

GALENKA – FITOFARMACIJA A.D.  
Batajnicket drum bb  
11080 Zemun  
MB 07725531  
PIB 100001046

# **ANNUAL CONSOLIDATED REPORT 2018**



Dear shareholders,

Here is Annual Consolidated Report 2018, prepared in accordance with Art.50 of the Capital Market Law („Official Gazette of RS”, no. 31/2011, 112/2015 and 108/16) and in accordance with the Rules on the content, form and the way of publication annual, six-month and quarterly reports of public companies („Official Gazette of RS”, no. 14/2012, 5/2015 and 24/2017).

Annual Consolidated Report 2018 was not adopted because the Annual General Meeting has not held yet.

The Annual General Meeting is planned on second half of June 2019.

### ***CONTENT OF ANNUAL REPORT***

- I Financial Consolidated Report 2018**
- II Auditors Reports 2018 (PKF d.o.o., Belgrade, ID No. 08752524)**
- III Business Report 2018**
- IV Statement of persons responsible for the preparation of Annual Report**
- V Decision of supervisors on the adoption of the Annual Consolidated Report (note)**
- VI Decision on profit distribution or loss covering (note)**



# **I FINANCIAL CONSOLIDATED REPORT 2018**

**BALANCE SHEET (IN 000 RSD)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>ASSETS</b>			
Property, plant, equipment and natural assets	1.878.294	1.861.166	1.895.820
Intangible assets	1.624	1.001	5.409
LT financial placements	183.897	97.529	252.087
<i>Fixed assets</i>	<b>2.063.815</b>	<b>1.959.696</b>	<b>2.153.316</b>
Prepaid tax, other expenses and accrued revenues	80.256	186.675	150.601
Inventory and advanced payments	1.820.839	1.962.971	2.221.118
Receivables	368.733	544.758	717.238
ST financial placements	2.248.719	2.187.975	2.363.042
Cash and cash equivalents	264.877	494.035	337.740
<i>Current assets</i>	<b>4.783.424</b>	<b>5.376.414</b>	<b>5.789.739</b>
<i>Deferred tax assets</i>	<b>25.480</b>	<b>26.783</b>	<b>26.653</b>
<i>Operating assets</i>	<b>6.875.219</b>	<b>7.362.893</b>	<b>7.969.708</b>
<i>Losses in equity excess</i>	<b>0</b>	<b>0</b>	
<b>Total assets</b>	<b>6.875.219</b>	<b>7.362.893</b>	<b>7.969.708</b>
<b>Off-balance sheet assets</b>	<b>184.102</b>	<b>71.103</b>	<b>155.299</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	3.511.200	3.511.200	3.511.200
Other equity	2.500	0	
Reserves	876.802	921.851	959.635
Revaluation surplus	25.092	25.022	23.406
Un-realized gains on shares trading	0	0	
Un-realized gains on shares trading	2	2	2
Retained earnings	2.102.234	2.581.287	3.089.802
Loss	0	0	0
<i>Equity</i>	<b>6.517.826</b>	<b>7.039.358</b>	<b>7.584.041</b>
LT reserved funds		0	0
LT Debt		486	71
Liabilities from business operations and received advances, deposits and caution maney	232.446	214.224	264.341
ST financial liabilities	0	394	413
Liabilities for VAT, accrued expenses and other tax	14.190	873	6.416
Other ST liabilities	107.897	103.365	109.165
Accruals and deferred income	2.860	4.193	5.261
<i>Current (ST) liabilities</i>	<b>357.393</b>	<b>323.049</b>	<b>385.596</b>
<i>LT liabilities</i>	<b>357.393</b>	<b>323.535</b>	<b>385.667</b>
<b>Total equity and liabilities</b>	<b>6.875.219</b>	<b>7.362.893</b>	<b>7.969.708</b>
<b>Off-balance sheet liabilities</b>	<b>184.102</b>	<b>71.103</b>	<b>155.299</b>

**BALANCE SHEET (IN EUR)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>ASSETS</b>			
Property, plant, equipment and natural assets	15.255.799	15.338.855	16.029.593
Intangible assets	13.190	8.250	45.734
LT financial placements	1.493.640	803.788	2.131.453
<i>Fixed assets</i>	<b>16.762.630</b>	<b>16.150.893</b>	<b>18.206.781</b>
Prepaid tax, other expenses and accrued	651.852	1.538.488	1.273.366
Inventory and advanced payments	14.789.141	16.177.884	18.780.063
Receivables	2.994.907	4.489.639	6.064.412
ST financial placements	18.264.449	18.032.261	19.980.063
Cash and cash equivalents	2.151.373	4.071.604	2.855.669
<i>Current assets</i>	<b>38.851.722</b>	<b>44.309.875</b>	<b>48.953.572</b>
<i>Deferred tax assets</i>	206.953	220.733	225.357
<i>Operating assets</i>	55.841.610	60.681.500	67.385.711
<i>Losses in equity excess</i>	0	0	0
<b>Total assets</b>	<b>55.841.610</b>	<b>60.681.500</b>	<b>67.385.711</b>
<b>Off-balance sheet assets</b>	<b>1.495.305</b>	<b>585.997</b>	<b>1.313.089</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	28.518.519	28.937.659	29.688.002
Other equity	20.305	0	0
Reserves	7.121.524	7.597.462	8.113.934
Revaluation surplus	203.801	206.220	197.903
Un-realized gains on shares trading	0	0	0
Un-realized gains on shares trading	16	16	17
Retained earnings	17.074.675	21.273.753	26.124.985
Loss	0	0	0
<i>Equity</i>	<b>52.938.808</b>	<b>58.015.077</b>	<b>64.124.808</b>
LT reserved funds	0	0	0
LT Debt	0	4.005	600
Liabilities from business operations and received advances, deposits and caution maney	1.887.963	1.765.533	2.235.064
ST financial liabilities	0	3.247	3.492
Liabilities for VAT, accrued expenses and other	115.253	7.195	54.249
Other ST liabilities	876.356	851.886	923.015
Accruals and deferred income	23.229	34.557	44.483
<i>Current (ST) liabilities</i>	<b>2.902.802</b>	<b>2.662.418</b>	<b>3.260.303</b>
LT liabilities	2.902.802	2.666.423	3.260.903
<b>Total equity and liabilities</b>	<b>55.841.610</b>	<b>60.681.500</b>	<b>67.385.711</b>
<b>Off-balance sheet liabilities</b>	<b>1.495.305</b>	<b>585.997</b>	<b>1.313.089</b>

**INCOME STATEMENT (IN 000 RSD)**

	2016	2017	2018
<b>OPERATING REVENUES</b>			
Sales	3.936.257	4.001.259	4.158.359
Other operating revenues	45.837	26.044	26.443
<i>Total operating revenues</i>	<b>3.982.094</b>	<b>4.027.303</b>	<b>4.184.802</b>
<b>OPERATING EXPENSES</b>			
Cost of goods sold (COGS)	451.506	436.109	474.222
Income from sales products and services rendered	4.755	9.544	9.900
Change in inventory value	-55.251	-19.027	-141.811
Cost of material	1.666.888	1.645.855	1.859.178
Salaries/Other personal expenses	420.148	428.433	464.177
Amortization expense	81.460	82.983	80.342
Other operating expenses	402.741	451.033	511.869
<i>Total operating expenses</i>	<b>2.962.737</b>	<b>3.015.842</b>	<b>3.238.077</b>
<b>OPERATING PROFIT</b>	<b>1.019.357</b>	<b>1.011.461</b>	<b>946.725</b>
	26%	25%	23%
Financial revenues	101.963	49.368	73.904
Financial expenses	29.946	236.688	40.930
<i>Profit/loss financial</i>	<b>72.017</b>	<b>-187.320</b>	<b>32.974</b>
Income from assets valuation adjustments	467.961	494.723	443.816
Expenses from assets valuation adjustments	556.261	450.434	544.030
<i>Profit/loss valuation adjustments</i>	<b>-88.300</b>	<b>44.289</b>	<b>-100.214</b>
Other revenues	17.792	15.479	23.693
Other expenses	11.850	5.571	18.076
<i>Nonoperating profit/loss</i>	<b>5.942</b>	<b>9.908</b>	<b>5.617</b>
Earnings before tax (EBT)	1.009.016	878.338	885.102
Tax	102.775	122.011	134.768
<b>NET PROFIT</b>	<b>906.241</b>	<b>756.327</b>	<b>750.334</b>

**INCOME STATEMENT (IN EUR)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>OPERATING REVENUES</b>			
Sales	31.970.898	32.976.494	35.159.880
Other operating revenues	372.295	214.642	223.582
<i>Total operating revenues</i>	<b>32.343.194</b>	<b>33.191.137</b>	<b>35.383.462</b>
<b>OPERATING EXPENSES</b>			
Cost of goods sold (COGS)	3.667.203	3.594.205	4.009.656
rendered	38.621	78.657	83.707
Change in inventory value	-448.757	-156.812	-1.199.045
Cost of material	13.538.726	13.564.363	15.719.777
Salaries/Other personal expenses	3.412.508	3.530.943	3.924.723
Amortization expense	661.631	683.907	679.310
Other operating expenses	3.271.126	3.717.202	4.327.970
<i>Total operating expenses</i>	<b>24.063.816</b>	<b>24.855.151</b>	<b>27.378.684</b>
<b>OPERATING PROFIT</b>	<b>8.279.378</b>	<b>8.335.986</b>	<b>8.004.777</b>
Financial revenues	828.160	406.868	624.875
Financial expenses	243.226	1.950.671	346.073
<i>Profit/loss financial</i>	<b>584.933</b>	<b>-1.543.803</b>	<b>278.803</b>
Income from assets valuation adjustments	3.800.853	4.077.274	3.752.566
Expenses from assets valuation adjustments	4.518.039	3.712.265	4.599.899
<i>Profit/loss valuation adjustments</i>	<b>-717.186</b>	<b>365.009</b>	<b>-847.332</b>
Other revenues	144.509	127.571	200.330
Other expenses	96.248	45.914	152.837
<i>Nonoperating profit/loss</i>	<b>48.262</b>	<b>81.657</b>	<b>47.493</b>
Earnings before tax (EBT)	8.195.387	7.238.849	7.483.741
Tax	834.755	1.005.557	1.139.494
<b>NET PROFIT</b>	<b>7.360.632</b>	<b>6.233.291</b>	<b>6.344.246</b>

Values are presented in RSD and in EUR, using average value for RSD middle exchange rate:

in 2018 118,27 RSD/EUR

in 2017 121,34 RSD/EUR

in 2016 123,12 RSD/EUR



**II AUDITORS REPORT 2018**  
**INDEPENDENT AUDITOR:**  
**PKF d.o.o., Belgrade, ID No. 08752524**



**„GALENKA – FITOFARMACIJA“ AD, Beograd**

**Independent Auditor's Report  
for the Year 2018**

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## INDEPENDENT AUDITOR'S REPORT

### COMPANY'S ASSEMBLY AND GENERAL MANAGER „GALENKA - FITOFARMACIJA“ AD, Belgrade

We have audited the accompanying consolidated financial statements of the company „GALENKA - FITOFARMACIJA“ a.d., Belgrade and its subsidiaries, (hereinafter referred to as the „Group“) which comprise consolidated balance sheet as of December 31<sup>st</sup> 2018, and the consolidated income statement, consolidated statement of changes in equity, consolidated report on other comprehensive income and consolidated cash flow statement for the year ended and a summary of significant accounting policies contained in the Notes to the consolidated financial report.

Consolidated financial statements of the Group comprise the financial statements of the parent company „GALENKA - FITOFARMACIJA“ a.d., Belgrade and its subsidiary company: „ENVIPACK“ d.o.o., Belgrade, „GALENKA – FITOFARMACIJA“ d.o.o., Slovenia, Ljubljana and „HOLDING GALENIKA“ d.o.o., Belgrade.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Accounting Law and accounting regulations prevailing in Republic of Serbia and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Law on Auditing and audit standards applicable in the Republic of Serbia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, 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 purposes 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.

*This is a translation of the original Independent Auditors' Report issued in the Serbian language. All due care has been taken to produce a translation that is as faithful as possible to the original. However, if any questions arise related to interpretation of the information contained in the translation, the Serbian version of the document shall prevail.*

TC Stari Merkator | Palmira Toljatija 5/III | 11070 Novi Beograd | Republika Srbija | Tel/fax: +381 11 30 18 445  
www.pkf.rs | mat.br. 08752524 | PIB 102397694 | t.r. 285-2011000000084-52 Sberbank | šifra delatnosti 6920

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## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### ***Opinion***

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31<sup>st</sup> 2018, its consolidated financial performance and cash flow for the year ended in accordance with Accounting Law and accounting regulations prevailing in Republic of Serbia.

### ***Report on other legal and regulatory requirements***

The Group is responsible for the preparation of the Annual Business Report, in accordance with the requirements of the Accounting Act of the Republic of Serbia (Official Gazette of the Republic of Serbia number 62/2013 and 30/2018). Our responsibility is to express an opinion on the compliance of the Consolidated Annual Business Report with the consolidated financial statements for the business year 2018. In this regard, our actions are carried out in accordance with international auditing standards 720 - *Auditor's responsibility in relation to other information in documents containing consolidated financial statements that were subject of auditing*, and we are limited on the assessment of conformity of the Annual Business report with the consolidated financial statements.

In our opinion, the accounting information shown in the consolidated annual business report is, in all material matters, is consistent with the Group's consolidated financial statements for the year ended December 31<sup>st</sup>, 2018.

### ***Other questions***

Consolidated financial reports of the Group for year 2017 were audited by another auditor, which in its Report of April 24<sup>th</sup> 2018 expressed his opinion without the reserve on these consolidated financial statements.

Belgrade, April 19<sup>th</sup> 2019

Petar Grubor

Certified auditor



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## **III CONSOLIDATED BUSINESS REPORT 2018**



## I GENERAL INFORMATION

### 1. Basic info

Company name:	GALENKA – FITOFARMACIJA a.d., Batajnicki drum bb, 11080 Belgrade - Zemun
No. Of Decision of Serbian Business Registers Agency:	BD 307/2005 dated January 27, 2005
ID No.:	7725531
Tax ID No.:	100001046
Registered activity:	Manufacture of agricultural chemicals, Activity Code 2020
Web site & email:	<a href="http://www.fitofarmacija.rs">www.fitofarmacija.rs</a> ; <a href="mailto:office@fitofarmacija.rs">office@fitofarmacija.rs</a>
Share capital:	RSD 3.511.200.000 at December 31, 2018
Number of issued shares:	2.640.000 (ordinary); ISIN No.: RSFITOE21521; CFI code: ESVUFR; BELEX: FITO
Number of own shares:	None
Subsidiaries:	ENVIPACK d.o.o., Belgrade, ID No. 2080115, Activity Code 7022 Consultancy activities in connection with business and other management  GALENKA – FITOFARMACIJA zastupanje i trgovina d.o.o., Ljubljana, Slovenia; ID No. 6813313000; Activity Code 46.900 Non-specialized wholesale trade  HOLDING GALENIKA d.o.o., Belgrade, ID No 07092920, Activity code 6820 Renting of own or leased real estate and management thereof.
Auditor:	PKF d.o.o., Belgrade, ID No.: 08752524

### 2. Company Management

#### Members of Board of Directors:

non-executive:	Nedeljko Puhar, Chairman, owner of 6,39% of Company shares Mirjana Bogicevic, independent director, Branislav Medakovic, Dusan Mojsilovic, owner of Agromarket d.o.o., Zivorad Vojinovic, owner of 21,56% of shares, owner of 75% of Mikend d.o.o.
executive:	Dragan Nenadovic, Chief Executive Officer, owner of 6,58% of shares Slavica Pekovic, Chief Corporate Affairs Officer

Company Secretary: Lidija Nikolic

**3. Top ten shareholders by number of shares and votes at the end of year 2018:**

No.	Shareholder	No. shares	%
1.	Vojinović Zivorad	569.196	21,56%
2.	Agromarket d.o.o.	439.296	16,64%
3.	BDD M&V Investments ad Beograd	228.116	8,64%
4.	BDD M&V Investments ad Beograd	220.677	8,36%
5.	Puhar Nedeljko	168.583	6,39%
6.	Nenadovic Dragan	150.950	5,72%
7.	Mikend d.o.o.	100.554	3,81%
8.	Komp. Dunav osiguranje a.d.o.	72.026	2,73%
9.	Sempiola Invest Limited	56.328	2,13%
10.	Akcionarski fond ad Beograd	32.832	1,24%
<b>Total:</b>		<b>2.038.558</b>	<b>77,22%</b>

**4. General information of subsidiaries**

Company name:	ENVIPACK d.o.o. Batajnicki drum bb, 11080 Belgrade - Zemun
Id No.:	20801115
Tax ID No.:	107430272
Registered activity:	Consultancy activities in connection with business and other management, Activity Code 7022
Legal representative:	Aleksandar Sosevic
Web site & email	www.envipack.rs; office@envipack.rs

ENVIPACK d.o.o was founded in February 2012. godine in 100% owned by GALENIKA – FITOFARMACIJA a.d.

ENVIPACK d.o.o. is a specialized operator with an integrated permit for the collection and transport of hazardous and non-hazardous waste. The primary focus of ENVIPACK is the management for pesticide packaging.

Company name:	GALENKA – FITOFARMACIJA, zastupanje i trgovina, d.o.o., Trzaska cesta 515, 1351 Brezovica pri Ljubljani, Republica of Slovenia
Id No.:	6813313000
Tax ID No.:	90008847
Registered activity:	Non-specialized wholesale trade, Activity Code 46.900
Legal representative:	Slavica Pekovic

GALENKA – FITOFARMACIJA d.o.o., Slovenia, was founded in March 2015 in 100% owned by GALENIKA – FITOFARMACIJA a.d., for administrative purposes of registration of the products from the parent company product range in the EU member countries.

In accordance with applicable regulations of the EU, in order for a company to be able to submit an application for registration of plant protection product in the EU (the applicant company), it must have its registered office in one of the EU member states, and a company in which the plant protection product is produced (place of production) may be located anywhere in the world.

Company name:	HOLDING GALENIKA d.o.o., Masarikov trg 8a, 11080 Zemun
Id No.:	07092920
Tax ID No.:	100096575
Registered activity:	Renting of own or leased real estate and management thereof, Activity code 6820
Legal representative:	Slavica Pekovic

GALENKA HOLDING doo is the legal successor of the SOE Holding company Galenika DP in bankruptcy.



In June 2016, as the only bidder at the public tender for the sale of a debtor, GALENIKA – FITOFARMACIJA a.d. became the owner of this company. After completing legal formalities of suspension of bankruptcy, in early November we registered changes in the Business Registers Agency of Serbia. The holding company “Galenika” dp in bankruptcy had no employees and did not have any business activities. The primary motive for purchasing this entity was the fact that it is the owner of commercial property in a building on street Masarikov trg 8a in Zemun, which is majority owned by GALENIKA-FITOFARMACIJA a.d.

## II BUSINESS PERFORMANCE

A detailed Business Report 2018, which includes a review of Company’s development, the general policies, a description of global and domestic market for crop protection products, development activities and Company’s plans, main business risks and plan, as well as activities of ENVIPACK d.o.o., can be found on Company’s website, in the section: For investors / Information. Also, this Business Report is an integral part of the individual Company’s Annual Report which is published on Company’s website and website of the Belgrade Stock Exchange and Securities Commission.

### 1. Business analysis

In 000 RSD

	2018.	2017	2016.
Total revenues	4,726,215	4.586.873	4.569.810
Total expenses	3,841,113	3.708.535	3.560.794
Earnings before tax (EBT)	885,102	878.338	1.009.016
Operating revenues	4,184,802	4.027.303	3.982.094
Sales of products	4,158,359	4.001.259	3.936.257
EBITDA	1,027,067	1.094.444	1.100.817
Return on total equity (ROI)	9.41%	10.27%	13.18%
Return on equity (ROE)	9.89%	10.74%	13.90%
First liquidity ratio	0.88	1.53	0.74
Second liquidity ratio	9.25	10.57	8.29

### 2. Main indicators

In 000 RSD

	2018.	2017	2016.
Fixed assets	2,153,316	1.959.696	2.063.815
Current assets	5,789,739	5.376.414	4.783.424
LT Debt	71	486	0
Current (ST) liabilities	385,596	323.049	357.393
Net profit	750,334	756.327	906.241

## III SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

There were no significant transactions with related parties, last year.

## IV STATEMENT ON THE IMPLEMENTATION THE CORPORATE GOVERNANCE CODE

Board of Directors adopted the Corporate Governance Code of Company, which is published on Company’s website.

With its own Code of Corporate Governance, the Company established the principles of corporate governance practices and organizational culture in line with which the Company’s corporate governance holders are acting. Principles in particular regard to the openness and transparency of operations of the Company, exercising the





shareholders' rights, the framework and modus operandi of the Company's corporate governance holders and control of their of work.

The aim of the Code is to promote good business practices in the domain of corporate governance, which should ensure an effective system of control over the operations of the Company and increase confidence of investors and shareholders in the Company, with a view of securing a long-term business development of the Company.

In the implementation of the Corporate Governance Code there were no significant departures from established principles during reporting year.

## **V INFORMATION ON THE ACQUISITION OF OWN SHARES**

The Company does not have and it didn't acquire own shares from the creation of the previous Annual Report.

## **VI RESEARCH AND DEVELOPMENT ACTIVITIES**

In 2018 the Company registered 10 new products on the territory of Serbia (1 herbicide, 3 fungicides, 3 insecticides and 3 fertilizers). Prerequisites for the registration of 5 new products on the territory of Serbia in 2019.

In 2018 the Company registered 4 new products on the EU territory (1 herbicide, 2 fungicides and 1 insecticide).

Pursuant with their strategic focus, more particularly described in a single Business Report 2018, the Company currently manages the activities of the establishment of the registration file according on EU criteria for products from own portfolio. All necessary laboratory tests and field trials are taking place abroad.

## **VII SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE**

As of the date of this report, there were no significant events that would affect the credibility of the financial consolidated statements or the Company's business.

CHIEF CORPORATE  
AFFAIRS OFFICER

MSc. Slavica Pekovic



## **IV STATEMENT OF PERSONS RESPONSIBLE FOR THE PREPARATION OF ANNUAL CONSOLIDATED REPORT**



Financial Consolidated Report 2018, according to the best of our knowledge, have been prepared with the application of relevant International Financial Reporting Standards and give us a true and objective information about the assets, liabilities, financial position and operations, profits and losses, cash flows and changes in equity.

Annual Report 2018, according to the best of our knowledge, give us credible review of the development, operating results and financial position, as well as a credible description of the expected development of the Company, the most significant risks and uncertainties which the Company's operations are exposed.

Chief Corporate Affairs Officer,  
M.Sc. Slavica Pekovic

Chief Executive Officer,  
B.Sc.Ecc. Dragan Nenadovic



**V DECISION OF SUPERVISORS ON THE ADOPTION  
OF THE ANNUAL CONSOLIDATED REPORT  
(NOTE)**

**VI DECISION ON PROFIT DISTRIBUTION  
OR LOSS COVERING  
(NOTE)**



Note:

The Annual Consolidated Report was approved by Board of Directors, on meeting held on April 22, 2019.

The Annual Consolidated Report was not adopted by supervisors, General Meeting, because the Annual General Meeting has not held yet.

The Annual General Meeting will make a decision on profit distribution.

The Company will issue a decision on the adoption of the Annual Report for 2018 and a decision on profit distribution for 2018 after the date of the General Meeting.

Chief Corporate Affairs Officer,  
M.Sc. Slavica Pekovic

Chief Executive Officer,  
B.Sc.Ecc. Dragan Nenadovic