

REVERTA

REPORT ON CORPORATE GOVERNANCE
FINANCIAL YEAR 2014

AS „Reverta”
Report on Corporate Governance Financial Year 2014

The Report of Joint Stock Company “Reverta” (hereinafter – Reverta or the Company) on corporate governance during year 2014 (hereinafter – the Report) is prepared in accordance with the Article 56.² paragraph (3) of the Financial Instruments Market Law.

JSC “Reverta” shares are not listed on the regulated market, the requirements of JSC “NASDAQ OMX Riga” regulations “On Listing and Trading of Financial Instruments on the Markets Regulated by the Exchange” are not applicable to the Company.

In 2014, Reverta has complied with corporate governance principles provided by the Financial Instruments Market Law, as disclosed in the Report in accordance with legal acts of Republic of Latvia and within the Company’s Management Board and Supervisory Board authority.

In accordance with requirements of the Article 56 of the Financial Instruments Market Law, this Report is publicly available at the premises of JSC “Reverta” in Brivibas street 148a-1, Riga and in electronic form – on the web page of JSC “Reverta” www.reverta.lv under the section “For Investors”.

Chairperson of the Management Board of JSC “Reverta”



Solvita Deglava

28 April 2015

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Information on entities and individuals who have significant interest in the company, gained through direct or indirect shareholding, as well as proportion of such interest.

As at 31 December 2014, the JSC “Reverta” registered and paid-up share capital was EUR 442,551,967. In accordance with Company’s Articles of Association, the share capital was split into 3,569,749,708 shares with voting rights and 855,769,958 shares without voting rights. The nominal value of each share is EUR 0,1, fully paid. On 31 December 2014 the Company did not own any of its shares.

On 31 December 2014, the Company had 59 shareholders. The respective shareholdings as at 31 December 2014 were as follows:

	31.12.2014		
	Paid in share capital EUR ‘000	% of total paid in share capital	% of total voting rights
SJSC “Privatisation Agency” (significant interest)	372,413	84.15	82.02
European Bank for Reconstruction and Development (significant interest)	56,391	12.74	15.80
Others	13,748	3.11	2.18
Total	442,552	100.00	100.00

Shareholders who have special control rights and description of such rights.

None of Reverta shareholders has special control rights.

Voting rights restrictions if the maximum level of voting rights is fixed irrespective from the number of voting shares owned as well as shareholders’ rights to profit distribution which is not related to the proportion of the shares owned by them and other similar limitations.

Reverta’s Articles of Association do not provide for any limitations of the voting rights and no maximum level of the voting rights has been determined. In accordance with the Articles of Association the shareholders have the rights to profit distributions which are proportionally related to the number of shares owned.

Regulations governing the election of Management Board members, changes to the Management Board and changes in the Articles of Association.

The election of the Management Board members, changes to the Management Board and changes in the Articles of Association are exercised in line with provisions of Commercial Law and Company’s Articles of Association. Company’s Articles of Association are publicly available at the Company’s premises in Brivibas street 148a-1, Riga and in electronic form – on the Company’s web page www.reverta.lv under the section “For Investors”.

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Management Board authorities, including authority to issue or buy-back shares.

The authorities of the Management Board of the Company are determined in Commercial Law and the Company's Articles of Association. The Company's Articles of Association are publicly available at the Company's premises in Brivibas street 148a-1, Riga and in electronic form – on the Company's web page www.reverta.lv under section “For Investors”. Members of the Management Board do not have the authority to issue or buy-back shares.

Information on the key elements of the internal controls and risk management system, which are applied in the preparation of the financial statements.

Annual financial statements of the Company are subject to independent audit. In accordance with the decision of the shareholders meeting an Audit Committee reporting directly to the shareholders meeting has been established. The Company has also established Reverta group Internal Audit Department reporting directly to the Supervisory Board. More detailed information on the key elements of the internal controls and risk management system of the Company and subsidiaries subject to consolidation procedures has been disclosed in Note 24 of the Company's audited financial statements for the year 2014. The Company's separate and consolidated audited financial statements for the year 2014 are publicly available at the Company's premises in Brivibas street 148a-1, Riga and in electronic form – on the Company's web page www.reverta.lv under section “For Investors”.