

Joint Stock Company
„OLAINES KŪDRA”
Registration number 40003006999,
Legal address: Rīgas iela 21, Olaine,
Olaines novads, LV-2114, Latvia

Rīga, April 16, 2012

CONCLUSION OF THE BOARD

On the obligatory and final offer submission of the joint-stock company

OLAINES KŪDRA share repurchase.

On April 5, 2012 the Limited Liability Company „FLORABALT SIA” has received from Financial and Capital Market Commission the permit to publish the offer to redeem the shares dated March 22, 2012 that was published in the official newspaper „Latvijas Vēstnesis” on April 13, 2012 by confirming the redemption price of one share in the amount of LVL 1.99 (one lat and 99 santims).

The Board of Joint Stock Company „OLAINES KŪDRA” appraised the offer of mandatory redemption expressed by Limited Liability Company „FLORABALT SIA” and has concluded that it meets the requirements of normative acts. Considering that Limited Liability Company „FLORABALT SIA” has directly and indirectly obtained the shares constituting 95.36% of the share capital and of the number of the voting shares of Joint Stock Company „OLAINES KŪDRA”, the Board believes that as a result of the offer the shareholder will be able to increase its proportion in the share capital and in the number of the voting shares of Joint Stock Company „OLAINES KŪDRA”.

The Board hereby points out that the larger proportion of shares being in hands of one shareholder which besides has a great experience and excellent reputation of activities in the respective sphere of peat extraction will improve the efficiency of operation of Joint Stock Company „OLAINES KŪDRA” and will facilitate its further development.

By having regard of the fact that the Offerer has an intent to proceed with the commercial activities and business of Joint Stock Company „OLAINES KŪDRA”, the Board of Joint Stock Company „OLAINES KŪDRA” believes that the implementation of the Offer is not directly related to the change of general business principles within the framework of daily activities of the company. In accordance with the information provided to the Board the employment in the Joint Stock Company „OLAINES KŪDRA” will not be affected, as well as there are no plans concerning the change of place of doing business.

Whereby by basing on the aforementioned argumentation, the Board believes that the implementation of the Offer will not affect the strategic plans of Joint Stock Company „OLAINES KŪDRA”.

Sincerely,

Gunārs Cankalis
Chairman of Board of Joint Stock Company „OLAINES KŪDRA”