



**Joint Stock Company
'SIGULDAS CILTSLIETU UN
MĀKSLĪGĀS APSEKLOŠANAS
STACIJA'**

**Unaudited
INTERIM REPORT
for the First Six Months of 2021**

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Information on the Company

Company's name	<i>SIGULDAS CILTSLIETU UN MĀKSLĪGĀS APSĒKLOŠANAS 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, Sigulda municipality, LV-2150</i>
Shareholders holding more than 5% of the total number of voting shares	<i>'Siguldā mākslīgās apsēklošanas stacija' Ltd. (49.92%), registration No. 40003311954</i> <i>SCI AG (5.95%)</i> <i>Bartholomäus-Arnoldi-Str. 82, DE-61250 Usingen, Germany</i> <i>Oļegs Radčenko (5.19%)</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, chairwoman of the Supervisory Board</i> <i>Maija Beča, deputy chairwoman of the Supervisory Board</i> <i>Baiba Mecauce, member of the Supervisory Board</i> <i>Guntis Mecaucis, member of the Supervisory Board</i> <i>Jānis Tūtāns, member of the Supervisory Board</i>
Reporting period	<i>01.01.2021 – 30.06.2021</i>
Previous reporting period	<i>01.01.2020 – 30.06.2020</i>
Auditors	<i>Olga Kuzmiča</i> <i>Sworn Auditor</i> <i>Certificate No. 207</i> <i>'Orients Audit & Finance' Ltd.</i> <i>Gunāra Astras street 8B</i> <i>Riga, LV-1082, Latvia</i> <i>Sworn Auditors' Commercial Company's license No. 28</i>

Management Report

JSC 'Siguldas ciltslietu un mākslīgās apsēklošanas stacija' (hereinafter referred to as the Company) is one of the largest high-quality breeding bull semen producers and suppliers in Latvia. The second largest field of the Company's basic economic activities is the milk testing services. The Company also provides other breeding related services – consultations on issues of cattle breeding, feeding and keeping, evaluation of cow exterior, artificial insemination of cows, initial processing of the supervisory data.

The proportion of the revenue from the Company's basic economic activities, if compared to the first six months of 2020, had not changed substantially – the revenue from the sales of the bull semen comprised 57.4 % of the net turnover, whereas the milk laboratory services and processing of supervisory data services, taken together, accounted for 32.3 % of the net turnover.

Company's net turnover in the first six months of 2021 was 661.6 thousand euros, which is by 10.5 % higher than in the first six months of 2020, whereas Company's profit before enterprise income tax was 91.7 thousand euros – by 34.3 % or 23.4 thousand euros higher compared to the corresponding period in 2020.

In the first six months of 2021 there are no major events that have affected the financial statement, as well as no significant risks that the company might be confronted with and which could have an impact on its financial position and financial performance.

The outbreak of COVID-19 will not have a substantial impact on the Company's operations, financial situation and economic performance.

By increasing the operational efficiency of its business, the Company will continue to work on the expansion of its marketed product and service volume.

Nils Ivars Feodorovs
*Chairman of the Management
Board*

Sarmīte Arcimoviča
*Member of the Management
Board*

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

25 August 2021

Profit or loss account

	Note	30.06.2021 EUR	30.06.2020 EUR
Net sales	3	661 608	598 588
a) from agricultural activities		661 608	598 588
Changes in stock of ready-made goods and unfinished products	4	21 248	20 080
Other operating income	5	23 181	29 958
Costs of materials:		(312 032)	(269 855)
a) raw materials and auxiliary costs of materials		(260 247)	(219 839)
b) other external costs		(51 785)	(50 016)
Personnel costs:	6	(237 389)	(239 002)
a) salaries for work		(185 691)	(186 803)
b) state social insurance compulsory contributions		(41 414)	(42 233)
c) other social insurance costs		(10 284)	(9 966)
Depreciation adjustments:		(29 313)	(28 400)
a) depreciation adjustments of fixed and intangible assets		(29 285)	(28 393)
b) depreciation adjustments of current assets which the company considers to be above the normal write-off amounts		(28)	(7)
Other operating costs	7	(35 631)	(43 108)
Profit or loss before enterprise income tax		91 672	68 261
Enterprise income tax for the reporting year		(3)	-
Profit or loss after enterprise income tax calculation		91 669	68 261
The profit or loss for the year		91 669	68 261
Earnings per 1 share (EPS)	17	0.217	0.162

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

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Chairman of the Management Board

Sarmīte Arcimoviča
Member of the Management Board

Valda Mālniece
Member of the Management Board, Manager of the Financial and Accounting department

25 August 2021

Balance sheet

Assets	Note	30.06.2021 EUR	31.12.2020 EUR
Long-term investments			
Intangible assets			
Concessions, patents, licenses, trademarks and similar rights		2 284	3 090
Intangible assets total	8	2 284	3 090
Fixed assets (fixed assets, investment properties)			
Fixed assets			
Immovable properties - land parcels, buildings and constructions		133 501	143 231
Productive animals and perennial plantings		50 113	45 093
Technological equipment and machinery		1 825	2 555
Other fixed assets and inventory		43 585	20 604
Fixed assets total	9	229 024	211 483
Investment properties	10	68 000	68 000
Long-term financial investments			
Other securities and investments	11	684	684
Long-term financial investments total		684	684
Long-term investments total		299 992	283 257
Current assets			
Stock			
Raw materials, basic materials and auxiliary materials		16 024	21 347
Ready-made goods and goods for sale	12	897 283	781 719
Prepayments for goods		-	6 535
Stock total		913 307	809 601
Receivables			
Trade receivables	13	346 656	234 331
Other receivables	14	5 130	1 239
Prepaid expenses	15	4 859	10 078
Accrued income		29 988	29 975
Receivables total		386 633	275 623
Cash	16	211 857	360 288
Current assets total		1 511 797	1 445 512
Assets total		1 811 789	1 728 769

Balance sheet

Shareholders' equity and liabilities	Note	30.06.2021 EUR	31.12.2020 EUR
Shareholders' equity			
Share capital	17	591 416	591 416
Retained earnings or loss carried forward from previous years		968 685	911 086
Profit or loss of the reporting year		91 669	104 068
Shareholders' equity total		1 651 770	1 606 570
Payables			
Short-term payables			
Prepayment received from customers		11 752	973
Trade payables		89 178	40 328
Taxes and social insurance payments	18	27 070	42 253
Other payables		19 173	22 021
Accrued liabilities	19	12 846	16 624
Short-term payables total		160 019	122 199
Payables total		160 019	122 199
Shareholders' equity and liabilities total		1 811 789	1 728 769

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25 August 2021

Cash flow statement

	Note	30.06.2021 EUR	30.06.2020 EUR
Cash flow from operating activities			
Income from sale of goods and provision of services		719 672	643 593
Payments to suppliers, employees, other expenses arising from basic operations		(773 313)	(665 946)
Gross cash flow from basic operations		(53 641)	(22 353)
Expenses for enterprise income tax payments		(61)	-
Net cash flow from operating activities		(53 702)	(22 353)
Cash flow from investing activities			
Purchase of fixed assets and intangible investments		(52 107)	(35 335)
Income from dispossession of fixed assets		2 070	5 264
Net cash flow from investing activities		(50 037)	(30 071)
Cash flow from financing activities			
Subsidies received as a state support		3 509	4 565
Dividends paid		(46 469)	-
Net cash flow from financing activities		(42 960)	4 565
Result of foreign exchange rate fluctuations		(1 732)	(828)
Net increase or decrease of cash and its equivalents		(148 431)	(48 687)
Cash and its equivalents balance at the beginning of the reporting year		360 288	251 608
Cash and its equivalents balance at the end of the reporting year	16	211 857	202 921

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25 August 2021

Statement on changes in shareholders' equity

	Share capital	Retained earnings carried forward from previous years	Profit of the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
31.12.2019	591 416	860 743	50 343	1 502 502
Profit of 2019 transferred to retained earnings of previous years	-	50 343	(50 343)	-
Profit of the reporting year	-	-	68 261	68 261
30.06.2020	591 416	911 086	68 261	1 570 763
31.12.2020	591 416	911 086	104 068	1 606 570
Profit of 2020 transferred to retained earnings of previous years	-	104 068	(104 068)	-
Dividends for 2020	-	(46 469)	-	(46 469)
Profit of the reporting year	-	-	91 669	91 669
30.06.2021	591 416	968 685	91 669	1 651 770

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25 August 2021

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 and Consolidated Annual reports of the Republic of Latvia. According to Section 5 of the Law on Annual Reports and Consolidated Annual reports, the Company is classified as a small company according to the last two years figures. Taking into account the legal requirements for commercial companies whose transferable securities are listed on a regulated market, the Company applies requirements that are binding on a large company. The Profit or Loss Account is been prepared based on classification according to expense types. The Cash Flow Statement was prepared according to the direct method.

Complying the regulation stated in Article 13 Part 5 Chapter 2 of the Law On Annual Reports and Consolidated Annual reports, the Company acknowledges, assesses, shows in its financial report and provides explicative information on investment properties in compliance with the international accounting standards.

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 2021.

Revaluation of foreign currencies

The Company's functional currency and the currency used in the Financial Statements is euro (EUR). 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.

	30.06.2021	30.06.2020
USD	1.18840	1.11980

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.

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.

Notes to the Financial Statements

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
Productive animals	4 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.

The Company capitalizes its fixed assets valued over 70 euro with useful life exceeding one year. Depreciation for improvements and other low costs items with the value less than 70 euro is recognized by 100 % after commissioning.

If sufficient evidence is acquired that the future economic benefit associated with subsequent repair or reconstruction costs will flow to the Company, which exceeds the return set previously, costs are capitalized as additional costs to the fixed asset.

Net gains or losses from disposal of fixed assets is calculated as the difference between the carrying amount of the fixed asset and proceeds from sale, and recognized in the income statements during the period when disposal are incurred.

If it is possible to conclude due to any kind of occurrence or circumstances that residual value of fixed or intangible assets could not reach its recoverable value, appropriate value of fixed or intangible asset is to be decreased until recoverable value. Recoverable value is calculated as the highest of fair value less costs to sell or value in use.

Productive animals meet the value criteria of fixed assets and are included in fixed assets.

Investment properties

Investment property is property (land plots, building or part of building) held by the owner or by lessee under a finance lease 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. For the land with uncertain future use (if the Company has not determined that it will use the land as owner occupied or short term sale in the ordinary course of business, it is assumed that land is held for capital appreciation), it is classified as investment property.

Investment property of the company— 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 at 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. The revaluation is performed by a certified evaluator. Any changes in the market value of the investments properties are being shown in the profit and loss account.

Notes to the Financial Statements

Evaluation using a comparable transaction method was carried out by a certified evaluator:

2020 – LTD 'Eiroeksperts'

2019 – LTD 'Eiroeksperts'

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".

Trade receivables and other receivables

In the balance sheet receivables are recognized in the recoverable value, provisions for doubtful receivables having been deducted. Provisions for doubtful 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 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.

Cash

For the purposes of the cash flow statement, cash and cash equivalents comprise cash, the balances of the current bank account and other current liquid financial assets with maturities up to 90 days.

Provisions

Provisions are liabilities related to current or previous years events and at the preparation of financial statements it is probable that an outflow of resources will be required to settle the obligation and its amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

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 and all material conditions for the grant are fulfilled.

Notes to the Financial Statements

Taxes

Corporate income tax for the financial year

Corporate income tax is payable on the distribution of profits and the conditional distribution of profits. Distributed and notionally distributed profits are taxed at the rate of 20 percent of the gross amount, or 20/80 of net costs. Corporate income tax on the payment of dividends is recognized in the profit and loss account as an expense in the period in which the dividends are declared and, in the case of other retained earnings, as incurred.

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	30.06.2021 EUR	30.06.2020 EUR
Sale of Livestock sperm	379 638	333 727
Milk laboratory services	167 548	160 571
Treatment of supervisory data	46 018	46 728
Artificial insemination of livestock	15 086	13 574
Other income	53 318	43 988
	661 608	598 588

Distribution of net sales according to the geographical markets:

	30.06.2021 EUR	30.06.2020 EUR
Latvia	661 608	598 588
	661 608	598 588

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

	30.06.2021 EUR	30.06.2020 EUR
Changes in the value of semen stocks produced	21 248	20 080
	21 248	20 080

(5) Other operating income

	30.06.2021 EUR	30.06.2020 EUR
State support for agricultural	3 509	4 565
Recovered doubtful and bad debts	19 650	25 393
Other income	22	-
	23 181	29 958

Notes to the Financial Statements

(6) Personnel costs

	30.06.2021	30.06.2020
	EUR	EUR
Salaries for work	177 198	177 869
Life insurance with cash value accrual	8 493	8 934
State social insurance contributions	41 414	42 233
Health insurance	8 587	8 712
Other costs	1 697	1 254
	237 389	239 002

(7) Other operating expenses

	30.06.2021	30.06.2020
	EUR	EUR
Insurance payments	4 295	4 390
Business trip expenses	39	-
Selling expenses	1 093	1 282
The costs of accreditation and employee training	2 227	1 300
The costs of security services	651	683
Labour protection expenditure	1 859	1 389
Taxes applied on the vehicles	109	525
Company's management and administrative expenses	3 479	5 213
Regulated securities market expenses	6 866	6 568
Loss from foreign currency exchange rate fluctuations	2 534	696
Net loss from dispossession of fixed assets	3 520	13 212
Employees' leisure and similar costs	1 858	1 368
Real estate tax	1 862	1 855
Other costs	5 239	4 627
	35 631	43 108

Notes to the Financial Statements

(8) Intangible assets

	Concessions, patents, licenses, trademarks and similar rights EUR
Initial value	
31.12.2020	10 785
Purchased	-
Disposed	-
30.06.2021	10 785
Accrued depreciation adjustments	
31.12.2020	7 695
Annual write-off of the value	806
Adjustments to accrued depreciation of excluded intangible assets	-
30.06.2021	8 501
Book value as at 31.12.2020	3 090
Book value as at 30.06.2021	2 284

	Concessions, patents, licenses, trademarks and similar rights EUR
Initial value	
31.12.2019	10 785
Purchased	-
Disposed	-
30.06.2020	10 785
Accrued depreciation adjustments	
31.12.2019	5 771
Annual write-off of the value	976
Adjustments to accrued depreciation of excluded intangible assets	-
30.06.2020	6 747
Book value as at 31.12.2019	5 014
Book value as at 30.06.2020	4 038

Notes to the Financial Statements

(9) Report on movement of fixed assets

	Land, buildings and constructions	Productive animals and perennial plantings	Technological equipment and machinery	Other fixed assets and inventory	Total
	EUR	EUR	EUR	EUR	EUR
Initial value					
31.12.2020	467 494	71 529	306 399	288 265	1 133 687
Purchased	-	18 570	-	33 537	52 107
Dispossessed or liquidated	-	(8 593)	-	(3 938)	(12 531)
30.06.2021	467 494	81 506	306 399	317 864	1 173 263
Accrued depreciation adjustments					
31.12.2020	324 263	26 436	303 844	267 661	922 204
Calculated depreciation	9 730	7 463	730	10 556	28 479
Depreciation of dispossessed or liquidated fixed assets	-	(2 506)	-	(3 938)	(6 444)
30.06.2021	333 993	31 393	304 574	274 279	944 239
Book value as on 31.12.2020	143 231	45 093	2 555	20 604	211 483
Book value as on 30.06.2021	133 501	50 113	1 825	43 585	229 024

As on 30 June 2021, the cadastral value of **real estate – land and constructions** – was **EUR 158 539**.

	Land, buildings and constructions	Perennial plantings	Technological equipment and machinery	Other fixed assets and inventory	Total
	EUR	EUR	EUR	EUR	EUR
Initial value					
31.12.2019	467 494	69 003	307 064	293 300	1 136 861
Purchased	-	34 232	-	1 103	35 335
Dispossessed or liquidated	-	(20 150)	(665)	(587)	(21 402)
30.06.2020	467 494	83 085	306 399	293 816	1 150 794
Accrued depreciation adjustments					
31.12.2019	304 802	15 376	303 049	258 038	881 265
Calculated depreciation	9 731	7 272	730	9 684	27 417
Depreciation of dispossessed or liquidated fixed assets	-	(1 674)	(665)	(587)	(2 926)
30.06.2020	314 533	20 974	303 114	267 135	905 756
Book value as on 31.12.2019	162 692	53 627	4 015	35 262	255 596
Book value as on 30.06.2020	152 961	62 111	3 285	26 681	245 038

As on 30 June 2020, the cadastral value of **real estate – land and constructions** – was **EUR 158 087**.

Notes to the Financial Statements

(10) Investment properties

	Land EUR
Book value as on 31.12.2019	59 000
Increase/decrease of value due to revaluation	-
Book value as on 30.06.2020	61 000
Book value as on 31.12.2020	68 000
Increase/decrease of value due to revaluation	-
Book value as on 30.06.2021	68 000

(11) Other securities and investments

	EUR
Purchase value as on 31.12.2020	684
Book value as on 31.12.2020	684
Purchase value as on 30.06.2021	684
Book value as on 30.06.2021	684

(12) Ready-made products and goods for sale

	30.06.2021 EUR	31.12.2020 EUR
Bull semen	875 676	762 966
Other goods for sale	21 607	18 753
	897 283	781 719

(13) Trade receivables

	30.06.2021 EUR	31.12.2020 EUR
Accounting value of trade receivables	402 315	309 449
Provisions for doubtful trade receivables	(55 659)	(75 118)
	346 656	234 331

Notes to the Financial Statements

(14) Other receivables

	30.06.2021 EUR	31.12.2020 EUR
VAT for received goods and services	-	258
VAT on advance payments received	1 951	-
Other receivables	3 179	981
	5 130	1 239

(15) Prepaid expenses

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

	30.06.2021 EUR	31.12.2020 EUR
Advertising costs	27	120
Insurance	4 507	7 445
Press and legislation updates' subscription	26	1 288
Server maintenance and similar costs	-	257
Other prepaid expenses	299	968
	4 859	10 078

(16) Cash

Break-down of cash according to currencies:

		30.06.2021		31.12.2020	
		Currency	EUR	Currency	EUR
Cash in hand	EUR	-	3 031	-	2 144
Cash in bank	EUR	-	208 826	-	358 144
			211 857		360 288

(17) Share capital

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

The total number of shares as per 30.06.2021 is 422 440, the nominal value of one share is 1.40 euro.

The total number of shares as per 31.12.2020 was 422 440, the nominal value of one share – 1.40 euro.

	30.06.2021 EUR	31.12.2020 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.

Notes to the Financial Statements

Owners of 421 440 bearer shares according to the latest available full shareholders list requested from the Nasdaq CSD SE

	2021	2020
	15.04.2021	16.04.2020
	%	%
'Siguldas mākslīgās apsēklošanas stacija' Ltd	49.92	49.92
SCI AG	5.95	-
Oļegs Radčenko	5.19	5.19
Inita Bedrīte, chairman of the Supervisory Board	0.26	0.26
Maija Beča, deputy chairman of the Supervisory Board	0.73	0.73
Baiba Mecauce, member of the Supervisory Board	2.44	2.44
Guntis Mecaucis, member of the Supervisory Board	1.29	1.29
Jānis Tūtāns, member of the Supervisory Board	0.25	0.25
Sarmīte Arcimoviča, member of the Management Board	0.91	0.91
Valda Mālniece, member of the Management Board	3.31	3.31
Other shareholders	29.75	35.70
	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.

	30.06.2021	31.12.2020
	number	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

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.

	30.06.2021	30.06.2020
	EUR	EUR
Profit or loss of the reporting period	91 669	68 261
Average weighted number of shares during the year	422 440	422 440
	0.217	0.162

Notes to the Financial Statements

(18) Taxes and social insurance payments

Tax type	30.06.2021 EUR	31.12.2020 EUR
Value added tax	10 506	20 494
Personal income tax	5 249	6 885
Social insurance payments	11 198	14 701
Nature resource tax	105	103
Enterprise income tax	-	58
Business risk state fee	12	12
	27 070	42 253

Tax overpaid declared in position 'Other receivables'

(19) Accrued liabilities

	30.06.2021 EUR	31.12.2020 EUR
Calculated liabilities to personnel for unused vacation	11 707	11 707
Accrued accounts payable	1 139	4 917
	12 846	16 624

(20) Information on the number of management members and remuneration

	30.06.2021 EUR	30.06.2020 EUR
Remuneration to five Supervisory Board members for execution of functions	4 620	4 590
Social insurance payments from remuneration to five Supervisory Board members for execution of functions	1 065	1 008
Remuneration to three Management Board members for execution of functions	18 213	19 141
Social insurance payments from remuneration to three Management Board members for execution of functions	4 296	4 611
Total remuneration to the management members	28 194	29 350

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.

Notes to the Financial Statements

(21) Average number of employees

	30.06.2021 number	30.06.2020 number
Supervisory Board members (all employees perform the functions of the Supervisory Board member as an extra work in addition to principal work duties)	3	3
Management Board members (two employees perform the functions of the Management Board member as an extra work in addition to principal work duties)	3	3
Other employees	26	26
Total average number of employees	32	32

(22) Post-Balance-Sheet Events

During the period of time in between the closing of the balance sheet and the day the report is being signed by the Board, there have been no significant events or extraordinary circumstances taking place that may influence the results of the reporting year and the Company's financial condition.

The outbreak of Covid-19 will not have a substantial impact on the Company's operations, financial situation and economic performance.

Report on Management Liability

The management of JSC 'Siguldas ciltslietu un mākslīgās apsēklošanas stacija' (hereinafter - the Company) is responsible for the preparation of the financial statements of the Company. The financial statements are prepared in accordance with the source documents and present fairly the financial position of the Company as of 30 June 2021 and the results of their operations and cash flows for the year then ended.

The Management Board confirms that the financial statements and notes to the financial statements contained on pp. 3-23 have been prepared on the basis of source documents and the decisions adopted and the assessments made were conservative and prudent. The accounting policy compared to the preceding year has not changed. The Management Board confirms that the financial statements have been prepared on a going-concern basis

The Management is responsible for keeping a proper accounting system, preservation of Company's assets, and for detection and prevention of fraud and other irregularities in the Company. The Management is also responsible for compliance with the requirements of Latvian laws as well as European Union regulations applicable to the Company.

Interim report for the first six months of the year 2020 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*

25 August 2021