



INDEPENDENT AUDITOR'S REPORT

To the shareholders of JSC "TOSMARES KUĢUBŪVĒTAVA"

Report on the Financial Statements

We have audited the accompanying financial statements of JSC "TOSMARES KUĢUBŪVĒTAVA" set out on pages 6 to 19 of the annual report, which comprise the balance sheet as of 31 December 2015, and the income statement, statement of cash flow and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Law of the Republic of Latvia on Annual Reports, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Explanation of opinion with objections

In the Company's balance sheet at December 31, 2015 is reflected the debt receivable in amount of 225 500 EUR, payment of which is significantly delayed. In the financial statement the loss from the value reduction of this debt is not recognized. In our opinion the value of this debt receivable has been decreased, but as the Management of the Company had not made estimation of the future cash flow from this debt, we were not able to reliably estimate the amount of loss, that should be recognized as a result of value decrease.



Opinion with objections

In our opinion, except for possible influence of circumstances mentioned in “Explanation of opinion with objections” paragraph, the financial statements give a true and fair view of the financial position of JSC “TOSMARES KUĢUBŪVĒTAVA” as of 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with the Latvian law “On the Annual Report”

Report on Other Legal and Regulatory Requirements

We have read the management report as shown on the page 5 of the annual report and we have not identified any material discrepancies between the historical financial information presented in the management report and the financial statements for the year ended 31 December 2015.

Member of the Board of LTD Orientis Audit & Finance
Commercial Company License No.28

Riga, Latvia
30 March 2016



Natalija Zaiceva
Certified Auditor
Certificate No.138