



**Joint Stock Company
SIGULDAS CILTSLIETU UN
MĀKSLĪGĀS APSĒKLOŠANAS
STACIJA**

**INTERIM REPORT
for Six Months of 2016**

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Information on the Company

Company's name	<i>SIGULDAS CILTSLIETU UN MĀKSLĪGĀS APSEĶĻOŠANAS STACIJA</i>
Company's legal status	<i>Joint stock company</i>
Registration number, place and date	<i>40003013295, Riga, 26 July 1991</i> <i>Registration in the Commercial Register on 19 June 2004</i>
Legal address	<i>'Kalnabeites' 8, Sigulda parish, Sigulda municipality, LV-2150</i>
Shareholders holding more than 5% of the total number of voting shares	<i>'Siguldas mākslīgās apsēklošanas stacija' Ltd. (49.92%), registration No. 40003311954</i> <i>Oļegs Radčenko (5.18%)</i>
Members of the Management Board	<i>Nils Ivars Feodorovs, Chairman of the Management Board</i> <i>Sarmīte Arcimoviča, Member of the Management Board</i> <i>Valda Mālniece, Member of the Management Board</i>
Members of the Supervisory Board	<i>Inīta Bedrīte, Chairman of the Supervisory Board</i> <i>Maija Beča, Deputy Chairman of the Supervisory Board</i> <i>Ērika Everte, Member of the Supervisory Board</i> <i>Solvīta Arcimoviča, Member of the Supervisory Board</i> <i>Jekaterina Kreise, Member of the Supervisory Board</i>
Reporting period	<i>01.01.2016 – 30.06.2016</i>
Previous reporting period	<i>01.01.2015 – 30.06.2015</i>
Auditors	<i>Vija Dzene</i> <i>Sworn Auditor</i> <i>Certificate No. 108</i> <i>V. Dzenes Audits Ltd.</i> <i>Hospitalu street 8</i> <i>Riga, LV-1013, Latvia</i> <i>Sworn Auditors' Commercial Company's license No. 120</i>

Management Report

The proportion of the Company's basic activities, if compared to the first six months of 2015, does not show any significant changes – the production and sale of bull semen comprised 50.8 % of its net turnover in the accounting period, while the milk testing and data processing services collectively comprised 37.8 % of the Company's net turnover.

Company's net turnover in the first six months of 2016 was 522.8 thousand euros, showing a decrease of 4.0 % against the corresponding period in 2015, whereas Company's profit before taxes was 52.9 thousand euros – by 27.2 % or 19.7 thousand euros lower compared to the corresponding period in 2015.

The commercial profitability in the first three months of 2016 was 10.1 %, compared to 13.3 % in the corresponding period in 2015.

Nils Ivars Feodorovs
*Chairman of the Management
Board*

Sarmīte Arcimoviča
*Member of the Management
Board*

Valda Mālniece
*Member of the Management
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10 August 2016

Profit or loss account for the period ended 30 June 2016

	Note	2016 EUR	2015 EUR
Net sales	3	522 842	544 367
Changes in stock of ready-made goods and unfinished products	4	19 453	25 381
Other operating income	5	5 517	5 476
Costs of materials:		(234 564)	(233 175)
a) raw materials and auxiliary costs of materials		(178 583)	(177 599)
b) other external costs		(55 981)	(55 576)
Personnel costs:	6	(219 253)	(223 067)
a) salaries for work		(172 322)	(175 300)
b) state social insurance compulsory contributions		(38 191)	(38 940)
c) other social insurance costs		(8 740)	(8 827)
Write-off of assets and values:		(23 026)	(22 936)
a) depreciation of fixed assets and amortization of intangible assets		(22 958)	(22 936)
b) write-off of value of current assets above the normal deductions		(68)	-
Other operating costs	7	(26 086)	(24 119)
Other interest income and similar income	8	10 329	2 980
Interest payments and similar costs	9	(2 311)	(2 260)
Profit or losses before taxes		52 901	72 647
Enterprise income tax for the reporting year		(11 598)	(10 358)
Other taxes	10	(1 845)	(1 854)
The profit or loss for the year		39 458	60 435
Equity per 1 share (EPS)	21	0.093	0.143

Notes on pages 10 to 23 form an integral part of these financial statements.

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10 August 2016

Balance sheet as at 30 June 2016

Assets	Note	2016 EUR	2015 EUR
Long-term investments			
Intangible assets			
Concessions, patents, licenses, trademarks and similar rights		1 502	-
Intangible assets total	11	1 502	-
Fixed assets			
Land parcels, buildings and constructions and perennial plantings		117 932	133 202
Equipment and machinery		38 133	40 490
Other fixed assets and inventory		10 908	12 997
Fixed assets total	12	166 973	186 689
Investment properties	13	94 000	112 000
Biological assets		71 879	77 710
Long-term financial investments			
Investments in capital of associated companies	14	84 053	83 954
Other securities and investments	15	683	683
Long-term financial investments total		84 736	84 637
Long-term investments total		419 090	461 036
Current assets			
Stock			
Raw materials, basic materials and auxiliary materials		10 031	14 005
Ready-made goods and goods for sale	16	599 589	561 534
Prepayments for goods		486	131
Stock total		610 106	575 670
Receivables			
Trade receivables	17	236 914	257 430
Other receivables	18	8 151	2 610
Prepaid expenses	19	3 380	3 304
Receivables total		248 445	263 344
Cash	20	314 964	260 232
Current assets total		1 173 515	1 099 246
Assets total		1 592 605	1 560 282

Balance sheet as at 30 June 2016

Shareholders' equity and liabilities	Note	2016 EUR	2015 EUR
Shareholders' equity			
Share capital	21	591 416	591 416
Other reserves	23	1 213	1 213
Retained earnings:			
Retained earnings carried forward from previous years		850 185	816 761
Retained earnings of the reporting year		39 458	60 435
Shareholders' equity total		1 482 272	1 469 825
Provisions			
Other provisions	23	7 399	7 483
Provisions total		7 399	7 483
Payables			
Long-term payables			
Deferred tax liabilities	24	2 729	3 840
Long-term payables total		2 729	3 840
Short-term payables			
Prepayment received from customers		371	352
Trade payables		58 525	28 053
Taxes and social insurance payments	25	28 532	35 630
Other payables		12 777	15 099
Short-term payables total		100 205	79 134
Payables total		102 934	82 974
Shareholders' equity and liabilities total		1 592 605	1 560 282

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10 August 2016

Cash flow statement for the period ended 30 June 2016

	Note	2016 EUR	2015 EUR
Cash flow from operating activities			
Income from sale of goods and provision of services		574 609	552 657
Payments to suppliers, employees, other expenses arising from basic operations		(555 373)	(579 286)
Gross cash flow from basic operations		19 236	(26 629)
Expenses for enterprise income tax payments		(10 167)	(21 306)
Net cash flow from operating activities		9 069	(47 935)
Cash flow from investing activities			
Purchase of fixed assets and intangible investments		(7 236)	(5 261)
Income from exclusion of fixed assets		826	500
Purchase of capital shares of associated company		(99)	-
Received dividends		15	-
Net cash flow from investing activities		(6 494)	(4 761)
Cash flow from financing activities			
Subsidies received as a state support		4 691	4 976
Dividends paid		(42 244)	(50 693)
The difference of the share value – resulting from the denomination of the Company's shares – paid		-	(8 449)
Net cash flow from financing activities		(37 553)	(54 166)
Result of foreign exchange rate fluctuations		(67)	(46)
Increase/ decrease of cash and its equivalents		(35 045)	(106 908)
Cash and its equivalents at the beginning of the period		350 009	367 140
Cash and its equivalents at the end of the period	20	314 964	260 232

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10 August 2016

**Statement on changes in shareholders' equity for the period ended
30 June 2016**

	Share capital	Other reserves	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR	EUR
31.12.2014	601 078	-	711 538	155 916	1 468 532
Profit for 2014 transferred to retained earnings of previous years	-	-	155 916	(155 916)	-
Dividends for 2014	-	-	(50 693)	-	(50 693)
The denomination of the Company's shares from lats to euro	(9 662)	1 213	-	-	(8 449)
Retained earnings for the reporting year	-	-	-	60 435	60 435
30.06.2015	591 416	1 213	816 761	60 435	1 469 825
31.12.2015	591 416	1 213	816 761	75 668	1 485 058
Profit for 2015 transferred to retained earnings of previous years	-	-	75 668	(75 668)	-
Dividends for 2015	-	-	(42 244)	-	(42 244)
Retained earnings for the reporting year	-	-	-	39 458	39 458
30.06.2016	591 416	1 213	850 185	39 458	1 482 272

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10 August 2016

Notes to the Financial Statements

(1) General information on the Company

JSC 'Siguldas ciltslietu un mākslīgās apsēklošanas stacija' (hereinafter - the Company) was registered in the Register of Enterprises of the Republic of Latvia on 26 July 1991 and was reregistered in the Commercial Register of the Republic of Latvia on 19 June 2004.

The Company's basic activities are agriculture and the types of business are as follows:

- production and sale of agricultural products – high-quality breeding animals semen,
- making of milk analyses,
- evaluation of cow exterior,
- artificial insemination of cows,
- milk recording data processing,
- animals breeding organization.

(2) Significant accounting principles

Underlying principles of preparation of the Financial Statements

The Company's Financial Statements have been prepared according to the Law *On Annual Reports* of the Republic of Latvia. The Profit or Loss Account was prepared based on the period costs method. The Cash Flow Statement was prepared according to the direct method.

Accounting principles used

The items of the Financial Statements have been evaluated according to the following accounting principles:

- It is assumed that the Company will be a going concern;
- The same evaluation methods have been used, which were used in the previous year;
- Evaluation was done with sufficient prudence:
 - The Financial Statements include solely the profit gained until the balance sheet date,
 - All expected risk amounts and losses have been taken into account, which occurred during the reporting year or in previous years, also if they were known during a certain period of time between the balance sheets date and the day of preparing the Financial Statements,
 - All value decreasing and depreciation amounts have been taken into account irrespective whether the reporting year was closed with profit or loss;
- reporting year related income and costs were recognized irrespective of the payment date and the date of receipt or issuance of invoice. Costs have been agreed with the income in the reporting period;
- components of asset and liabilities items have been recognized separately;
- the opening balance of the reporting year agrees with the closing balance of the previous year;
- all items have been recognized, which materially influence assessment or decision-making process of the users of the annual report, insignificant items are merged and they are detailed in the Appendix;
- operating transactions in the reporting year have been recognized in the Financial Statements by taking into account their economic substance and contents, rather than legal form.

Financial instruments

Fair value of financial assets and liabilities

Fair value of financial assets and liabilities reflect the amount, for which it is possible to exchange assets or perform liabilities in a deal between well informed, interested and financially independent persons. If in the Company's management opinion, fair value of financial assets and liabilities materially differs from the value recognized in the balance sheet, then the fair value of these assets and liabilities is recognized in the Notes to the Financial Statements.

Notes to the Financial Statements

Financial risks management

Credit risk

The Company's management has developed credit policy, which is constantly controlled. Client evaluation is done for all customers above a fixed amount. The Company cooperates with clients who have proper credit assessment.

Currency risk

Based on the current structure of Company's financial assets and liabilities held in foreign currencies, the currency risk is not material.

Reporting period

The reporting period is six months from 1 January to 30 June 2016.

Revaluation of foreign currencies

The Company's functional currency and the currency used in the Financial Statements is euro (EUR) – the sole legal mean of payment in the Republic of Latvia since January 1, 2014. All transactions in foreign currencies are converted into euro according to the euro foreign exchange reference rate published by the European Central Bank on the day of particular transaction being performed.

Monetary assets and liabilities, which are shown in foreign currencies, are converted into euro according to the fixed euro foreign exchange reference rate published by the European Central Bank on the last day of the reporting period.

	30.06.2016	30.06.2015
USD	1.11020	1.11890

Currency exchange rate differences arising from settlements in currencies or when recognizing assets and liabilities by using currency exchange rates, which differ from the initial currency exchange rates used for accounting of transactions, are recognized in the profit or loss account in net value.

Recognition of income

Income is recognized according to the conviction about the Company's possibility to gain economic benefit and in the amount, in which it is possible to state it, less value added tax and sales-related discounts. When recognizing income, also the following provisions are taken into account.

Sale of goods

Income is recognized when the Company has transferred to the purchaser major risks and indemnities related to the title of goods.

Provision of services

Income from services is recognized in the period when the services are provided.

Penalty and delay charges

Income from penalty and delay charges is recognized at the moment of their receipt.

Interest

Income is recognized according to the respective period of time.

Long-term and short-term items

Long-term items include amounts whose receipt, payments or write-off terms are due later after the end of the respective reporting year. Amounts, which are receivable, payable or written off during the year, are recognized in short-term items.

Notes to the Financial Statements

Leasing transactions

Financial leasing

In cases when fixed assets are purchased on the conditions of financial leasing and the related risks and return are taken over, these fixed assets are recognized in the value, for which they could be purchased with immediate payment. Leasing interest payments and similar payments are included in the profit or loss account of that period when they occurred.

Intangible assets and fixed assets

In the balance sheet, all intangible assets and fixed assets are reflected at their purchase prices, less depreciation. Depreciation is calculated from the first date of the next month after their commissioning and finished on the first date of the subsequent month after it is excluded from fixed assets. Depreciation is calculated according to the straight line method and is written off during the useful life time of respective fixed assets by choosing the following annual depreciation rates as fixed by the management:

Intangible assets:

Licenses	5 years
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Fixed assets:

Buildings and constructions	10, 20, 25, 40 and 59 years
Equipment and machinery	5, 6 and 7 years
Computer hardware and communication equipment	5 years
Inventory and tools	3 and 5 years
Other fixed assets	2 and 3 years

Balances of fixed assets have been counted in the annual count of fixed assets.

Investment properties

Investment properties – land in possession of the stock company, which market value is expected to grow. Investment properties have been filed according to their purchase value. No later than on the end of the year of account the investments properties are being revalued according to their real market value considering any other activities related to particular property. Any changes in the market value of the investments properties are being shown in the profit and loss account.

Biological assets

Biological assets are assets, which are characterized by regeneration and changes in value as a result of growth. The Company in biological assets includes breeding animals – bulls, which are kept for getting agricultural products for sale. Biological assets are recognized in the purchase value.

Stock

Stock is recognized in the lowest cost or net sales value. All stock is assessed by using the average weighted method.

Net sales value is the sales price of stock fixed during normal Company's operations, less the stock completion and selling costs. In cases when the stock net selling value is lower than their cost price, provisions are made for these stocks for decrease of their value down to the net sales value.

All direct costs, which are related to production of breeding animals - bull semen, during the year are booked in the profit or loss account and are adjusted at the end of the year when evaluating stocks according to the lowest sales value or cost price and including them in stocks as "Ready-made goods and goods for sale".

Notes to the Financial Statements

Trade receivables and other receivables

Receivables are recognized in the balance sheet in the amortized value, less provisions for doubtful and bad debts. Provisions for doubtful and bad debts are made in cases when there is objective evidence to the fact that the Company will not be able to receive the debts in full value according to the initially fixed repayment dates. Provisions for doubtful and bad debts are the difference between the amortized purchase value of receivables and the recoverable value. The recoverable value of receivables is the current value of planned cash flow.

Provisions

Provisions are recognized when the Company has liabilities (legal or substantial) due to some past event and there is a probability that the performance of these liabilities will require outflow of economic resources from the Company, and the amount of liabilities can be fairly assessed.

Corporate income tax

Corporate income tax for the reporting period consists of the tax calculated for the reporting period and deferred tax. Corporate income tax is recognized in the profit or loss account.

Calculated tax

The tax calculated for the reporting period has been calculated in compliance with the requirements of the Law "On Corporate Income Tax" by fixing the taxable income and applying the statutory rate of 15%.

Deferred tax

Deferred corporate income tax is calculated for temporary time differences, which are caused due to differences in the value of assets and liabilities in the financial statements (book-keeping) and its value for tax purposes. The mentioned differences are mainly due to different fixed assets depreciation rates applied in tax and financial accounting, provisions made and losses transferred according to the Company's income tax declaration. Deferred tax is calculated by applying the statutory tax rate 15%.

Subsidies

Amounts, which are received as a state support for agricultural, i.e., for covering of expenses for maintaining high-quality breed bulls, are included in the income of that reporting period when they are received.

Use of assumptions

When preparing the financial statements, the Company's management has to make calculations and assumptions, which impact recognition of assets and liabilities included in the financial statements as at the day of preparing the financial statements, as well as the income and expenses recognized in the specific reporting period. Management has made profit or loss assessment and considers that the financial statements reflect the true financial condition based on all currently available information.

Notes to the Financial Statements

(3) Net sales

Sales include income gained during the year from the Company's basic activities – sales of products and provision of services without value added tax and less discounts.

Type of operations	2016 EUR	2015 EUR
Livestock sperm	265 610	275 259
Milk laboratory services	140 785	141 474
Treatment of supervisory data	56 807	58 506
Cow exterior appraisal	465	2 898
Artificial insemination of livestock	19 911	21 865
Other income	39 264	44 365
	522 842	544 367

Distribution of net sales according to the geographical markets:

	2016 EUR	2015 EUR
Latvia	522 842	544 367
	522 842	544 367

Earnings from agricultural activities represented in net sales:

	2016 EUR	2015 EUR
Earnings from agricultural activities	522 842	544 367
	522 842	544 367

(4) Changes in stock of ready-made goods and unfinished products

	2016 EUR	2015 EUR
Changes in sperm stock value	9 353	21 146
Changes in stud bull herd value	10 100	4 235
	19 453	25 381

(5) Other operating income

	2016 EUR	2015 EUR
Revenue from exclusion of fixed assets	826	500
State support for agricultural	4 691	4 976
	5 517	5 476

Notes to the Financial Statements

(6) Personnel costs

	2016 EUR	2015 EUR
Salaries for work	165 210	168 560
Life insurance with cash value accrual	7 112	6 740
State social insurance contributions	38 191	38 940
Health insurance	7 583	7 432
Other costs	1 157	1 395
	219 253	223 067

(7) Other operating expenses

	2016 EUR	2015 EUR
Insurance payments	3 808	1 428
Business trip expenses	2 817	684
Selling expenses	1 641	1 335
The costs of accreditation and employee training	1 003	1 045
The costs of security services	635	635
Taxes applied on the vehicles	166	299
Company's management and administrative expenses	6 987	7 699
Regulated securities market expenses	4 945	6 080
Other costs	4 084	4 914
	26 086	24 119

(8) Other interest income and similar income

	2016 EUR	2015 EUR
Income from shareholding in the company capitals	15	-
Income from foreign currency exchange rate fluctuations	-	1 027
Recovered doubtful and bad debts	10 312	1 953
Other income	2	-
	10 329	2 980

Notes to the Financial Statements

(9) Interest payments and similar costs

	2016 EUR	2015 EUR
Losses from foreign currency exchange rate fluctuations	10	-
Employees' leisure and other costs not connected with operating activities	2 301	2 260
	2 311	2 260

(10) Other taxes

	2016 EUR	2015 EUR
Real estate tax	1 845	1 854
	1 845	1 854

(11) Intangible assets

	Concessions, patents, licenses, trademarks and similar rights EUR	Total EUR
Initial value		
31.12.2015	2 725	2 725
Purchased	-	-
Disposed	-	-
30.06.2016	2 725	2 725
Accrued depreciation		
31.12.2015	1 053	1 053
Calculated depreciation	170	170
Depreciation of excluded investments	-	-
30.06.2016	1 223	1 223
Book value as at 31.12.2015	1 672	1 672
Book value as at 30.06.2016	1 502	1 502

Notes to the Financial Statements

	Concessions, patents, licenses, trademarks and similar rights EUR	Total EUR
Initial value		
31.12.2014	1 025	1 025
Purchased	-	-
Disposed	-	-
30.06.2015	1 025	1 025
Accrued depreciation		
31.12.2014	1 025	1 025
Calculated depreciation	-	-
Depreciation of excluded investments	-	-
30.06.2015	1 025	1 025
Book value as at 31.12.2014	-	-
Book value as at 30.06.2015	-	-

(12) Report on movement of fixed assets

	Land, buildings and constructions EUR	Technological equipment and machinery EUR	Other fixed assets EUR	Total EUR
Initial value				
31.12.2015	378 017	476 207	124 577	978 801
Purchased	-	2 462	4 774	7 236
Disposed	-	(5 943)	(954)	(6 897)
30.06.2016	378 017	472 726	128 397	979 140
Accrued depreciation				
31.12.2015	252 450	429 426	114 400	796 276
Calculated depreciation	7 635	11 110	4 043	22 788
Depreciation of excluded fixed assets	-	(5 943)	(954)	(6 897)
30.06.2016	260 085	434 593	117 489	812 167
Book value as at 31.12.2015	125 567	46 781	10 177	182 525
Book value as at 30.06.2016	117 932	38 133	10 908	166 973

As at 30 June 2016, the cadastral value of **real estate – land and constructions** - was EUR 158 087

Notes to the Financial Statements

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Initial value				
31.12.2014	378 017	458 136	121 028	957 181
Purchased	-	-	5 261	5 261
Disposed	-	-	(1 395)	(1 395)
30.06.2015	378 017	458 136	124 894	961 047
Accrued depreciation				
31.12.2014	237 125	405 157	110 535	752 817
Calculated depreciation	7 690	12 489	2 757	22 936
Depreciation of excluded fixed assets	-	-	(1 395)	(1 395)
30.06.2015	244 815	417 646	111 897	774 358
Book value as at 31.12.2014	140 892	52 979	10 493	204 364
Book value as at 30.06.2015	133 202	40 490	12 997	186 689

As at 30 June 2015, the cadastral value of **real estate – land and constructions** - was EUR 158 004

(13) Investment properties

	Land EUR	Total EUR
Book value as at 31.12.2014	112 000	112 000
Increase/decrease of value due to revaluation	-	-
Book value as at 30.06.2015	112 000	112 000
Book value as at 31.12.2015	94 000	94 000
Increase/decrease of value due to revaluation	-	-
Book value as at 30.06.2016	94 000	94 000

(14) Investments in capital of associated companies

	2016 % from total share capital	EUR	2015 % from total share capital	EUR
'Animal Breeders Association of Latvia' Ltd. (SIA „Latvijas šķirnes dzīvnieku audzētāju savienība”) Legal address: Republikas laukums 2, Rīga, LV-1010, Latvia	36,4	84 053	36,3	83 954
		84 053		83 954

Notes to the Financial Statements

(15) Other securities and investments

	EUR
Purchase value as at 30.06.2015	683
Book value as at 30.06.2015	683
Purchase value as at 30.06.2016	683
Book value as at 30.06.2016	683

(16) Ready-made products and goods for sale

	2016 EUR	2015 EUR
Bull semen	592 930	547 686
Other goods for sale	6 659	13 848
	599 589	561 534

(17) Trade receivables

	2016 EUR	2015 EUR
Accounting value of trade receivables	262 264	276 378
Provisions for doubtful trade receivables	(25 350)	(18 948)
	236 914	257 430

(18) Other receivables

	2016 EUR	2015 EUR
VAT for received goods and services	214	-
Overpayment of taxes	4 676	-
Other receivables	3 261	2 610
	8 151	2 610

(19) Prepaid expenses

The item recognizes the costs made during the reporting year, but referring to the next reporting periods.

	2016 EUR	2015 EUR
Advertising costs	91	123
Insurance	3 265	3 161
Press and legislation updates' subscription	18	20
Other prepaid expenses	6	-
	3 380	3 304

Notes to the Financial Statements

(20) Cash in EUR and foreign currencies according to the European Central Bank's foreign exchange reference rates

Break-down of cash according to currencies:

		2016		2015	
		Currency	EUR	Currency	EUR
Cash in hand	EUR	-	4 862	-	6 344
Cash in bank	EUR	-	310 102	-	253 888
			314 964		260 232

(21) Share capital

Since 21 May 2007 Company's shares are quoted on the Second List of NASDAQ OMX Riga Stock Exchange (ISIN code: LV0000100600). The Company's share capital has been formed of shareholders' investments.

The total number of shares as per 30.06.2016 is 422 440, the nominal value of one share is 1.40 euro.

The total number of shares as per 30.06.2015 was 422 440, the nominal value of one share – 1.40 euro.

	2016 EUR	2015 EUR
Bearer shares with voting rights	590 016	590 016
Shares owned by the Board without voting rights	1 400	1 400
	591 416	591 416

421 440 shares or 99.8% of the share capital are bearer shares, which give equal rights to receive dividends, receipt of liquidation quota and voting rights in the Shareholders' Meeting.

Owners of 421 440 bearer shares according to the latest full shareholders list requested from the Latvian Central Depository.

	2016 14.04.2016. %	2015 16.04.2015. %
'Siguldas mākslīgās apsēklošanas stacija' Ltd	49.92	49.92
Oļegs Radčenko	5.18	5.18
Inita Bedrīte, Chairman of the Supervisory Board	0.26	0.26
Maija Beča, Deputy Chairman of the Supervisory Board	0.73	0.73
Ērika Everte, Member of the Supervisory Board	0.52	0.52
Solvita Arcimoviča, Member of the Supervisory Board	0.10	0.10
Jekaterina Kreise, Member of the Supervisory Board	0.87	0.87
Sarmīte Arcimoviča, Member of the Management Board	0.91	0.91
Valda Mālniece, Member of the Management Board	3.31	3.31
Other shareholders	38.20	38.20
	100.00	100.00

1 000 shares or 0.24% of the share capital, which are not included in the regulated market, are personnel registered shares, which may be obtained only by Members of the Board, and they give equal rights only to receipt of dividend and liquidation quota.

Owners of the Company's personnel registered shares according to the Company's carried shareholders registry.

	30.06.2016 number	30.06.2015 number
Nils Ivars Feodorovs, Chairman of the Management Board	400	400
Sarmīte Arcimoviča, Member of the Management Board	300	300
Valda Mālniece, Member of the Management Board	300	300
	1 000	1 000

Notes to the Financial Statements

There are no share alienation restrictions, nor the necessity to receive the Company's or other shareholders' consent for alienation of shares.

There are no restrictions on voting rights, nor any other similar restrictions.

Profit per share

Profit per one share is calculated by dividing the profit of the reporting period with the average weighted number of shares during the year.

	2016 EUR	2015 EUR
Profit of the reporting period	39 458	60 435
Average weighted number of shares during the year	422 440	422 440
	0.093	0.143

(22) Other Reserves

	2016 EUR	2015 EUR
The difference of the share value resulting from the denomination of the Company's shares from lats to euro	1 213	1 213
	1 213	1 213

(23) Other Provisions

	2016 EUR	2015 EUR
Provisions for vacations	7 399	7 483
	7 399	7 483

(24) Provisions for deferred tax

	2016 EUR	2015 EUR
Temporary differences in fixed assets depreciation	25 594	33 083
Provisions for vacations	(7 399)	(7 483)
Total temporary differences	18 195	25 600
Deferred tax provisions at the beginning of the period	2 729	3 840
Increase or decrease	-	-
Deferred tax provisions at the end of the period	2 729	3 840

Notes to the Financial Statements

(25) Taxes and social insurance payments

Tax type	Balance as at 31.12.2015 EUR	Calculated in 2016 EUR	Paid in 2016 EUR	Balance as at 30.06.2016 EUR
Corporate income tax	(6 105)	11 598	(10 169)	(4 676)
Value added tax	12 394	73 948	(74 196)	12 146
Social insurance contributions	13 128	55 188	(57 912)	10 404
Personal income tax	7 338	30 869	(32 299)	5 908
Real estate tax	-	1 845	(1 845)	-
Nature resource tax	63	96	(98)	61
Business risk duty	13	77	(77)	13
Tax for the exploitation of the vehicles	-	166	(166)	-
	26 831	173 787	(176 762)	23 856

Including:	2015 EUR	2016 EUR
Tax overpaid	(6 105)	(4 676)
Tax due	32 936	28 532

Tax type	Balance as at 31.12.2014 EUR	Calculated in 2015 EUR	Paid in 2015 EUR	Balance as at 30.06.2015 EUR
Corporate income tax	10 948	10 358	(21 306)	-
Value added tax	13 597	81 037	(76 140)	18 494
Social insurance contributions	13 052	56 273	(58 278)	11 047
Personal income tax	7 666	30 918	(32 566)	6 018
Real estate tax	-	1 854	(1 854)	-
Nature resource tax	77	105	(125)	57
Business risk duty	13	79	(78)	14
Tax for the exploitation of the vehicles	-	256	(256)	-
Tax applied on company owned motorcars	-	43	(43)	-
	45 353	180 923	(190 646)	35 630

Including:	2014 EUR	2015 EUR
Tax due	45 353	35 630

Tax overpaid declared in position 'Other receivables'

Notes to the Financial Statements

(26) Number of persons employed by the Company

	2016	2015
Average number of persons employed during the reporting year	35	36

(27) Information on remuneration of the Supervisory Board and Management Board members

	2016 EUR	2015 EUR
Supervisory Board members' salaries for work, including state social insurance contributions	5 495	5 421
Management Board members' salaries for work, including state social insurance contributions	21 356	19 666
Total remuneration to the management members	26 851	25 087

There are no special regulations put in place to regulate the election of the Management Board members, the change of the composition of the Management Board and amendments to the Articles of Association.

All Management Board members have equal Company's representation rights. The chairman of the Management Board represents the Company separately, but other Management Board members may represent the Company only collectively.

There is no agreement signed between the Company and the Management Board members ensuring any kind of compensation.

Report on Management Liability

According to the information being at our disposal, the Interim Report for Six Months of 2016 has been prepared according to the effective requirements of legislative enactments and provide a true and fair view of the joint stock company's 'Siguldas ciltslietu un mākslīgās apsēklošanas stacija' assets, liabilities, financial condition and profit.

Interim Report for Six Months of 2016 has not been audited by a sworn auditor.

Nils Ivars Feodorovs

*Chairman of the Management
Board*

Sarmīte Arcimoviča

*Member of the Management
Board, Manager of the
Production and Marketing
department*

Valda Mālniece

*Member of the Management
Board, Manager of the
Financial and Accounting
department*

10 August 2016