

JOINT STOCK COMPANY VENTSPILS NAFTA

(UNIFIED REGISTRATION NUMBER 50003003091)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012 (EUR)

Riga, 2013

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INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	EUR'000	EUR'000
Net sales	363	460
Gross profit	363	460
General and administrative expense	(1 292)	(1 558)
Other operating expense	(48)	(58)
Result from operating activities	(977)	(1 156)
Income from securities forming non-current assets, net	-	7 039
Impairment of other financial assets	-	(6 261)
Finance income	1 372	1 754
Result before taxes	395	1 376
Corporate income tax	(28)	(861)
Net result	367	515

Average exchange rate of EUR during the reporting year by the Bank of Latvia 0.702804 (lats per unit).

BALANCE SHEET AS AT 31 DECEMBER 2012

ASSETS		31/12/2012	31/12/2011
		EUR'000	EUR'000
NON-CURRENT ASSETS			
Property, plant and equipment			
Property, plant and equipment		84	1 137
TOTAL		84	1 137
Investments			
Investments in subsidiaries		169 588	169 588
Investments in associates		49 722	49 722
Loan note to related parties		89 701	69 455
Other financial assets		30 248	30 248
TOTAL		339 259	319 013
TOTAL NON-CURRENT ASSETS		339 343	320 150
CURRENT ASSETS			
Receivables			
Short term deposits		6 690	10 396
Receivables from related companies		47	138
Other receivables		129	26
Other assets		78	241
TOTAL		6 944	10 801
Cash		108	120
TOTAL CURRENT ASSETS		7 052	10 921
TOTAL ASSETS		346 395	331 071

EUR exchange rate of the Bank of Latvia on 31 December 2012 – 0,702804.

BALANCE SHEET AS AT 31 DECEMBER 2012 (CONT'D)

LIABILITIES AND SHAREHOLDERS' EQUITY

	31/12/2012	31/12/2011
	EUR'000	EUR'000
SHAREHOLDERS' EQUITY		
Share capital	148 660	148 660
Share premium	60 249	60 249
Other reserves	121 853	121 338
Retained earnings for the year	367	515
TOTAL SHAREHOLDERS' EQUITY	331 129	330 762
LIABILITIES		
Non-current liabilities		
Payables to related companies	15 067	-
Deferred corporate income tax	4	13
TOTAL	15 071	13
Current liabilities		
Prepayments received	-	17
Trade payables	13	65
Payables to related companies	3	6
Taxes payable	24	11
Accrued liabilities	155	197
TOTAL	195	296
TOTAL LIABILITIES	15 266	309
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	346 395	331 071

EUR exchange rate of the Bank of Latvia on 31 December 2012 – 0,702804.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	EUR'000	EUR'000
Operating activities		
Profit before taxes	395	1 376
Adjustments:		
Interest income	(1 695)	(1 743)
Depreciation	27	17
Dividends	-	(7 039)
Impairment of financial assets	-	6 261
Interest expense	303	-
Loss on sales/ disposal of property, plant and equipment	28	-
	(942)	(1 128)
Decrease/ (Increase) in receivables	123	(21)
Decrease in current liabilities	(136)	(21)
Net cash used in operating activities	(955)	(1 170)
Corporate income tax paid	(142)	(1 033)
Net cash used in operating activities	(1 097)	(2 203)
Investing activities		
Purchase of property, plant and equipment	(3)	(1 042)
Interest received	1 390	1 602
Loans issued	(20 451)	(1 500)
Dividends received	-	7 039
Proceeds from disposal of property, plant and equipment	1 000	-
Decrease/(increase) in short-term deposits	3 705	(3 914)
Net cash flow (used in) / generated from investing activities	(14 359)	2 185
Financing activities		
Loans received	15 444	-
Net cash generated from financing activities	15 444	-
Net decrease in cash and cash equivalents	(12)	(18)
Cash and cash equivalents at the beginning of the reporting year	120	138
Cash and cash equivalents at the end of the reporting year	108	120

EUR exchange rate of the Bank of Latvia on 31 December 2012 – 0,702804.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012

	Share capital	Share premium	Other reserves	Retained earnings for the year	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance as at 31 December 2010	148 660	60 249	116 163	5 175	330 247
Transfer of 2010 net result	-	-	5 175	(5 175)	-
Profit for the reporting year	-	-	-	515	515
Balance as at 31 December 2011	148 660	60 249	121 338	515	330 762
Transfer of 2011 net result	-	-	515	(515)	-
Profit for the reporting year	-	-	-	367	367
Balance as at 31 December 2012	148 660	60 249	121 853	367	331 129

EUR exchange rate of the Bank of Latvia on 31 December 2012 – 0,702804.