Riga 2015 year 31 august

JSC "Rīgas Farmaceitiskā Fabrika"

Unaudited statement of financial position
for year **2015.**
I-II quart.

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DATA OF THE ENTERPRISE

Full name of the enterprise	JSC "Rīgas Farmaceitiskā Fabrika"
The legal status of a society	Joint-stock copany
The state registration in the register of the enterprises	registration Nr. 40003000765 , Riga , 1991 year 26 march
The legal address of the enterprise	Duntes street 16/22 , Riga , LV-1005
Main activity of the company	Manufacture of pharmaceutical preparations
NACE code	21.20
Members of the board	Kaspars BĀLIŅŠ Uģis FREIMANIS Dace KALEINE
Councillors	Dagmāra ĀBOLTIŅA Jūlija DMITRIJEVA Vladimirs IVANIKINS Nataļja GORBUNOVA Aksana BĒRZIŅA
The accounting period	from **2015.01.01** to **2015.06.30**

STATMENT OF COMPREHENSIVE INCOME for the period ended 2015.06.30

		2015.	2014
		I-II quart. EUR	I-II quart. EUR
Net turnover	2	**1 884 348**	**1 564 358**
Cost of sales (prime cost)	3	-1 076 778	-922 219
Gross profit or loss		**807 570**	**642 139**
Sales distribution costs	4	-448 658	-376 238
Administration costs	5	-269 195	-176 495
Other operating income	6	5 217	1 100
Other operating expenses	7	-2 670	-2 461
Interest payable and similar charges	8	-784	-1 279
Peļņa vai zaudējumi pirms ārkārtas posteņiem un nodokļiem		**91 480**	**86 766**
Corporate income tax (postpone)		0	0
Other taxes	9	-3 014	-2 657
Profit or loss for the financial period		**88 466**	**84 109**
EPS k-t		**0,0423**	**0,1269**

Annex from 10 . to 19 . is an integral part of these financial statements

Kaspars BĀLINŠ

Uģis FREIMANIS

Dace KALEINE

2015 year 31 august

BALANCE SHEET for the period ended 2015.06.30

ASSETS		2015. I-II quart. EUR	2014. I-II quart. EUR
Long - term investments			
Intangible investments			
Concessions, patents, licenses, trade-marks and similar rights	10	238	3 820
Advance payments of intangible investments		0	0
TOTALLY		**238**	**3 820**
Fixed assets			
Lands, buildings, constructions and prenial plantations	11	407 235	462 494
Technological equipment and machines	11	36 183	56 434
Other fixed assets and inventory	11	98 273	83 134
Advance payments for fixed assets		0	0
TOTALLY		**541 691**	**602 062**
Long - term investments TOTALLY		**541 929**	**605 882**
Current assets			
Stocks			
Row materials, direct materials and auxiliary materials	12	444 155	439 601
Unfinished products	13	14 943	39 532
Complete products and goods for sale	14	822 141	221 843
Advance payments for goods		16 498	111 273
Work animals and productive animals	15	0	213
TOTALLY		**1 297 737**	**812 462**
Debtors			
Customers and client debts	16	153 325	129 152
Other debts	17	211	2 005
Accured income	18	28 919	26 885
TOTALLY		**182 455**	**158 042**
Cash assets	19	1 636 330	7 791
Current assets TOTALLY		**3 116 522**	**978 295**
BALANCE		**3 658 451**	**1 584 177**

BALANCE SHEET for the period ended 2015.06.30

LIABILITIES		2015. I-II quart. EUR	2014. I-II quart. EUR
Equity capital			
Stock or share capital (equity capital)	20	2 930 200	943 364
d) pārējās rezerves	21	15 164	0
Retained profit:			
a) Retained profit of previous years		58 658	-11 833
b) Retained profit of the year of accountant	22	88 466	84 109
TOTALLY		**3 092 488**	**1 015 640**
Stockpiles			
Other stockpiles	23	31 286	33 145
TOTALLY		**31 286**	**33 145**
Creditors			
Long - term debts			
Other loans	23	59 770	144 531
Tax on profit (pustpone) or loss for the financial period	27	0	0
TOTALLY		**59 770**	**144 531**
Short - term debts			
Other loans	23	6 946	18 135
Debts to suppliers and contractors	24	424 589	317 184
Tax and social security payments	25	25 884	32 457
Other creditors	26	17 488	23 085
Accrued liabilities	28	0	0
TOTALLY		**474 907**	**390 861**
Creditors TOTALLY		**534 677**	**535 392**
BALANCE		**3 658 451**	**1 584 177**

Annex from 10 . to 19 . is an integral part of these financial statements

Kaspars BĀLIŅŠ

Uģis FREIMANIS

Dace KALEINE

2015 year 31 august

OVERWIEW of EQUITY CAPITAL CHANGES
for the period ended 2015.06.30

	Share capital	Reserves	Retained profit of previous years	Retained profit of the year of accountant	Equity capital (total)
	EUR	EUR	EUR	EUR	EUR
2013.12.31	**943 364**	**0**	**-83 097**	**34 173**	**894 440**
2012 year profit transferred to retained earnings			34 173	-34 173	-
Retained profit of the year of accountant				37 091	**37 091**
Relief for losses from reserves					-
2014.12.31	**943 364**	**-**	**-48 924**	**37 091**	**931 531**
2013 year profit transferred to retained earnings			37 091	-37 091	-
Retained profit of the year of accountant				88 466	**88 466**
2015.06.30	**2 930 200**	**15 164**	**58 658**	**88 466**	**3 092 488**

Annex from 10. līdz 10 . to 19 . is an integral part of these financial statements

2015 year 31 august

Kaspars BĀLINŠ

Uģis FREIMANIS

Dace KALEINE

(1) STATEMENT OF ACCOUNTING POLICIES - GENERAL PRINCIPLES

Basis of preparation

The Annual Report is prepared in accordance with Latvian law "On Accounting" and "Annual reports".

The income statement is prepared in accordance with the turnover method.
The cash flow statement prepared using the indirect method.

Net sales
Net sales represent the revenues of the company's core business, the sale of products and services, net of trade discount and other discounts granted, as well as value added tax and other taxes directly related to the sale.
Proceeds from the sale of goods is recognized when the buyer s accepted the goods, according to delivery terms.

During the reporting period
The reporting period is 6 months of 2015.01.01 to 2015.06.30 .

Currency and foreign currency translation
These financial statements are expressed in the Latvian national currency - euro (EUR).
All monetary assets and liabilities are translated into Latvian lats at the exchange rate at the period end.
Foreign exchange rate fluctuations on profit or loss is reflected in the profit and loss account.

Long-term and short-term items
Long-term items of an amount reported by the receipt, payment, or write-off shall be the later of one year after the year end.
The amounts received, paid or written off during the reported short-term positions.

Non-current assets and depreciation recognition
Balance sheet of all fixed assets and intangible assets are stated at cost less depreciation rates.
Depreciation is calculated on straight-line methods,
choosing on the basis of the following rates:

Intangible assets:

license	20	%
other intangible assets	20	%

Fixed Assets:

Buildings and structures	5-10	%
Iekārtas un mašīnas	20	%
Other fixed assets	20-35	%

Measurement of inventories
Reserves are estimated using FIFO method.
Inventory balances checked on the inventory.

Receivables
Trade receivables are shown net of.

Savings
Provisions are intended to cover certain types of obligations, relating to the reporting year or previous years and Annual Reports of the anticipated or known, but the amount or specific commitment to the creation or the date of recovery is uncertain.

Provision for vacation pay
Amount of the provision is determined by multiplying the average employee salary of one day to the year-end accrued but unused vacation days.

Accrued liabilities
Clearly aware of the settlement amount payable for the current year goods or services received if the balance sheet date has not yet received the corresponding payment document in accordance with the supply, sale or contract business conditions or other reasons, recognized as accruals for the period.

Corporate income tax
Corporate income tax costs are included in the financial statements in accordance with Latvian tax legislation of.

For the reporting period the estimated tax is calculated under the Law "On Corporate Income Tax " 'claims in determining taxable income, and applying the statutory tax rate of 15%.

(2) Net Sales

Type of activity	2015. EUR	2014. EUR
Manufacture of drugs	1 849 518	1 522 105
Raw materials and distribution	18 576	15 671
Provision of services	16 254	26 582
Total	**1 884 348**	**1 564 358**

Net sales by geographical markets

State	2015. EUR	2014. EUR
Latvia	1 738 061	1 440 031
Lithuania	21 119	29 574
Estonia	69 800	73 196
Other	55 368	21 557
Total	**1 884 348**	**1 564 358**

(3) Cost of sales

	2015. EUR	2014. EUR
Cost of materials	705 204	582 843
Staff costs	141 732	85 111
State social security contributions	31 690	20 078
Depreciation of fixed assets and intangible assets depreciation	53 091	59 608
Depreciation of current assets	4 512	7 029
Maintenance costs	55 111	104 578
Transport costs	15 617	16 724
Other	69 821	46 248
Total	**1 076 778**	**922 219**

(4) Sales expenses

	2015. EUR	2014. EUR
Staff costs	83 367	173 682
State social security contributions	19 193	37 694
Advertising expenses	187 295	149 153
Transport costs	14 046	11 721
Other	144 757	3 988
Total	**448 658**	**376 238**

(5) Administration costs

	2015. EUR	2014. EUR
Staff costs	78 828	57 547
State social security contributions	18 013	13 575
Legal and accounting services	7 015	1 161
Transport costs	9 057	5 023
Other	156 282	99 189
Total	**269 195**	**176 495**

(6) Other operating income

	2015. EUR	2014. EUR
The difference of exchange rate changes and currency sales	44	135
Received a penalty	0	0
Proceeds from sale of fixed assets	0	0
Other	5 173	965
Total	**5 217**	**1 100**

(7) Other operating expenses

	2015. EUR	2014. EUR
Expenses not related to economic activity	681	2 251
The difference of exchange rate changes and currency sales	560	202
Penalties	500	8
Gifts and benefits	929	0
Other	0	0
Total	**2 670**	**2 461**

(8) Interest payable and similar charges

	2015. EUR	2014. EUR
Leasing interest payments	784	1 279
Total	**784**	**1 279**

(9) Other taxes

	2015. EUR	2014. EUR
Real estates tax	3 014	2 657
Total	**3 014**	**2 657**

(10) Intangible assets

	Licenses and patents	Advance payment for intangible assets	Total intangible assets
	EUR	LVL	EUR
Historical cost as of 2014.12.31	**136 582**	**0**	**136 582**
Additions	0	0	**0**
Disposals	0	0	**0**
2015.06.30	**136 582**	**0**	**136 582**
Accumulated depreciation before **2014.12.31**	**135 123**	**0**	**135 123**
Accumulated depreciation	1 221	**0**	**1 221**
2015.06.30	**136 344**	**0**	**136 344**
Net book value 2014.12.31	**1 459**	**0**	**9 674**
Net book value 2015.06.30	**238**	**0**	**238**

(11) Fixed assets

	Land and buildings	Equipment	Other fixed assets	Advance payment for fixed assets	Fixed assets total
	EUR	EUR	EUR	EUR	EUR
Historical cost as of 2014.12.31	**1 016 266**	**826 856**	**412 504**	**-**	**2 255 626**
Additions	0	0	26 701	0	26 701
Disposals	0	0	0	0	0
2015.06.30	**1 016 266**	**826 856**	**439 205**	**0**	**2 282 327**
Accumulated depreciation before **2014.12.31**	**581 402**	**779 020**	**329 706**	**-**	**1 690 128**
Accumulated depreciation	27 629	11 653	11 226	0	50 508
Excluded on disposal	0	0	0	0	0
2015.06.30	**609 031**	**790 673**	**340 932**	**0**	**1 740 636**
Net book value 2014.12.31	**434 864**	**47 836**	**82 798**	**0**	**631 906**
Net book value 2015.06.30	**407 235**	**36 183**	**98 273**	**0**	**541 691**

(12) Row materials, direct materials and auxiliary materials

	2015. EUR	2014. EUR
Materials	192 560	220 046
Consumables - glass containers	123 512	67 902
Consumables - plastic and metal packages	40 863	38 066
Printed materials	74 356	101 838
Other	12 864	11 749
Total	**444 155**	**439 601**

(13) Unfinished products

	2015. EUR	2014 EUR
The packing station neizfasēta products (quarantine area)	5 888	33 480
Production units of semi-finished products segment	9 055	6 052
Total	**14 943**	**39 532**

(14) Complete products and goods for sale

	2015. EUR	2014. EUR
The company's stock of finished goods in stock	822 141	221 843
Total	**822 141**	**221 843**

(15) Work animals and productive animals

	2015. EUR	2014. EUR
Guard dogs	0	213
Total	**0**	**213**

(16) Customers and client debts

	2015. EUR	2014. EUR
Trade receivables have a carrying amount	153 325	129 152
Book value	**153 325**	**129 152**

By currencies :

	2015.		2014.
	currency	EUR	EUR
EUR		153 325	129 152
Other		0	0
Total		**153 325**	**129 152**

(17) Other debts

	2015. EUR	2014. EUR
Tax receivables together	0	0
Operatīvā līzinga neamortizētās daļas of settlement balances	211	2 005
Total	**211**	**2 005**

(18) Accured income

	2015. EUR	2014. EUR
Property Insurance	3 254	5 430
Vehicle Insurance	926	1 056
Employee Health Insurance	9 668	6 051
Magazine subscription	496	192
Other	14 575	14 156
Total	**28 919**	**26 885**

(19) Cash Assets and EUR currency according to the 31.12.

By currencies :	2015. currency	EUR	2014. EUR
EUR		1 636 330	7 791
Other		0	0
Total		**1 636 330**	**7 791**

(20) Share capital

	2 930 200	EUR
consisting of	2 090 000	ordinary shares with voting rights
and	3 000	common shares without voting rights
Each share is LVL	1,400	

(21) Retained earnings

	EUR
For 2013. the reporting year, the profits up	**88 466**

(22) Other provisions

	2015. EUR	2014. EUR
Provision for unused vacations	31 286	33 145
Total	**31 286**	**33 145**

Long-term debts

	2015. EUR	2014. EUR
(23) Other loans	59 770	144 531
Total	**59 770**	**144 531**

Short-term debts

	2015. EUR	2014 EUR
(23) Other loans	6 946	18 135
Total	**6 946**	**18 135**

	2015. EUR	2014. EUR
(27) Tax on profit (pustpone) or loss for the financial period	0	0
Total	**0**	**0**

(24) Trade and other payables

Current portion of	2015. EUR	2014. EUR
Trade and other payables the carrying amount of	424 589	317 184
Total	**424 589**	**317 184**

Current portion of	2015.		
By currencies :	**currency**	**EUR**	**EUR**
EUR	424 589	424 589	317 184
Other	0	0	0
Total		**424 589**	**317 184**

(25) Current portion of

	2015. EUR	2014. EUR
Corporate income tax	0	0
Value-added tax	27	5 581
State social security contributions	16 510	16 895
Personal income tax	9 225	9 897
Business risk charge	25	25
Natural resource tax	97	59
Nekustamā īpašuma nodoklis	0	0
Total	**25 884**	**32 457**

(26) Current portion of

	2015. EUR	2014. EUR
Wage debt	17 488	23 085
Total	**17 488**	**23 085**

(28) Accrued liabilities

	2015. EUR	2014. EUR
Accrued discounts will be	0	0
Other	0	0
Total	**0**	**0**

(29) Number of employees

	2015.	2014.
The average number of persons employed by the company	70	68

(30) News about events after the balance sheet date

In the period since the last days before the reporting date is no significant events that could materially affect the results of the annual report.