



**OlainFarm**

## **JOINT STOCK COMPANY OLAINFARM**

(UNIFIED REGISTRATION NUMBER 40003007246)

# **UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3 MONTHS PERIOD ENDED 31 MARCH 2020**

**PREPARED IN ACCORDANCE WITH INTERNATIONAL  
FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE  
EUROPEAN UNION**

Olaine, 2020

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**General information**

<b>NAME OF THE GROUP'S PARENT COMPANY</b>	OLAINFARM
<b>LEGAL STATUS OF THE GROUP'S PARENT COMPANY</b>	JOINT STOCK COMPANY
<b>UNIFIED REGISTRATION NUMBER, PLACE AND DATE OF REGISTRATION OF THE PARENT COMPANY</b>	40003007246 Riga, 10 June 1991 (re-registered on 27 March 1997)
<b>REGISTERED OFFICE OF THE GROUP'S PARENT COMPANY</b>	Rūpnīcu iela 5 Olaine, Latvia, LV-2114
<b>MAJOR SHAREHOLDERS OF THE GROUP'S PARENT COMPANY (AS OF MARCH 31, 2020)</b>	SIA Olmafarm (42.56%) AS Swedbank on behalf of customers (14.73%) Clearstream Banking AG (9.32%) OÜ OLFIM (7.79%)
<b>MAJOR SUBSIDIARIES</b>	SIA Latvijas Aptieka (100%) SIA Tonus Elast (100%) SIA Silvanols (100%)
<b>AUDIT COMMITTEE</b>	Composition of the Audit committee since 1 April 2019: Chairman of the Audit committee – Agris Auce Members of the Audit committee: Kārlis Krastiņš, Member of the Supervisory Council Viesturs Gurtlavs
<b>FINANCIAL YEAR</b>	1 January – 31 December 2020
<b>INTERIM REPORTING PERIOD</b>	1 January – 31 March 2020

## Management Board

The Supervisory Council of the Company elects the Management Board of JSC Olainfarm for five years. When selecting the members of the Management Board, the Supervisory Council assesses the experience of candidates in team management, in particular area of responsibility of a candidate and in the pharmaceutical sector in general.

**Jeroen Hidde Weites** (Chairman of the Management Board from November 28, 2019)

Jeroen Hidde Weites is the Chairman of the Management Board of JSC Olainfarm. More than 30 new pharmaceutical products have been successfully launched in international markets under his leadership. Jeroen Hidde Weites has been the General Manager of the global healthcare leader Sanofi in Bulgaria since 2014. He also managed Sanofi's general medicine clusters in Southern Europe (revenue of EUR 165 million) and Northern Europe (revenue of EUR 200 million), where the main task was to ensure successful corporate change processes. From 2010 to 2014, he held the position of senior executive at Sanofi Genzyme in France, being primarily responsible for the implementation of the European strategy, managing and exploring new international markets in China and Japan. He has also held senior positions at UCB Pharma Brussels in Brussels, Belgium, as well as at Biogen Idec in Boston, USA. Jeroen Hidde Weites holds a master's degree in economics from the University of Amsterdam.

Positions held in other companies: none  
Number of shares held in JSC Olainfarm (as of March 31, 2020): 0  
Shareholding in other companies: none

**Elena Bushberg** (Board member from December 5, 2019)

Elena Bushberg is a member of the Management Board of JSC Olainfarm. She has more than 25 years of experience of working in international pharmaceutical companies such as Schering-Plough, MSD and Abbott Laboratories. Since 2015, E. Bushberg has been the CEO of Veropharm (owned by Abbott), one of Russia's leading manufacturers of pharmaceuticals and medical devices. She has worked in such areas as finance, supply, marketing and sales in the CIS countries, as well as in the creation and management of efficient teams, developing experience in various business areas. E. Bushberg holds a professional master's degree (Global Executive MBA) and the Healthcare Management Certificate from The Fuqua School of Business of Duke University, USA.

Positions held in other companies: none  
Number of shares held in JSC Olainfarm (as of March 31, 2020): 0  
Shareholding in other companies: none

## Management Board (cont.)

**Lauris Macijevskis** (Board member from November 28, 2019; Chairman of the Management Board from April 4, 2019 until November 28, 2019)



Lauris Macijevskis is a member of the Management Board of JSC Olainfarm. He is a finance expert with work experience of 16 years in the leading companies of Latvian banking sector, such as vice president and member of the Management Board of JSC DNB banka. He started his career in the banking at JSC Hansabanka and continued it at JSC Swedbank. From October 2008 to 2017, L.Macijevskis worked in the leading positions at the structural units of major Latvian banks. Lauris Macijevskis has a degree of professional higher education from BA School of Business and Finance (BASBF). He also holds a

master's degree in Business Administration from the Riga International School of Economics and Business Administration.

Positions held in other companies: none

Number of shares held in JSC Olainfarm (as of March 31, 2020): 0

Shareholding in other companies:

SIA EMPO Ventures (33.33% from 21.05.2020)

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**Signe Baldere-Sildedze** (Board member from April 4, 2019)



Signe Baldere-Sildedze is a member of the Management Board of JSC Olainfarm with previous experience as a member of the Supervisory Council of JSC Olainfarm in the period from 2009 to 2012 and from 4 June 2018 to 10 September 2018. She has been the shareholder and a member of the Management Board of SIA LOUVRE since 2014. She studied in Switzerland in the specialty of tourism and hotels. She has managed a company in the tourism and hotel industry in Switzerland.

Positions held in other companies:

SIA LOUVRE, Board member

SIA RĪTS-L, Board member

Number of shares held in JSC Olainfarm (as of March 31, 2020):

- directly: 297

- manages 1 097 026 shares of JSC Olainfarm as a natural guardian of the minor shareholder Anna Emilija Maligina

Shareholding in other companies:

SIA LOUVRE (100%)

SIA RĪTS-L (100%)

Management Board (cont.)

**Milana Bejeviča** (Board member from April 4, 2019)

Milana Bejeviča is a member of the Management Board of JSC Olainfarm with previous experience as a member of the Supervisory Council of JSC Olainfarm from 4 June 2018 to 4 September 2018. Milana Bejeviča has more than 20 years of experience in law, combining academic and practical knowledge in law, financial and tax law. She obtained a lawyer's degree from the Department of Law, University of Latvia, a master's degree in social sciences in European law from the Department of Business, Management and Economics of the University of Latvia, she also holds a PhD degree from the Riga Stradins University.

Positions held in other companies:  
SIA b2b konsultants, Board member  
SIA Olmafarm, Board member

Number of shares held in JSC Olainfarm (as of March 31, 2020): 15

Shareholding in other companies: none

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**Mārtiņš Pūriņš** (Board member from April 4, 2019)

Mārtiņš Pūriņš is a member of the Management Board of JSC Olainfarm. M. Pūriņš has more than 20 years of experience in the field of information and communication technologies. M. Pūriņš joined JSC Olainfarm from JSC Sadales tīkls, where he was the head of the smart meter monitoring department. He holds a bachelor's and master's degrees in computer science from the University of Latvia.

Positions held in other companies: none  
Number of shares held in JSC Olainfarm (as of March 31, 2020): 4 500  
Shareholding in other companies: none

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**Raimonds Terentjevs** (Board member from December 28, 2017)

Raimonds Terentjevs is a member of the Management Board of JSC Olainfarm and the Director of the Quality Management Department with over 20 years of experience of working in the chemical and pharmaceutical sector. R. Terentjevs joined JSC "Olainfarm" in 2011, when he left his research job at APP "Latvian Institute of Organic Synthesis". Raimonds Terentjevs graduated from the Faculty of Chemistry of the University of Latvia, obtaining a bachelor's and master's degree in chemistry.

Positions held in other companies: none  
Number of shares held in JSC Olainfarm (as of March 31, 2020): 0  
Shareholding in other companies: none

## Supervisory Council

The Supervisory Council of JSC Olainfarm is elected by the shareholders' meeting for five years. The Supervisory Council is a supervisory body that represents the interests of shareholders in between meetings. The main task of the Supervisory Council is to continuously monitor the activities of the Management Board. The candidates for the members of the Supervisory Council are usually selected by the shareholders taking into consideration the requirements that the respective candidates must meet in order to perform the functions and tasks of the members of the Supervisory Council.

The Supervisory Council decides on the remuneration of the members of the Management Board of JSC Olainfarm, while the remuneration of the members of the Supervisory Council itself is decided by JSC Olainfarm shareholder meeting.

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**Gundars Bērziņš**, Chairman of the Supervisory Council (from April 1, 2019)

Gundars Bērziņš has a bachelor's degree in science from the University of Latvia in 1995 and a master's degree in management in 1998. In 2013, he obtained a doctor's degree in management. Gundars Bērziņš is the Dean of the Faculty of Business Management and Economics of the University of Latvia and the leading researcher of the Faculty of Business, Management and Economics, as well as a member of the Management Board of Stockholm School of Economics in Riga.

Positions held in other companies: none  
Number of shares held in JSC Olainfarm (as of March 31, 2020): 3

Shareholding in other companies:  
SIA MeadowMe (99.96%)

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**Jānis Buks**, Deputy Chairman of the Supervisory Council (from April 1, 2019)

Jānis Buks graduated from the Department of Law of the University of Latvia. In 1993, he obtained a bachelor's degree in law. J. Buks is a finance expert, having worked in the leading companies of the Latvian banking sector for 8 years, including 7 years as the manager at the Latvian branch of Nordea Bank, and was a member of the Management Board of AS Luminor Banka from 2017 to 2018.

Positions held in other companies:  
SIA JV Holdings, Board member  
AS Spring Holding, Board member  
SIA LNK Asset Management AIFP, Chairman of the Board

Number of shares held in JSC Olainfarm (as of March 31, 2020): 0

Shareholding in other companies:  
SIA JV Holdings (50%)

## Supervisory Council (cont.)

**Kārlis Krastiņš**, Member of the Supervisory Council (from April 1, 2019)

Kārlis Krastiņš graduated from the Department of Business, Management and Economics of the University of Latvia, obtaining a bachelor's degree in economics (1995). In 1997, he graduated from the Institute of International Relations of the University of Latvia and obtained a master's degree in economics. From 2002 to 2006, he was Chairman of the Management Board of Prudentia Investment Management Company. Since 2005 he has been a member of the Management Board of JSC Prudentia and since 2008 also a partner of JSC Prudentia.

## Positions held in other companies:

SIA Xiexie, Chairman of the Board  
SIA Prudentia Advisers, Chairman of the Board  
AS Prudentia, Chairman of the Board  
SIA Prudentia Private Equity Partners, Board member  
SIA D & A Konsultanti, Board member  
SIA Pharma Invest, Board member (from 02.01.2020)

Number of shares held in JSC Olainfarm (as of March 31, 2020): 0

## Shareholding in other companies:

SIA Xiexie (100%)  
SIA Prudentia Advisers (44.49%)  
AS Prudentia (18.63%)  
SIA Prudentia Private Equity Partners (100% from 24.03.2020)  
SIA Tavs kapitāls 23 (80% until 10.03.2020)

**Haralds Velmers**, Member of the Supervisory Council (from April 1, 2019)

Haralds Velmers obtained a higher education law degree from the University of Latvia in 1999 and a master's degree in social law in 2001. He has been a sworn advocate since 2004 and an insolvency administrator since 2005.

## Positions held in other companies: none

Number of shares held in JSC Olainfarm (as of March 31, 2020): 12

## Shareholding in other companies:

SIA Compor (7.73%)  
SIA Nami un būves (40%)

**Andrejs Saveljevs**, Member of the Supervisory Council (from April 1, 2019)

Andrejs Saveljevs graduated from Riga Technical University with a degree in technical translation (1994). He obtained a degree in engineering in 1995. Andrejs Saveljevs is a highly qualified specialist in the technical field with more than 10 years of experience as a technical director in various companies.

## Positions held in other companies:

SIA B28, Board member

Number of shares held in JSC Olainfarm (as of March 31, 2020): 0

## Shareholding in other companies:

SIA RAAP (45%)

Movements in the Board

None

Movements in the Council

None



**Major shareholders****Shareholding 31 March 2020**

SIA Olmafarm	42.56%
AS Swedbank on behalf of customers	14.73%
Clearstream Banking AG	9.32%
OÜ OLFIM	7.79%
Other shareholders	25.60%
Total	100.00%

## Management report

### General information

The Group's parent company JSC Olainfarm is one of the biggest pharmaceutical companies in the Baltics with more than 45 years of experience in production of chemical and pharmaceutical products. A basic principle of the Group's operations is to produce effective top-quality products for Latvia and the rest of the world. Products made by the Group are being exported to more than 50 countries and territories worldwide, including the Baltics, Russia, other CIS countries, Europe, Asia, North America and Australia.

The main companies in the Group is the parent company JSC Olainfarm and its fully owned subsidiaries: pharmacy chain Latvijas Aptieka, a Latvian green pharmaceutical company Silvanols, producer of elastics and compression products Tonus Elast, healthcare companies Klinika Diamed and OlainMed, eco-cosmetics producer Kiwi Cosmetics and the Belarussian producer of natural herbal medicines and infusions NPK Biotest.

### Corporate mission and vision

#### *Corporate mission:*

We improve customers' lives and create value to our organization by providing sustainable healthcare products and services leveraging on our manufacturing and commercial expertise.

#### *Corporate vision:*

By the year 2025 we are amongst the top 10 CEE manufacturing companies sustainably delivering healthcare products and services in specific therapeutic areas in CEE, CIS and beyond.

### Operational environment

At the beginning of 2020 most of the Group's major markets had overall positive business environment trends, which served as a basis of forecasts for the Group's financial targets. However, in February COVID-19 started to rapidly expand in Europe and other countries in the world. This has led to unprecedented social and economic challenges with a significant drop in economic activities. Economies of the EU, the Eurasian Economic Union and other countries are contracting and most likely will post GDP declines and rising unemployment rates in 2020. Emerging market currencies during the 1st quarter of 2020 have lost their value against EUR, i.e. Russian ruble depreciated by 24%.

### Financial results

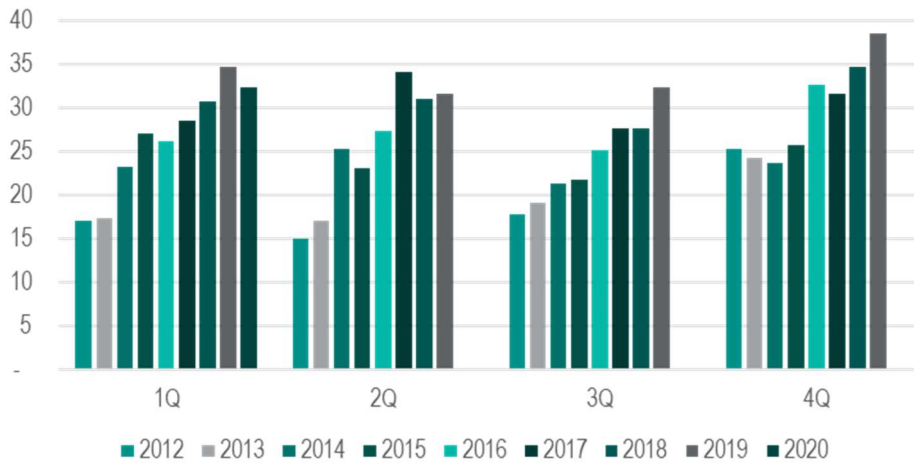
During the first quarter of 2020 the Group's sales reached EUR 32.393 million, which is a decrease by 7% or EUR 2.352 million compared to the first quarter a year ago. Gross profit, in turn, was EUR 18.387 million, which shows a decline by 13% or EUR 2.867 million since the same period last year. Gross profit margin dropped from 61.2% in the first quarter of 2019 to 56.8% in the same quarter of 2020.

Sales for the last 12 months (1 April 2019 – 31 March 2020) were EUR 134.867 million and it demonstrates a 5% increase compared to the same period a year ago (1 April 2018 – 31 March 2019). This financial indicator allows to even out the impact of one-off events over several quarters and is more appropriate as a long-term trend indicator.

It was expected that as of the beginning of 2020 a new regulation would be enforced in Russia regarding traceability of medical products (the so called serialization) through the entire supply chain therefore the largest distributors of JSC Olainfarm purchased additional inventory of final dosage forms in order to safeguard sales during the 1st quarter of 2020. Such circumstances created additional sales of approximately EUR 6 million on top of the planned sales in the 4th quarter of 2019. This was assumed by preparing a sales forecast for 2020.

For 2020, the Group estimates its revenue to be EUR 135.5 million. Taking into account the unprecedented external environment due to COVID-19 pandemic, the Group is monitoring in-market performance on a day-to-day basis and is ready to update forecasts according to market performance.

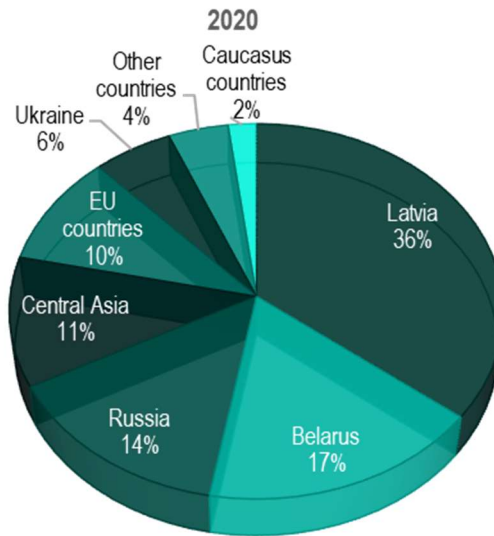
Sales breakdown by quarter, mln. EUR



**Markets**

Group's sales in the main markets in the 1st quarter of 2020 resulted in the following breakdown of revenues: Latvia with a 36% share (+7 p.p.), Belarus with 17% (+2 p.p.), Russia with 14% (-11% p.p.), Central Asian countries with 11% share (+3 p.p.), the EU countries with 10% share (+2 p.p.), the Ukraine with 6% (-3 p.p.), Other countries with 4% (unchanged) and Caucasian countries with 2% (+1 p.p.).

SALES BREAKDOWN BY MARKETS IN 1Q



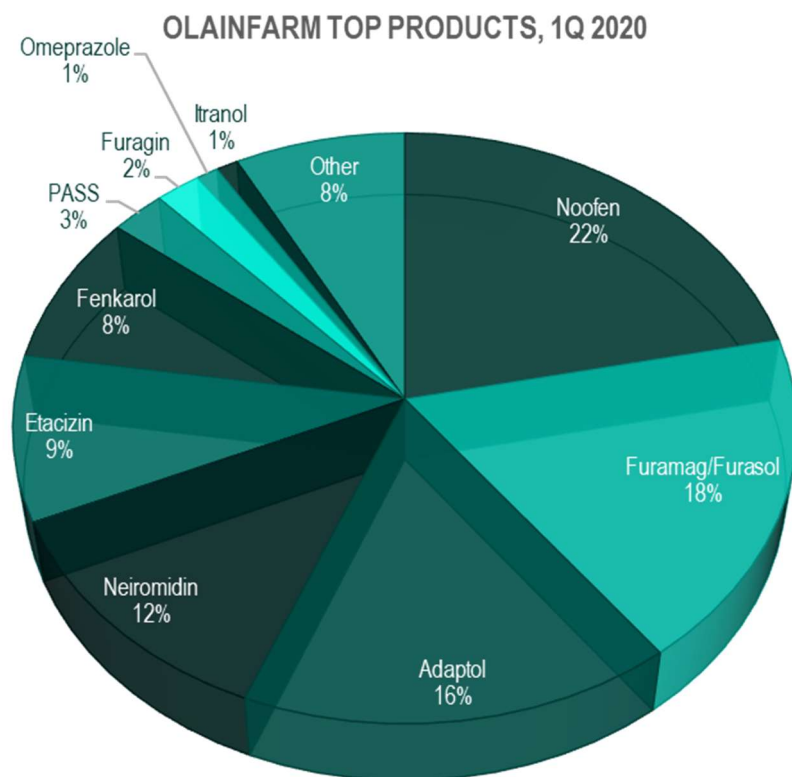
**Business segments**

Group's companies manufacture a wide range of pharmaceutical and chemical products, food supplements, compression materials, cosmetic products, as well as provide medical services, offer retail of medicines in pharmacies as well as act as wholesalers for other manufacturers' medical products.

*Final dosage forms segment*

The main business segment is final dosage forms that are manufactured by the Parent company in Olaine. In the 1st quarter of 2020, pharmaceutical products worth EUR 16.217 million were sold, which is a decline by 20% or EUR 3.942 million if compared to the same quarter of 2019. This segment's share in the Group's total revenue in the 1st quarter of 2020 dropped by 8 p.p. to 50%.

During the reporting period, sales of JSC Olainfarm main final dosage forms declined relative to the same quarter a year ago and to the last quarter of 2019. This happened due to extra sales that were executed at the end of 2019. The share of the best sold product Noofen increased to 22% that is by three percentage points more than the year before. The share of Furamag/Furasol increased to 18% (+2pp) and Adaptol's share increased to 16% (+4pp). At the same time the share of Neiromidin declined to 12% (-3pp).



#### *Pharmacies segment*

Within the Group, Latvijas aptieka Ltd manages and develops pharmacies in Latvia where the Pharmacy segment in the 1st quarter of 2020 generated a revenue increase by 12% compared to the same quarter of 2019 and reached EUR 7.411 million. This segment's share in the Group's total revenue during the reporting period increased to 23% (+4 p.p.) compared to the 1st quarter of 2019.

#### *Compression materials*

Group's company Tonus Elast Ltd manufactures a wide range of compression materials and sells products in Latvia and abroad. Revenue of this segment in the 1st quarter of 2020 was EUR 1.953 million that is 1% more than the year before. This segment's share in the Group's total revenue in the 1st quarter of 2020 was 6% (unchanged).

#### *Wholesale*

Within the Group, the Parent company manages the wholesale of medical products since it has a medicine wholesale license, which allows to purchase products from other manufacturers and to deliver them to Latvijas aptieka Ltd as well as other cooperation partners. Revenue of this segment from external customers was EUR 2.018 million, which is an increase by 43% or EUR 0.611 million. This segment's share in the Group's total revenue during the reporting period rose to 6% (+2 p.p.).

#### *Chemicals*

In addition to final dosage forms, the Parent company manufactures chemical components that are sold to other pharmaceutical companies covering a wide geographical area. The segment's income in the 1st quarter of 2020 was 1% higher than in the same quarter of 2019 and reached EUR 1.589 million. This segment's share in the Group's total revenue during the latest quarter did not change and was 5%.

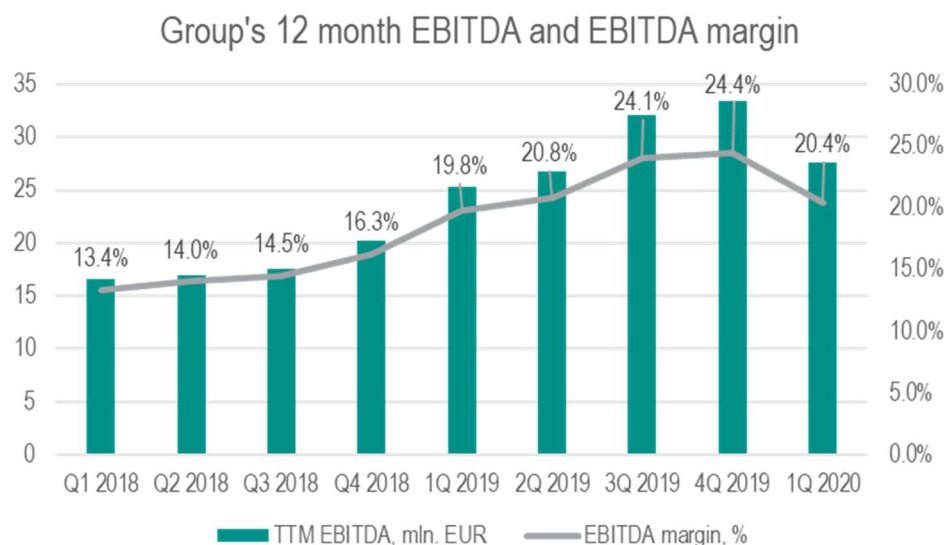
#### *Other*

This segment combines Silvanols, DiaMed and OlainMed medical facilities, the Belarussian manufacturing company Biotest and others which generated EUR 3.205 million in revenue in the 1st quarter of 2020 and is 4% more than in the same quarter of 2019. This segment's share in the Group's total revenue during the reporting period increased by 1 pp and was 10%.

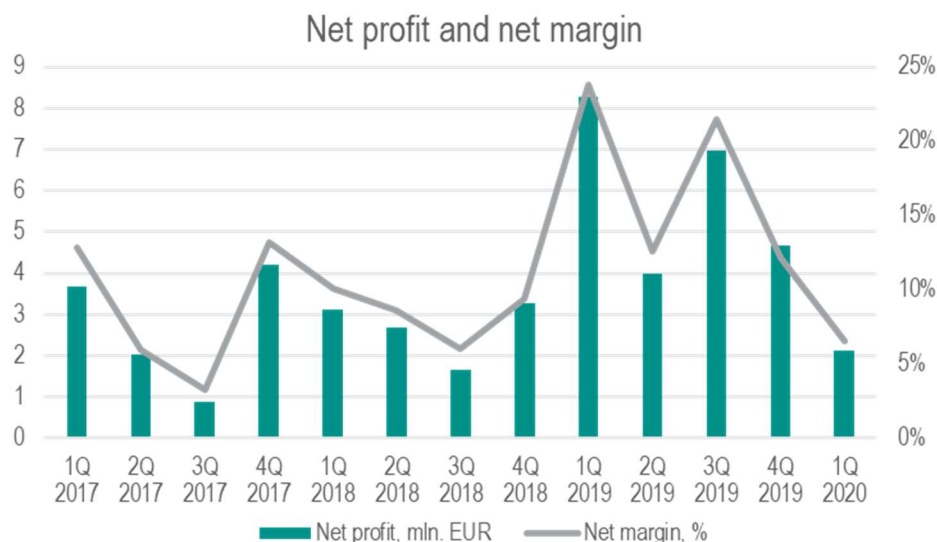
**EBITDA and reporting period net profit**

The Group's EBITDA figure in the reporting period was EUR 4.581 million, which is 57% or EUR 5.960 million less than the result of the same quarter of 2019. EBITDA margin of the Group is 14.1%.

The Group's EBITDA was EUR 27.574 million and EBITDA margin was 20.4% in the last twelve months.



Group's net profit in the 1st quarter of 2020 was EUR 2.113 million, which is 74% or EUR 6.147 million less than the net profit of the 1st quarter of 2019. The Group's net profit margin also declined, and it was 7% instead of 24% a year earlier.

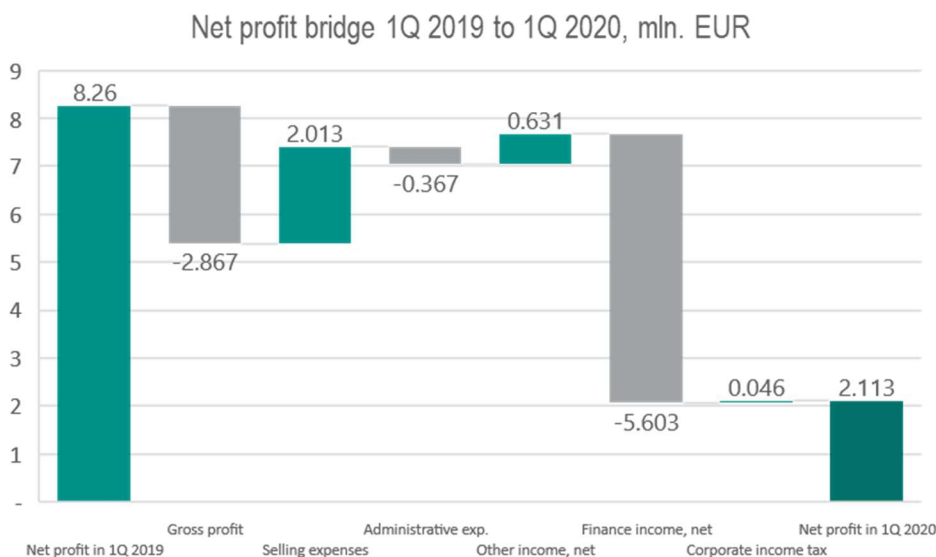


The reporting period profit was favorably affected by a number of factors:

- decrease in selling expense by EUR 2.013 million, due to review of marketing model in the main sales markets;
- net increase in other operating income by EUR 0.69 million.

The largest negative factor resulted from fluctuation in foreign exchange rates. Gains in the first quarter of 2019 were substituted with losses and overall impact during the 1st quarter of 2020 was in the amount of EUR 5.6 million. Due to lower revenue and different product mix in the beginning of 2020 gross profit was lower by EUR 2.867 million than a year ago. At the same time Administrative expenses increased by EUR 0.367 million with energy related and other miscellaneous costs being the main drivers.

The Group's net profit target for 2020 remains unchanged at the amount of EUR 14.2 million.



### Segment profit

Most of the Group's segments operated with profit in the 1st quarter of 2020. The largest profit before tax was generated by the medicine and chemical segment, which earned EUR 4.355 million, in wholesale the figure was EUR 0.831 million, retail (pharmacies) made EUR 0.513 million, in other segments the profit before tax was EUR 0.146 million. The profit before tax improved in wholesale and retail segments. The compression material segment generated a negative profit before tax of EUR 0.314 million.

### Financial and liquidity management

The Group's financial position during the 1st quarter of 2020 continued to improve. The Group's successful operations allowed it to accumulate EUR 20.192 million in cash at the end of March 2020. This is a significant precondition to limit the effect of uncertainty within the sales markets as well as allows to safeguard supply of raw materials in order to maintain stable operations. Also accumulated cash allows continued financing for fixed asset investments as well as investments into research and development activities linked to completing clinical trials.

The Group continues cooperation with SEB bank where the Group has short-term exposure as well available credit line facility and with BlueOrange Bank where it has a long-term fully amortizing loan.

The Group's Debt service coverage ratio (DSCR) in the 1st quarter of 2020 continued to improve and was 3.6 due to the drop in the amount of serviced debt in the last twelve months. Net Debt-to-EBITDA ratio was essentially NIL due to rapidly rising cash balances.

**Main financial indicators**

Financial indicator for period	01.01.2020 - 31.03.2020	% to previous period	01.01.2019 - 31.03.2019	01.01.2018 - 31.03.2018	01.01.2017 - 31.03.2017
Sales, EUR '000	32 393	93%	34 745	30 789	28 571
Net profit, EUR '000	2 113	26%	8 260	3 114	3 673
EBITDA, EUR '000	4 581	43%	10 541	5 414	6 386
EBIT, EUR '000	2 291	27%	8 470	3 299	4 489
Gross margin	56.8%		61.2%	58.5%	59.9%
EBITDA margin	14.1%		30.3%	17.6%	22.4%
EBIT margin	7.1%		24.4%	10.7%	15.7%
Net margin	6.5%		23.8%	10.1%	12.9%
EPS, EUR	0.15	26%	0.59	0.22	0.26

Financial indicator at the period end	31.03.2020	% to previous period	31.03.2019	31.03.2018	31.03.2017
Current ratio	3.1		1.9	2.2	2.6
Share price at period end, EUR	5.92	90%	6.55	8.90	9.30
Market capitalisation, EUR '000	83 384	90%	92 257	125 357	130 991
P/B	0.6		0.8	1.2	1.3

Financial indicator for 12 month	01.04.2019- 31.03.2020	% to previous period	01.04.2018 - 31.03.2019	01.04.2017 - 31.03.2018	01.04.2016 - 31.03.2017
Sales, EUR '000	134 867	105%	128 212	124 294	113 134
Net profit, EUR '000	17 481	110%	15 877	10 230	12 144
EBITDA, EUR '000	27 574	109%	25 355	16 594	21 540
DSCR	3.6		2.4	1.9	4.0
Net Debt-to-EBITDA	0.0		0.8	1.4	1.0
ROA	10.5%		10.3%	6.9%	8.2%
ROE	14.4%		15%	10%	12%
P/E	4.8		5.9	12.4	10.8

The above financial indicators and alternative performance measure indicators represent main indicators for information and performance analysis purposes and are presented or calculated based on data disclosed in the Financial Statements and in stock exchange [www.nasdaqbaltic.com](http://www.nasdaqbaltic.com) under ticker OLF1R. Neither the Parent Company, or the Group has set the specific targets of the above indicators except for Net revenue and Net profit as the operating plan of the Parent Company and the Group for the reporting year. Information presented in this management report on sales by markets of the Group and sales by products of the Parent Company are direct components of Net revenue providing additional dimension of Net revenue for reporting year's performance and risk analysis purposes with comparative information described only in case of material changes.

Herein presented financial indicators and alternative performance indicators must be reviewed together with explanations and definitions included in the management report of the annual accounts for the year 2019.

**Dividends and Dividend policy**

At the end of 2019, JSC Olainfarm approved dividend policy with an aim to create a well-considered, balanced and transparent profit distribution model to ensure regular dividend payments to shareholders and to reach long-term business targets of JSC Olainfarm.

For 2019, the Management Board will recommend dividend payout of 20.27% of the Group's Parent company's audited net profit in the total amount of EUR 4 507 224.96 or EUR 0.32 per share.

**Shares and stock exchange**

Share capital of JSC Olainfarm consists of 14 085 078 ordinary shares, which are listed on Nasdaq Riga Baltic Main List. In the reporting period the total number of shares has not changed. The company does not own any treasury shares and no share buyback program has been approved.

During the 1st quarter of 2020 JSC Olainfarm average share price was 6.74 EUR per 1 share and traded in a range of 5.36 to 7.32 EUR per share. During this period 2 898 transactions with 447 436 shares with total value 2 944 568.30 EUR took place.

**JSC Olainfarm share price changes for the past three years until the end of the reporting period**



During the 1st quarter of 2020 OMX Riga index decreased by 7.61% and share price of JSC Olainfarm decreased by 9.31%.

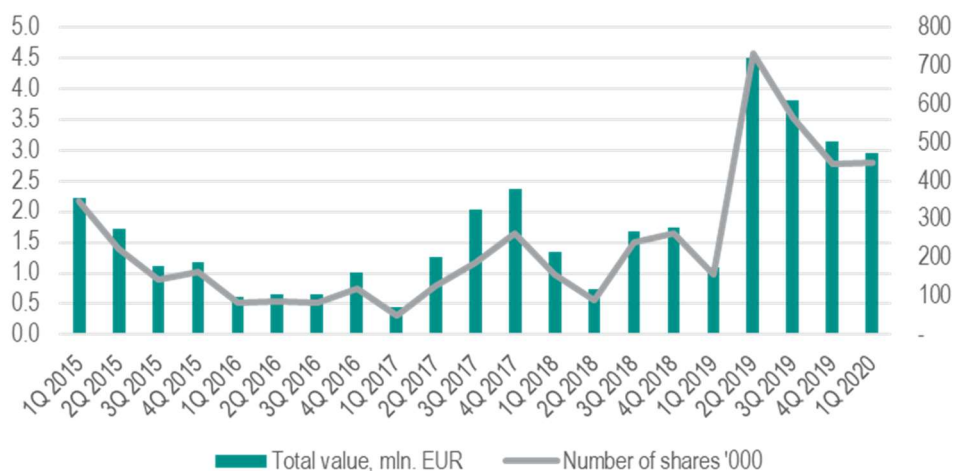
**Share price of JSC Olainfarm on Nasdaq Riga stock exchange relative to OMX Riga index over the last 12 months until the end of the reporting period**





During the first quarter of 2020, more than 447 thousand shares of JSC Olainfarm, with a total value of EUR 2.9 million, were traded on Nasdaq Riga. Compared to the same period in 2019, the number of traded shares was higher by 185%, while traded value was higher by 171%.

### Olainfarm shares trading activity



### Changes in sales processes

During the 1st quarter of 2020 the Group reviewed a list of cooperation partners in all the major markets in order to attain business with the largest and most stable Tier 1 wholesalers. At the beginning of this year there was a temporary disruption of sales in the Ukraine but since February there is an agreement in place with a new distributor.

In February, the Group established a subsidiary in Russia with the aim to facilitate promotion and distribution of products, market research and to increase JSC Olainfarm commercial presence, which previously were provided by third parties. This step will allow the company to better manage commercial processes and have better control over expenses. For local partners this is a strong signal that the Russian market is important for the Group and it is committed to be actively present in this market in the long term.

### Extraordinary general meeting

Extraordinary general meeting planned on 24 January of this year did not convene due to a lack of quorum. According to the Articles of Association, the meeting has a right to make a decision if more than 50% of the paid capital with voting rights is present.

### Social responsibility and support of events

In the 1st quarter of 2020 JSC Olainfarm supported firework performance during Olaine city annual festivities.

At the beginning of February JSC Olainfarm took part in the annual career educational program Shadow Day organized by applied business education society Junior Achievement. This year 17 Shadows from ten different schools visited the company. Shadows spent a day together with specialists from manufacturing, technical departments, final dosage form laboratory, center of chromatography, the central laboratory of the plant and human resources department.

As a long-term cooperation partner JSC Olainfarm participated in organizing the Annual awards in medicine 2020 by being one of the largest supporters.

The company participated in Career Days 2020 organized by Riga Technical University in order to facilitate the interest of students about internship and work opportunities related to chemistry and pharmacy and to promote JSC Olainfarm as one of the largest employers in the Riga region.

Blood donor day has become an important tradition of the company which is arranged together with the State blood donor center. This time 49 employees donated blood to those who need it most.

JSC Olainfarm continues cooperation with one of the leading universities in Latvia by providing financial support to Riga Stradins University's Faculty of Law to implement virtual reality technology. The donation supported digitalization of offered study programs to law students using virtual reality technology in the study process.

### Impact of COVID-19

Despite the spread of COVID-19 to most countries in the world including Latvia, the Group has continued to operate normally with limited impact. The Group companies have taken safety measures in accordance with local regulations. Employees at JSC Olainfarm and the major subsidiaries regularly check their health conditions to limit potential spread of the coronavirus among employees. Employees who can perform tasks remotely are working from home. Business trips have been canceled, face-to-face meetings have

been limited whenever possible and online meetings are encouraged instead. Because of travel restrictions, the Group's medical representatives are conducting promotional calls via video conference or by phone to stay connected with their customers.

The Group companies source raw materials from various countries and have established plans to expand the list of suppliers. At the moment, the Group has sufficient inventory for the foreseeable future, which enables it to plan production without interruptions. The manufacturing processes and product deliveries at JSC Olainfarm have not been significantly affected. More shipments of products to clients are done by trucks instead of air traffic.

The Group's largest subsidiary Latvijas aptieka Ltd has been operating without any changes and has noted an increase in demand for various pharmaceutical products. Silvanols is operating normally, with a stronger focus on immunology products and vitamins due to increased demand from the market, however, contract manufacturing has been negatively affected. Tonus Elast has experienced a drop in product demand and has been receiving state support. Due to state-imposed limitations, healthcare facilities of Diamed and OlainMed were temporarily closed from the end of March until the end of April but have already been reopened to patients in line with state regulations.

JSC Olainfarm started manufacturing a disinfectant, which is used mostly by the Group companies and delivered to a limited number of clients. Tonus Elast started manufacturing basic models of face masks without a filter. JSC Olainfarm has started a purchase of artificial lung machine equipment, which will be gifted to the Stradins University Hospital in order to ensure the treatment of people infected by COVID-19. In addition, JSC Olainfarm provided half a ton of isopropyl alcohol solution free of charge, to be used for disinfecting purposes. The total monetary value of this gift is about EUR 100 000. Although the coronavirus may have a more profound impact on the Group, the operations revenue and net profit forecast made at the beginning of the year remains unchanged.

#### **Future Outlook**

Due to uncertainty regarding further impact of COVID-19 the Group will continue to observe requirements and recommendations enforced by the governments.

On behalf of the Management Board of JSC Olainfarm:

(signature)  
\_\_\_\_\_  
Jeroen Hidde Weites  
*Chairman of the Management Board*

(signature)  
\_\_\_\_\_  
Lauris Macijevskis  
*Member of the Management Board*

27 May 2020

## Statement of responsibility of the management

The Management Board of JSC Olainfarm prepares interim condensed consolidated financial statements for each quarter which give a true and fair view of the JSC Olainfarm group's (hereinafter - the Group) assets, liabilities and financial position as of the end of the respective interim period, and the financial results of the Group for that respective period. Interim condensed consolidated financial statements are prepared based on International Financial Reporting Standards as adopted by the EU in respect of interim financial statements. In preparing those financial statements, management:

- selects suitable accounting policies and then apply them consistently;
- makes judgments and estimates that are reasonable and prudent;
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Management Board of JSC Olainfarm is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position, financial performance and cash flows of the Parent Company and the Group and enable them to ensure that financial statements drawn up from them comply with International Financial Reporting Standards as adopted by the EU.

On behalf of the Management Board of JSC Olainfarm:

(signature)  
\_\_\_\_\_  
Jeroen Hidde Weites  
*Chairman of the Management Board*

(signature)  
\_\_\_\_\_  
Lauris Macijevskis  
*Member of the Management Board*

27 May 2020

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS****Interim consolidated statement of comprehensive income**

	01.01.2020 - 31.03.2020	01.01.2019 - 31.03.2019
	EUR '000	EUR '000
Revenue	32 393	34 745
Cost of goods sold	(14 006)	(13 491)
<b>Gross profit</b>	<b>18 387</b>	<b>21 254</b>
Selling expenses	(6 268)	(8 281)
Administrative expenses	(6 700)	(6 333)
Other operating income	699	462
Other operating expenses	202	(255)
Share of profit of an associate	15	78
Finance income	18	1 563
Finance expense	(4 219)	(161)
<b>Profit before tax</b>	<b>2 134</b>	<b>8 327</b>
Corporate income tax	(31)	(67)
Deferred corporate income tax	10	-
<b>Profit for the reporting period</b>	<b>2 113</b>	<b>8 260</b>
<b>Other comprehensive income for the reporting period</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax:</i>		
Exchange differences on translation of foreign operations	(490)	155
<b>Other comprehensive (loss) / income for the reporting period, net of tax</b>	<b>(490)</b>	<b>155</b>
<b>Total comprehensive income for the reporting period, net of tax</b>	<b>1 623</b>	<b>8 415</b>
Profit attributable to:		
The equity holders of the Parent company	2 113	8 260
Non-controlling interests	-	-
	<b>2 113</b>	<b>8 260</b>
Total comprehensive income attributable to:		
The equity holders of the Parent company	1 623	8 415
Non-controlling interests	-	-
	<b>1 623</b>	<b>8 415</b>
Basic and diluted earnings per share, EUR	0.15	0.59

The accompanying notes form an integral part of these financial statements.

On behalf of the Management Board of JSC Olainfarm:

(signature)  
\_\_\_\_\_  
Jeroen Hidde Weites  
Chairman of the Management Board

(signature)  
\_\_\_\_\_  
Lauris Macijevskis  
Member of the Management Board

**Interim consolidated statement of financial position**

<b>ASSETS</b>	<b>31.03.2020</b>	<b>31.12.2019</b>
<b>NON-CURRENT ASSETS</b>	<b>EUR '000</b>	<b>EUR '000</b>
<b>Intangible assets</b>		
Goodwill	20 717	20 717
Patents	136	142
Pharmacy licenses and lease contracts	11 953	11 953
Other intangible assets	3 174	3 184
Intangible assets under development	3 067	2 418
Prepayments for intangible assets	10	8
TOTAL	<b>39 057</b>	<b>38 422</b>
<b>Property, plant and equipment</b>		
Land, buildings and constructions	19 558	20 210
Equipment and machinery	17 006	17 619
Other tangible assets	2 237	2 345
Leasehold investments	732	761
Construction in progress	2 210	1 054
Prepayments for property, plant and equipment	261	453
TOTAL	<b>42 004</b>	<b>42 442</b>
<b>Right-of-use assets</b>		
	<b>7 113</b>	<b>7 069</b>
<b>Investment property</b>		
	<b>244</b>	<b>253</b>
<b>Other long-term investments</b>		
Investments in associated companies	519	504
Loans to management, employees and shareholders	215	203
Prepayments and next period expenses	7	10
Other non-current assets	1	1
Deferred corporate income tax assets	61	64
TOTAL	<b>803</b>	<b>782</b>
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>89 221</b>
		<b>88 968</b>
<b>CURRENT ASSETS</b>		
<b>Inventories</b>		
Raw materials	5 915	5 209
Work in progress	10 112	10 170
Finished goods and goods for sale	12 592	12 210
Prepayments for goods	872	658
TOTAL	<b>29 491</b>	<b>28 247</b>
<b>Receivables and other current assets</b>		
Trade receivables	25 844	31 280
Prepayments and next period expenses	1 697	1 383
Other receivables	2 251	975
Corporate income tax	955	919
Loans to management, employees and shareholders	1 622	1 610
Contract assets	52	58
TOTAL	<b>32 421</b>	<b>36 225</b>
<b>Cash</b>		
	<b>20 192</b>	<b>15 230</b>
	<b>TOTAL CURRENT ASSETS</b>	<b>82 104</b>
		<b>79 702</b>
<b>TOTAL ASSETS</b>	<b>171 325</b>	<b>168 670</b>

The accompanying notes form an integral part of these financial statements.

On behalf of the Management Board of JSC Olainfarm:

(signature)

\_\_\_\_\_  
Jeroen Hidde Weites  
Chairman of the Management Board

(signature)

\_\_\_\_\_  
Lauris Macijevskis  
Member of the Management Board

27 May 2020

**Interim consolidated statement of financial position**

EQUITY AND LIABILITIES	31.03.2020	31.12.2019
EQUITY	EUR '000	EUR '000
Share capital	19 719	19 719
Share premium	2 504	2 504
Reserves	(502)	(12)
Retained earnings:		
brought forward	105 298	81 670
for the period	2 113	23 628
<b>TOTAL EQUITY</b>	<b>129 132</b>	<b>127 509</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans from credit institutions	6 569	7 004
Lease liabilities	5 188	5 173
Deferred income	3 744	3 194
TOTAL	<b>15 501</b>	<b>15 371</b>
<b>Current liabilities</b>		
Loans from credit institutions	5 571	6 723
Lease liabilities	1 793	1 763
Other loans	1 082	1 082
Trade payables	11 925	9 896
Contract liabilities	862	479
Taxes payable	1 137	1 504
Deferred income	506	495
Accrued liabilities	3 816	3 848
TOTAL	<b>26 692</b>	<b>25 790</b>
<b>TOTAL LIABILITIES</b>	<b>42 193</b>	<b>41 161</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>171 325</b>	<b>168 670</b>

The accompanying notes form an integral part of these financial statements.

On behalf of the Management Board of JSC Olainfarm:

(signature)  
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Jeroen Hidde Weites  
Chairman of the Management Board

(signature)  
\_\_\_\_\_  
Lauris Macijevskis  
Member of the Management Board

27 May 2020

**Interim consolidated statement of cash flow**

	01.01.2020 - 01.01.2019 -	
	31.03.2020	31.03.2019
	EUR '000	EUR '000
<b>Cash flows from operating activities</b>		
Profit before taxes	2 134	8 327
Adjustments for:		
Amortization and depreciation	2 290	2 036
Loss/ (profit) on sale/ disposal of non-current assets	89	(30)
(Decrease) / increase in provisions and accrued liabilities	(742)	41
Share of profit of an associate	(15)	(78)
Interest expenses	175	161
Interest income	(18)	(18)
Income from EU projects' funds	(181)	(112)
Unrealised loss/ (profit) from fluctuations of currency exchange rates	2 330	(468)
<b>Operating cash flows before changes in working capital</b>	<b>6 062</b>	<b>9 859</b>
Increase in inventories	(1 243)	(1 606)
Decrease in receivables and prepaid expenses	2 129	199
Increase in payables and prepayments received	1 245	1 447
<b>Cash generated from operating activities</b>	<b>8 193</b>	<b>9 899</b>
Corporate income tax paid	(19)	(172)
<b>Net cash flows from operating activities</b>	<b>8 174</b>	<b>9 727</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets and property, plant and equipment	(1 536)	(1 906)
Purchase of investment property	-	(100)
Receipt of EU grants	748	728
Proceeds from sale of intangible assets and property, plant and equipment	59	62
Repayment of loans granted	7	3
Loans granted	(17)	(32)
<b>Net cash used in investing activities</b>	<b>(739)</b>	<b>(1 245)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(1 588)	(3 755)
Lease payments	(458)	(406)
Interest paid	(177)	(161)
Proceeds from loans	-	145
<b>Net cash used in financing activities</b>	<b>(2 223)</b>	<b>(4 177)</b>
<b>Net change in cash</b>	<b>5 212</b>	<b>4 305</b>
Effect of movements in exchange rates	(250)	110
<b>Cash at the beginning of the year</b>	<b>15 230</b>	<b>2 689</b>
<b>Cash at the end of the reporting period</b>	<b>20 192</b>	<b>7 104</b>

The accompanying notes form an integral part of these financial statements.

**Interim consolidated statement of changes in equity**

	Equity attributable to the equity holders of the Parent company					
	Share capital	Share premium	Reserves	Foreign currency translation reserve	Retained earnings	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>Balance as at 31 December 2018</b>	<b>19 719</b>	<b>2 504</b>	<b>40</b>	<b>(264)</b>	<b>83 079</b>	<b>105 078</b>
Profit for the reporting period	-	-	-	-	8 260	8 260
Other comprehensive income	-	-	-	155	-	155
Total comprehensive income	-	-	-	155	8 260	8 415
<b>Balance as at 31 March 2019</b>	<b>19 719</b>	<b>2 504</b>	<b>40</b>	<b>(109)</b>	<b>91 339</b>	<b>113 493</b>
<b>Balance as at 31 December 2019</b>	<b>19 719</b>	<b>2 504</b>	<b>40</b>	<b>(52)</b>	<b>105 298</b>	<b>127 509</b>
Profit for the reporting period	-	-	-	-	2 113	2 113
Other comprehensive income	-	-	-	(490)	-	(490)
Total comprehensive income	-	-	-	(490)	2 113	1 623
<b>Balance as at 31 March 2020</b>	<b>19 719</b>	<b>2 504</b>	<b>40</b>	<b>(542)</b>	<b>107 411</b>	<b>129 132</b>

The accompanying notes form an integral part of these financial statements.



## Notes to the interim condensed consolidated financial statements

### 1. Corporate information

The principal activities of Olainfarm Group (hereinafter, the Group) are manufacturing and distribution of chemical and pharmaceutical products. The Parent Company of the Group, JSC Olainfarm (hereinafter, the Parent Company) was registered with the Republic of Latvia Enterprise Register on 10 June 1991 (re-registered on 27 March 1997) and with the Republic of Latvia Commercial Register on 4 August 2004. The shares of the Parent Company are listed on Riga Stock Exchange, Latvia.

These unaudited interim condensed consolidated financial statements (hereinafter – the interim financial statements) were approved by the Management Board on 27 May 2020.

### 2. Basis of preparation and changes to the Group's accounting policies

#### ***Basis of preparation***

The interim condensed consolidated financial statements for three months ended 31 March 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2019.

The interim financial statements are presented in euro (EUR), the monetary unit of the Republic of Latvia, and rounded to the nearest thousand (EUR '000 or thsd. EUR).

The interim financial statements comprise the financial statements of the Parent Company and all its subsidiaries as at 31 March 2020.

#### ***Changes in accounting policy and disclosures***

The accounting policies are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2019. The Group has evaluated new and amended IFRSs and IFRICs effective for annual periods beginning on or after 1 January 2020. No impact on the interim financial statements of the Group was identified.

The Group has not early applied the IFRS and IFRIC interpretations that have been issued as of the date of authorization of these financial statements for issue, but which are not yet effective. The Group plans to adopt these standards and interpretations on their effectiveness dates provided they are endorsed by the EU.

### 3. Property, plant and equipment

During the reporting period the investments of 142 thsd. EUR are provided the EU co-financed project "Reduction of Greenhouse Gas Emissions by Reconstruction of JSC "Olainfarm" Refrigeration station and Its Engineering System". Within the project were performed reconstruction works of production workshop No.6, and delivery of refrigeration system technological equipment and external cooling network materials.

During the reporting period the investments of 762 thsd. EUR are provided for pre-clinical and clinical trials, including 594 thsd. EUR are provided under the EU co-financed project Pre-clinical and clinical trials. The investments made are fully financed from cash flows of the company.

### 4. Loans from credit institutions

During the reporting period was fully repaid one of AS SEB banka loans in the amount of 720 thsd. EUR. JSC Olainfarm loan liabilities to the financial partner AS SEB banka as at 31 March 2020 consist of the loan in the amount of 3 744 thsd. EUR and of the unused credit line with assigned limit of 1 000 thsd. EUR. The term of both Loan agreements is 30 June 2020. JSC Olainfarm is planning to extend the term of both loan liabilities.

## 5. Related party disclosures

Related party	Type of services		Goods and services delivered to/ Loans issued to related parties	Goods, services and loans received from related parties	Amounts owed by related parties (gross)	Amounts owed to related parties (gross)
			EUR '000	EUR '000	EUR '000	EUR '000
<b>1. Associated entities</b>						
SIA Olainfarm enerģija (AS Olainfarm share 50%)	Loan, services, energy production	31.12.2019	48	391	8	-
		31.03.2020	13	115	5	31
		<b>TOTAL: 31.12.2019</b>	<b>48</b>	<b>391</b>	<b>8</b>	<b>-</b>
		<b>TOTAL: 31.03.2020</b>	<b>13</b>	<b>115</b>	<b>5</b>	<b>31</b>
<b>2. Parties with significant influence</b>						
SIA Olmafarm (shareholder)	Loan and other services	31.12.2019	-	38	-	1 015
		31.03.2020	-	-	-	1 005
Heirs of V. Maligins	Loan and travelling services	31.12.2019	67	21	2 011	78
		31.03.2020	17	17	2 028	95
		<b>TOTAL: 31.12.2019</b>	<b>67</b>	<b>59</b>	<b>2 011</b>	<b>1 093</b>
		<b>TOTAL: 31.03.2020</b>	<b>17</b>	<b>17</b>	<b>2 028</b>	<b>1 100</b>
<b>3. Other Related companies</b>						
SIA Vega MS (Heirs of V. Maligins share 59.99%)	Security and other services	31.12.2019	-	367	-	-
		31.03.2020	-	7	-	3
SIA Lano Serviss (Heirs of V. Maligins share 25%)	Dry cleaning and other services	31.12.2019	11	39	1	3
		31.03.2020	2	7	1	-
SIA Olfa Press (Heirs of V. Maligins share 47.5%)	Printing and other services	31.12.2019	54	1 441	4	167
		31.03.2020	13	458	9	345
		<b>TOTAL: 31.12.2019</b>	<b>65</b>	<b>1 847</b>	<b>5</b>	<b>170</b>
		<b>TOTAL: 31.03.2020</b>	<b>15</b>	<b>472</b>	<b>10</b>	<b>348</b>

## 6. Segment information

	Medicine Production	Wholesale	Retail	Compression Materials	Other segments	Total segments	Unallocated and eliminated	Consolidated
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>Revenue</b>								
External customers								
3M 2020	17 806	2 018	7 411	1 953	3 205	32 393	-	32 393
3M 2019	21 738	1 407	6 588	1 927	3 085	34 745	-	34 745
Inter-segment								
3M 2020	340	3 446	124	550	166	4 626	(4 626)	-
3M 2019	142	3 269	84	647	221	4 363	(4 363)	-
<b>Total revenue</b>								
3M 2020	18 146	5 464	7 535	2 503	3 371	37 019	(4 626)	32 393
3M 2019	21 880	4 676	6 672	2 574	3 306	39 108	(4 363)	34 745
<b>Segment profit before tax</b>								
3M 2020	4 355	831	513	(314)	146	5 531	(3 397)	2 134
3M 2019	5 274	575	379	370	314	6 912	1 415	8 327
<b>Assets</b>								
31.03.2020	86 785	6 828	32 897	17 476	12 562	156 548	14 777	171 325
31.12.2019	88 807	6 546	31 852	18 952	12 993	159 150	9 520	168 670
<b>Liabilities</b>								
31.03.2020	16 906	4 083	8 700	3 525	4 546	37 760	4 433	42 193
31.12.2019	16 490	2 634	8 160	4 493	4 608	36 385	4 776	41 161
Capital expenditure								
3M 2020	480	-	15	49	77	621	-	621
3M 2019	1 123	-	16	5	284	1 428	120	1 548
<b>Reconciliation of profit</b>								
		3M 2020	3M 2019					
		EUR '000	EUR '000					
<b>Segment profit before tax</b>		<b>5 531</b>	<b>6 912</b>					
Unallocated financial income		50	1 397					
Unallocated financial expenses		(3 662)	(132)					
Other unallocated income and expense		238	405					
Inter-segment elimination		(23)	(255)					
<b>Profit before tax</b>		<b>2 134</b>	<b>8 327</b>					
<b>Reconciliation of assets</b>								
		31.03.2020	31.12.2019					
		EUR '000	EUR '000					
<b>Assets of segments in total</b>		<b>156 548</b>	<b>159 150</b>					
Unallocated long term assets and eliminations		2 886	2 743					
Unallocated short term assets and eliminations		(5 197)	(6 306)					
Cash managed on group level		17 088	13 083					
<b>Total assets</b>		<b>171 325</b>	<b>168 670</b>					
<b>Reconciliation of Liabilities</b>								
		31.03.2020	31.12.2019					
		EUR '000	EUR '000					
<b>Liabilities of segments in total</b>		<b>37 760</b>	<b>36 385</b>					
Interest bearing loans and borrowings		11 627	13 193					
Current tax liabilities		60	38					
Other unallocated liabilities and eliminations		(7 254)	(8 455)					
<b>Total liabilities</b>		<b>42 193</b>	<b>41 161</b>					

**7. Dividends proposed**

Management Board of JSC Olainfarm proposes to use part of the year 2019 profit of JSC Olainfarm in amount of EUR 4 507 224.96 to pay dividends to shareholders of JSC Olainfarm, paying dividends 0,32 euro per one share in the third quarter 2020. Management Board of JSC Olainfarm indicates that proposal to pay dividend depends on receival of approval from JSC Olainfarm financing institutions. Management Board of JSC Olainfarm plans to receive necessary approvals until the annual general meeting

**8. Events after the reporting period**

Details of events after the reporting period end are described in Management report accompanying these interim financial statements. After the reporting period end there have been no other events requiring adjustment of or disclosure in these interim financial statements.