25.00%	100.00%	100.00%	100.00%
ECL allowance	(228 865)	(13 585)	(8 390)	1	(22 122)	-	(184 769)

31.12.2021.	Total	Not due	1-90 days	91-180 days	181-270 days	270-360 days	>361 days
Gross carrying amount - Trade receivables	1 607 643	1 136 656	283 145	-	188	-	187 654
ECL rate		3.69%	25.00%	65.00%	100.00%	100.00%	100.00%
ECL allowance	(296 138)	(37 510)	(70 786)	-	(188)	-	(187 654)

The closing expected credit loss allowances for trade receivables reconcile to the opening expected credit loss allowances as follows:

	2022 EUR	2021 EUR
Balance at the beginning of the year	296 138	180 011
Increase / (decrease) in ECL	(67 273)	116 127
Balance at the end of the year	**228 865**	**296 138**

Maturity analysis of receivables from related companies:

	Gross amount	ECL allowance	Trade receivables, net	split to: not due	Past due < 90 days	Past due 90-180 days	Past due > 180 days
31.12.2022.							
Related parties	60 108 353	-	60 108 353	26 984 289	9 242 811	7 006 606	16 874 647
31.12.2021.							
Related parties	64 593 875	-	64 593 875	20 562 905	29 497 942	12 435 721	2 097 308

Receivables from the related parties do not involve material credit risk as there is no evidence that would indicate expected credit loss.

III. OTHER NOTES (continued)

(28) Financial and capital risk management (continued)

Liquidity risk

The Company manages its liquidity risk by arranging an adequate amount of committed credit and loans, planning payment terms for trade payables, developing and analysing future cash flows comprising both the existing and planned loans, as well as interest payable on such loans. On 31 December 2022, the Company's current assets exceeded its current liabilities by EUR 88 839 301 (31.12.2021: EUR 123 879 537). The Company's management believes that the Company will have sufficient cash resources to ensure appropriate liquidity.

The following table shows the maturity structure of financial liabilities of the Company that is based on non-discounted cash flows:

On 31 December 2022	**Less than 1 year**	**Between 2 and 5 years**	**Total contractual cash-flows**	**Carrying amount**
	EUR	**EUR**	**EUR**	**EUR**
Interest bearing borrowings	595 350	-	595 350	579 980
Leases	647 193	888 487	1 535 680	1 529 764
Trade payables	15 897 558	-	15 897 558	15 897 558
Payables to related parties	4 848 742	-	4 848 742	4 848 742
	21 988 842	**888 487**	**22 877 329**	**22 856 044**

On 31 December 2021	**Less than 1 year**	**Between 2 and 5 years**	**Total contractual cash-flows**	**Carrying amount**
	EUR	**EUR**	**EUR**	**EUR**
Interest bearing borrowings	334 307	595 350	929 656	890 684
Leases	745 443	1 069 653	1 815 096	1 809 180
Trade payables	7 004 576	-	7 004 576	7 004 576
Payables to related parties	1 925 224	-	1 925 224	1 925 224
	10 009 550	**1 665 002**	**11 674 552**	**11 629 664**

III. OTHER NOTES (continued)

(28) Financial and capital risk management (continued)

Capital management

The Company's management manages the capital structure on an ongoing basis. During the reporting period, there were no changes in capital management objectives, policies, or processes.

The Company's management controls the net debt to equity (gearing ratio). During the reporting year, this figure has remained at 1% (2021: 2%), confirming the Company's stability.

	31.12.2022 EUR	31.12.2021 EUR
Total borrowings (long-term and short-term loans)	2 109 744	2 699 864
Less cash and cash equivalents	(150 931)	(88 909)
Net debt	1 958 813	2 610 955
Equity	140 611 279	138 777 297
Total capital (equity and net loans)	**142 570 092**	**141 388 252**
Net debt to equity	1%	2%
Equity ratio on total assets	73%	79%

	Cash and cash equivalents EUR	Lease due after 1 year EUR	Lease due within 1 year EUR	Borrowings due after 1 year EUR	Borrowings due within 1 year EUR	Total EUR
Net debt as at 31 December 2020	**279 563**	**(771 951)**	**(935 506)**	**(890 684)**	**(310 946)**	**(2 629 524)**
Cash flows	(190 654)	-	1 094 890	-	(310 704)	**593 532**
New lease contracts	-	1 285 305	-	-	-	**1 285 305**
Other non-cash movement	-	(1 582 075)	(899 843)	310 704	310 946	**(1 860 268)**
Net debt as at 31 December 2021	**88 909**	**(1 068 721)**	**(740 459)**	**(579 980)**	**(310 704)**	**(2 610 955)**
Cash flows	62 022	-	725 791	-	(310 704)	**477 109**
New lease contracts	-	-	-	-	-	**-**
Other non-cash movement	-	181 166	(627 541)	579 980	41 428	**175 033**
Net debt as at 31 December 2022	**150 931**	**(887 555)**	**(642 209)**	-	**(579 980)**	**(1 958 813)**

III. OTHER NOTES (continued)

(29) Distribution of profit proposed by the Board

Profit share to be distributed	EUR 6 332 122
Proposed profit distribution:	
- Keep undistributed	EUR 6 332 122

(30) Subsequent events

There were no other subsequent events since the last date of the financial year until the date of signing of these financial statements, which would have a significant effect on the financial position of the Company as of 31 December 2022.

The Annual Report was prepared by the Chief Accountant Svetlana Kutuzova (Amber Beverage Group SIA).

The Financial statements of the Company set out on pages 19 to 57 were signed on 28 April 2023 by:

On behalf of the Board:

Intars Geidāns
Chairman of the Board

Svetlana Kutuzova
Chief accountant
Amber Beverage Group SIA

INDEPENDENT AUDITOR'S REPORT