



**Joint Stock Company
'SIGULDAS CILTS LIETU UN
MĀKSLĪGĀS APSEKĻOŠANAS
STACIJA'**

**Unaudited
INTERIM REPORT
for the First Six Months of 2024**

This is a translated copy of the original document. The original document in Latvian language has been submitted to the Nasdaq Riga stock exchange (<https://www.nasdaqbaltic.com>).

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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>'Kalnabēites 8', Sigulda, Sigulda municipality, LV-2150</i>
Shareholders holding more than 5% of the total number of voting shares	<i>'Siguldas mākslīgās apsēklošanas stacija' Ltd. (49.80%), registration No. 40003311954</i> <i>Oļegs Radčenko (5.17%)</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>Guntis Mecaucis, deputy chairman of the Supervisory Board</i> <i>Līga Kubuliņa, member of the Supervisory Board</i> <i>Baiba Mecauce, member of the Supervisory Board</i> <i>Edgars Nartišs, member of the Supervisory Board</i>
Reporting period	<i>01.01.2024 – 30.06.2024</i>
Previous reporting period	<i>01.01.2023 – 30.06.2023</i>
Auditors	<i>Olga Kuzmiča</i> <i>Sworn Auditor</i> <i>Certificate No. 207</i> <i>'Oriens 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 the only producer of high-quality breeding bull semen and one of the largest suppliers of it 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 Company offers Latvian farms to test genome samples of herd animals in the US genetics laboratory.

The proportion of the revenue from the Company's basic economic activities, if compared to the first six months of 2023, had not changed substantially – the revenue from the sales of the bull semen comprised 67.9 % of the net turnover, whereas the milk laboratory services and processing of supervisory data services, taken together, accounted for 20.5 % of the net turnover.

Company's net turnover in the first six months of 2024 was 768.3 thousand euros, which is by 1.0 % higher than in the first six months of 2023, whereas Company's profit before enterprise income tax was 61.4 thousand euros – by 27.6 % or 23.4 thousand euros less, compared to the corresponding period in 2023.

During the reporting period, the Company received a new medium-duty truck on a financial lease for five years.

In the first six months of 2024 there are no another 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.

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*

22 March 2024

Profit or loss account

	Note	30.06.2024 EUR	30.06.2023 EUR
Net sales	3	768 297	760 366
a) from agricultural activities		768 297	760 366
Changes in stock of ready-made goods and unfinished products	4	21 932	39 705
Other operating income	5	42 577	27 791
Costs of materials:		(435 589)	(409 009)
a) raw materials and auxiliary costs of materials		(401 674)	(361 071)
b) other external costs		(33 915)	(47 938)
Personnel costs:	6	(247 179)	(248 572)
a) salaries for work		(189 558)	(192 299)
b) state social insurance compulsory contributions		(44 726)	(46 408)
c) other social insurance costs		(12 895)	(9 865)
Depreciation adjustments:		(43 465)	(43 945)
a) depreciation adjustments of fixed and intangible assets		(43 465)	(43 945)
Other operating costs	7	(42 097)	(38 359)
Interest payments and similar costs:	8	(3 077)	(3 217)
a) to other persons		(3 077)	(3 217)
Profit or loss before enterprise income tax		61 399	84 760
Enterprise income tax for the reporting year		(40)	(41)
Profit or loss after enterprise income tax calculation		61 359	84 719
The profit or loss for the year		61 359	84 719
Earnings per 1 share (EPS)	17	0.145	0.201

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

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21 August 2024

Balance sheet

Assets	Note	30.06.2024 EUR	31.12.2023 EUR
Long-term investments			
Intangible assets		-	-
Concessions, patents, licenses, trademarks and similar rights		-	-
Intangible assets total	9	<hr/>	<hr/>
Fixed assets (fixed assets, investment properties)			
Fixed assets			
Immovable properties - land parcels, buildings and constructions		95 837	100 639
Productive animals		18 092	26 561
Technological equipment and machinery		115 353	131 494
Other fixed assets and inventory		53 411	48 019
Fixed assets total	10	<hr/> 282 693	<hr/> 306 713
Investment properties	11	136 000	136 000
Long-term financial investments			
Other securities and investments		684	684
Long-term financial investments total		<hr/> 684	<hr/> 684
Long-term investments total		<hr/> 419 377	<hr/> 443 397
Current assets			
Stock			
Raw materials, basic materials and auxiliary materials		11 869	16 129
Ready-made goods and goods for sale	12	1 040 259	1 001 456
Stock total		<hr/> 1 052 128	<hr/> 1 017 585
Receivables			
Trade receivables	13	486 716	416 612
Other receivables	14	686	86
Prepaid expenses	15	5 590	10 553
Accrued income		29 350	23 855
Receivables total		<hr/> 522 342	<hr/> 451 106
Cash	16	183 789	154 235
Current assets total		<hr/> 1 758 259	<hr/> 1 622 926
Assets total		<hr/> 2 177 636	<hr/> 2 066 323

Balance sheet

Shareholders' equity and liabilities	Note	30.06.2024 EUR	31.12.2023 EUR
Shareholders' equity			
Share capital	17	591 416	591 416
Retained earnings or loss carried forward from previous years		1 219 399	1 175 086
Profit or loss of the reporting year		61 359	65 435
Shareholders' equity total		1 872 174	1 831 937
Payables			
Long-term payables			
Other loans	18	90 278	64 415
Long-term payables total		90 278	64 415
Short-term payables			
Other loans	19	11 799	18 271
Prepayment received from customers		430	884
Trade payables		130 801	65 279
Taxes and social insurance payments	20	37 931	44 828
Other payables		16 923	20 661
Accrued liabilities	21	17 300	20 048
Short-term payables total		215 184	169 971
Payables total		305 462	234 386
Shareholders' equity and liabilities total		2 177 636	2 066 323

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21 August 2024

Cash flow statement

	Note	30.06.2024 EUR	30.06.2023 EUR
Cash flow from operating activities			
Income from sale of goods and provision of services		889 652	833 673
Payments to suppliers, employees, other expenses arising from basic operations		(842 330)	(901 744)
Gross cash flow from basic operations		47 322	(68 071)
Expenses for interest payments		(3 077)	(3 217)
Expenses for enterprise income tax payments		(2 583)	(41)
Net cash flow from operating activities		41 662	(71 329)
Cash flow from investing activities			
Purchase of fixed assets and intangible investments		(16 835)	(25 171)
Income from dispossession of fixed assets		35 693	5 076
Net cash flow from investing activities		18 858	(20 095)
Cash flow from financing activities			
Subsidies received as a state support		1 988	372
Expenses for the redemption of a leased fixed asset		(9 399)	(43 348)
Dividends paid		(21 122)	-
Net cash flow from financing activities		(28 533)	(42 976)
Result of foreign exchange rate fluctuations		(2 433)	(2 620)
Net increase or decrease of cash and its equivalents		29 554	(137 020)
Cash and its equivalents balance at the beginning of the reporting year		154 235	302 771
Cash and its equivalents balance at the end of the reporting year	16	183 789	165 751

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21 August 2024

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
31.12.2022	591 416	1 031 686	143 400	1 766 502
Profit of 2022 transferred to retained earnings of previous years	-	143 400	(143 400)	-
Profit of the reporting year	-	-	84 719	84 719
30.06.2023	591 416	1 175 086	84 719	1 851 221
31.12.2023	591 416	1 175 086	65 435	1 831 937
Profit of 2023 transferred to retained earnings of previous years	-	65 435	(65 435)	-
Dividends distributed	-	(21 122)	-	(21 122)
Profit of the reporting year	-	-	61 359	61 359
30.06.2024	591 416	1 219 399	61 359	1 872 174

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21 August 2024

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.

Notes to the Financial Statements

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.

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 2024.

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.

	30.06.2024	30.06.2023
USD	1.07050	1.08660

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
Productive animals	2 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

Notes to the Financial Statements

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.

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

2023 – LTD 'Eiroeksperts'

2022 – 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	30.06.2024 EUR	30.06.2023 EUR
Sale of Livestock sperm	522 040	478 492
Milk laboratory services	157 127	192 280
Artificial insemination of livestock	15 255	18 914
Other income	73 875	70 680
	768 297	760 366

Distribution of net sales according to the geographical markets:

	30.06.2024 EUR	30.06.2023 EUR
Latvia	768 297	760 366
	768 297	760 366

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

	30.06.2024 EUR	30.06.2023 EUR
Changes in the value of semen stocks produced	21 932	39 705
	21 932	39 705

(5) Other operating income

	30.06.2024 EUR	30.06.2023 EUR
Net income from dispossession of fixed assets	15 018	1 188
State support for agricultural	1 988	372
Recovered doubtful and bad debts	25 571	26 228
Other income	-	3
	42 577	27 791

Notes to the Financial Statements

(6) Personnel costs

	30.06.2024	30.06.2023
	EUR	EUR
Salaries for work	189 558	192 299
State social insurance contributions	44 726	46 408
Health insurance	10 683	7 665
Other costs	2 212	2 200
	247 179	248 572

(7) Other operating expenses

	30.06.2024	30.06.2023
	EUR	EUR
Insurance payments	4 514	5 061
Selling expenses	1 363	3 426
The costs of accreditation and employee training	3 220	740
Business trip expenses	1 018	3 194
Labour protection expenditure	1 465	1 596
Company's management and administrative expenses	4 222	2 969
Regulated securities market expenses	12 691	9 134
Loss from foreign currency exchange rate fluctuations	2 973	1 980
Employees' leisure and similar costs	1 722	1 546
Real estate tax	1 862	1 862
Other costs	7 047	6 851
	42 097	38 359

(8) Interest payments and similar costs

	30.06.2024	30.06.2023
	EUR	EUR
Interest on the use of financing	3 077	3 217
	3 077	3 217

Notes to the Financial Statements

(9) Intangible assets

	Concessions, patents, licenses, trademarks and similar rights EUR
Initial value	
31.12.2023	8 943
Purchased	-
Disposed	-
30.06.2024	8 943
Accrued depreciation adjustments	
31.12.2023	8 943
Annual write-off of the value	-
Adjustments to accrued depreciation of excluded intangible assets	-
30.06.2024	8 943
Book value as at 31.12.2023	-
Book value as at 30.06.2024	-

	Concessions, patents, licenses, trademarks and similar rights EUR
Initial value	
31.12.2022	10 785
Purchased	-
Disposed	(1 842)
30.06.2023	8 943
Accrued depreciation adjustments	
31.12.2022	10 785
Annual write-off of the value	-
Adjustments to accrued depreciation of excluded intangible assets	(1 842)
30.06.2023	8 943
Book value as at 31.12.2022	-
Book value as at 30.06.2023	-

Notes to the Financial Statements

(10) Report on movement of fixed assets

	Land, buildings and constructions	Productive animals	Technological equipment and machinery	Other fixed assets and inventory	Total
	EUR	EUR	EUR	EUR	EUR
Initial value					
31.12.2023	467 494	56 107	467 810	321 724	1 313 135
Purchased	-	7 222	-	32 899	40 121
Dispossessed or liquidated	-	(9 113)	-	(30 509)	(39 622)
30.06.2024	467 494	54 216	467 810	324 114	1 313 634
Accrued depreciation adjustments					
31.12.2023	366 855	29 546	336 316	273 705	1 006 422
Calculated depreciation	4 802	12 590	16 141	9 857	43 390
Depreciation of dispossessed or liquidated fixed assets	-	(6 012)	-	(12 859)	(18 871)
30.06.2024	371 657	36 124	352 457	270 703	1 030 941
Book value as on 31.12.2023	100 639	26 561	131 494	48 019	306 713
Book value as on 30.06.2024	95 837	18 092	115 353	53 411	282 693

As on 30 June 2024, the cadastral value of **real estate – land and constructions** – was **EUR 158 539**.

Notes to the Financial Statements

	Land, buildings and constructions	Productive animals	Technological equipment and machinery	Other fixed assets and inventory	Prepayments for fixed assets	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Initial value						
31.12.2022	467 494	53 497	309 183	333 011	47 092	1 210 277
Purchased	-	17 234	111 535	7 753	-	136 522
Dispossessed or liquidated	-	(14 714)	-	(1 848)	-	(16 562)
Requalified	-	-	47 092	-	(47 092)	-
30.06.2023	467 494	56 017	467 810	338 916	-	1 330 237
Accrued depreciation adjustments						
31.12.2022	357 251	10 251	306 678	273 927	-	948 107
Calculated depreciation	4 802	15 814	13 497	9 832	-	43 945
Depreciation of dispossessed or liquidated fixed assets	-	(10 826)	-	(1 848)	-	(12 674)
30.06.2023	362 053	15 239	320 175	281 911	-	979 378
Book value as on 31.12.2022	110 243	43 246	2 505	59 084	47 092	262 170
Book value as on 30.06.2023	105 441	40 778	147 635	57 005	-	350 859

As on 30 June 2023, the cadastral value of **real estate – land and constructions** – was **EUR 158 539**.

(11) Investment properties

	Land EUR
Book value as on 31.12.2022	119 000
Increase/decrease of value due to revaluation	-
Book value as on 30.06.2023	119 000
Book value as on 31.12.2023	136 000
Increase/decrease of value due to revaluation	-
Book value as on 30.06.2024	136 000

(12) Ready-made products and goods for sale

	30.06.2024 EUR	31.12.2023 EUR
Bull semen	1 028 941	990 585
Other goods for sale	11 318	10 871
	1 040 259	1 001 456

Notes to the Financial Statements

(13) Trade receivables

	30.06.2024 EUR	31.12.2023 EUR
Accounting value of trade receivables	535 134	490 608
Provisions for doubtful trade receivables	(48 418)	(73 996)
	<u>486 716</u>	<u>416 612</u>

(14) Other receivables

	30.06.2024 EUR	31.12.2023 EUR
Other receivables	686	86
	<u>686</u>	<u>86</u>

(15) Prepaid expenses

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

	30.06.2024 EUR	31.12.2023 EUR
Insurance	4 509	8 435
Press and legislation updates' subscription	21	644
Server maintenance and similar costs	520	778
Other prepaid expenses	540	696
	<u>5 590</u>	<u>10 553</u>

(16) Cash

Break-down of cash according to currencies:

		30.06.2024 EUR		31.12.2023 EUR
	Currency		Currency	
Cash in hand	EUR	-	2 701	-
Cash in bank	EUR	-	181 088	-
		<u>183 789</u>		<u>154 235</u>

Notes to the Financial Statements

(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 30.06.2024 is 422 440, the nominal value of one share is 1.40 euro.

The total number of shares as per 31.12.2023 was 422 440, the nominal value of one share – 1.40 euro.

	30.06.2024 EUR	31.12.2023 EUR
Dematerialized shares with voting rights	591 416	-
Bearer shares with voting rights	-	590 016
Shares owned by the Board without voting rights	-	1 400
	591 416	591 416

422 440 shares or 100 % of the share capital are dematerialized shares, which give equal rights to receive dividends, receipt of liquidation quota and voting rights in the Shareholders' Meeting.

Owners of voting shares of the Company

	30.06.2024 %	31.12.2023 %
'Siguldas mākslīgās apsēklošanas stacija' Ltd	49.80	49.92
Inita Bedrīte, chairwoman of the Supervisory Board	0.26	0.26
Guntis Mecaucis, deputy chairman of the Supervisory Board	1.29	1.29
Baiba Mecauce, member of the Supervisory Board	2.44	2.44
Nils Ivars Feodorovs, chairman of the Management Board	0.09	-
Sarmīte Arcimoviča, member of the Management Board	0.98	0.91
Valda Mālniece, member of the Management Board	3.38	3.31
Other shareholders	41.76	41.87
	100.00	100.00

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

	30.06.2024 number	31.12.2023 number
Nils Ivars Feodorovs, chairman of the Management Board	-	400
Sarmīte Arcimoviča, member of the Management Board	-	300
Valda Mālniece, member of the Management Board	-	300
	-	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.

Notes to the Financial Statements

Earnings per share

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

	30.06.2024 EUR	30.06.2023 EUR
Profit or loss of the reporting period	61 359	84 719
Average weighted number of shares during the year	422 440	422 440
	0.145	0.201

(18) Long-terms payables

	30.06.2024 EUR	31.12.2023 EUR
Financial lease agreement of Swedbank Līzings SIA (expiration date – 15.01.2028)	64 415	64 415
Financial lease agreement of Swedbank Līzings SIA (expiration date – 15.05.2029)	25 863	-
	90 278	64 415

(19) Short-term payables

	30.06.2024 EUR	31.12.2023 EUR
Financial lease agreement of Swedbank Līzings SIA (expiration date – 15.01.2028)	9 284	18 271
Financial lease agreement of Swedbank Līzings SIA (expiration date – 15.05.2029)	2 515	-
	11 799	18 271

(20) Taxes and social insurance payments

Tax type	30.06.2024 EUR	31.12.2023 EUR
Value added tax	20 416	22 901
Personal income tax	5 766	5 910
Social insurance payments	11 627	13 351
Nature resource tax	111	113
Corporate income tax	-	2 543
Business risk state fee	11	10
	37 931	44 828

Tax overpaid declared in position 'Other receivables'

Notes to the Financial Statements

(21) Accrued liabilities

	30.06.2024 EUR	31.12.2023 EUR
Calculated liabilities to personnel for unused vacation	15 845	15 845
Accrued accounts payable	1 455	4 203
	<u>17 300</u>	<u>20 048</u>

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

	30.06.2024 EUR	30.06.2023 EUR
Remuneration to five Supervisory Board members for execution of functions	5 280	4 326
Social insurance payments from remuneration to five Supervisory Board members for execution of functions	1 706	1 378
Remuneration to three Management Board members for execution of functions	21 808	21 111
Social insurance payments from remuneration to three Management Board members for execution of functions	4 626	4 486
Total remuneration to the management members	<u>33 420</u>	<u>31 301</u>

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.

(23) Average number of employees

	30.06.2024 number	30.06.2023 number
Supervisory Board members (all employees perform the functions of the Supervisory Board member as an extra work in addition to principal work duties)	2	2
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	22	24
Total average number of employees	<u>27</u>	<u>29</u>

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

21 August 2024

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 2024 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

Management is responsible for ensuring an appropriate accounting system, preserving the Company's assets, as well as detecting and preventing fraud and other violations committed at the Company. The Management is also responsible for fulfilling the legislative requirements of the Republic of Latvia, as well as the requirements of the European Union regulations that are applicable to the Company.

Interim report for the first six months of the year 2024 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*

21 August 2024