

GALENKA – FITOFARMACIJA A.D.

Batajnicky drum bb

11080 Zemun

ID No: 07725531

Tax ID No: 100001046

SIX - MONTH REPORT 2020

GALENKA – FITOFARMACIJA A.D.



Dear shareholders,

here is Six - month Report 2020, prepared in accordance with Art. 52 of the Capital Market Low („Official Gazette of RS”, no. 31/2011, 112/2015 and 108/2016) 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).

CONTENT OF SIX - MONTH REPORT

- I Financial Reports for the first half of 2020**
- II Business Reports in the first half of 2020**
- III Statement of persons responsible for the preparation of Six - month Report**

**BALANCE SHEET (IN 000 RSD)**

	30-Jun-19	31-Dec-19	30-Jun-20
ASSETS			
Property, plant and equipment (PP&E)	1,735,927	1,702,490	1,709,317
Intangible assets	4,586	3,913	3,301
LT financial placements	661,233	277,264	279,409
<i>Fixed assets</i>	<u>2,401,746</u>	<u>1,983,667</u>	<u>1,992,027</u>
Prepaid tax, other expenses and accrued	10,599	125,668	40,794
Inventory	1,385,949	2,255,847	1,170,060
Receivables	2,785,067	796,890	2,980,155
ST financial placements	2,122,419	2,789,958	2,784,368
Cash and cash equivalents	365,337	421,954	656,477
<i>Current assets</i>	<u>6,669,371</u>	<u>6,390,317</u>	<u>7,631,854</u>
<i>Deferred tax assets</i>	26,653	29,692	29,692
<i>Operating assets</i>	<u>9,097,770</u>	<u>8,403,676</u>	<u>9,653,572</u>
Total assets	<u>9,097,770</u>	<u>8,403,676</u>	<u>9,653,572</u>
Off-balance sheet assets	196,558	66,564	162,091
EQUITY AND LIABILITIES			
Shareholders and Other equity	3,511,200	3,511,200	3,511,200
Reserves	996,879	996,879	996,879
Revaluation surplus	23,406	23,073	23,073
Un-realized gains on shares trading	-2	-2	-2
Retained earnings	3,959,796	3,517,016	4,837,004
<i>Equity</i>	<u>8,491,279</u>	<u>8,048,166</u>	<u>9,368,154</u>
LT reserved funds	0	0	0
LT Debt	0	0	0
Liabilities from business operations	307,580	239,715	214,119
ST financial liabilities	0	0	0
Liabilities for VAT and other public revenues	31,270	6,839	32,321
Other ST liabilities	267,641	108,956	38,978
Liabilities for income tax			
<i>Current (ST) liabilities</i>	<u>606,491</u>	<u>355,510</u>	<u>285,418</u>
Liabilities and reserved funds	<u>606,491</u>	<u>355,510</u>	<u>285,418</u>
Total equity and liabilities	<u>9,097,770</u>	<u>8,403,676</u>	<u>9,653,572</u>
Off-balance sheet liabilities	196,558	66,564	162,091

**PROFIT AND LOSS ACCOUNT (In 000 RSD)**

	30-Jun-19	31-Dec-19	30-Jun-20
OPERATING REVENUES			
Sales	3,177,684	4,400,960	3,540,690
<i>plant protection products</i>	2,779,926	3,411,325	3,066,453
<i>cold-storage</i>	25,081	132,692	22,208
<i>agriculture</i>	38,646	297,880	48,189
<i>goods</i>	334,032	559,064	403,840
Other operating revenues	11,415	30,201	87,037
<i>Total operating revenues</i>	3,189,099	4,431,161	3,627,727
OPERATING EXPENSES			
Cost of goods sold (COGS)	269,661	510,165	347,982
Cost of material	908,469	1,903,160	1,052,875
Change in inventory value	631,194	110,069	673,380
Salaries / Other personal expenses	198,983	477,886	171,956
Cost of production services	125,108	394,177	187,272
Amortization expense	41,870	83,254	40,132
Other operating expenses	99,279	187,477	111,910
<i>Total operating expenses</i>	2,274,564	3,666,188	2,585,507
OPERATING PROFIT	914,535	764,973	1,042,220
<i>Operating profit margin</i>	29%	17%	29%
Financial revenues	15,857	60,860	14,979
Financial expenses	13,404	34,157	5,243
<i>Financial profit/loss</i>	2,453	26,703	9,736
Revenues from assets valuation adj.	405,649	592,224	451,949
Expenses from assets valuation adj.	126,198	586,714	124,073
<i>Profit/loss from valuation adjustments</i>	279,451	5,510	327,876
Other revenues	4,648	18,118	10,616
Other expenses	3,438	7,114	4,628
<i>Non-operating profit/loss</i>	1,211	11,004	5,989
Earnings before tax (EBT)	1,197,649	808,190	1,385,821
Tax	66,741	120,394	65,833
NET PROFIT	1,130,909	687,796	1,319,988



SIX – MONTH BUSINESS REPORT
For the period from January 1st to June 30th 2020



1. ABOUT US

General information

Company name:	GALENIKA - FITOFARMACIJA a.d., Batajnicket drum bb, 11080 Beograd - Zemun
No. of Decision of Serbian Business Registers Agency:	BD 307/2005 dated January 27, 2005
ID No.:	07725531
Tax ID No.:	100001046
Registered activity:	Manufacture of agricultural chemicals, Activity Code 2020
Web site & email:	www.fitofarmacija.rs ; office@fitofarmacija.rs
Share capital:	RSD 3.511.200.000 at June 30, 2020
Number of issued shares:	2.640.000 (ordinary); ISIN No: RSFITOE21521; CFI code: ESVUFR; BELEX: FITO
Number of own shares:	None
Parent company	Agromarket d.o.o., Kragujevac, ID No. 07593252, Activity Code 4690 Non-specialized wholesale trade <ul style="list-style-type: none">• ENVIPACK d.o.o., Belgrade, ID No 2080115, Activity Code 7022 Consultancy activities in connection with business and other management;
Subsidiaries:	<ul style="list-style-type: none">• GALENIKA - FITOFARMACIJA zastupanje i trgovina d.o.o. Ljubljana, 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:	UHY REVIZIJA d.o.o., Belgrade, ID No.: 17082175

Company Management

During the period from January 10th up to July 24th 2020, members of the Board of Directors were:

Non-executive directors:

- Mirjana Bogicevic, chairman, independent director;
- Dusan Mojsilovic, owner of Agromarket d.o.o.
- Zivorad Vojinovic;
- Branislav Medakovic;

Executive directors:

- Dragan Nenadovic, Chief Executive Officer, owner of 6,58% of the Company shares;
- Slavica Pekovic, Chief Corporate Affairs Officer.



Ownership structure

Information on ownership structure may be found at the web site of Central Securities Depository and Clearing House (www.crhov.rs). Ownership structure on June 30, 2020 was shown in following tables:

No. of shareholders by share in capital	No. of entities		No. shares		% of total issued	
	local	foreign	local	foreign	local	foreign
0% to 5%	754	35	268,071	8,047	10.15%	0.30%
5% to 10%	1	0	173,718	0	6.58%	
od 75% do 100%	1	0	2,190,164	0	82.96%	
Total:	791		2,640,000		100%	

Type of shareholder	No. shares	%
Owned by individuals	391,939	14.85%
Owned by legal entities	2,202,392	83.42%
Nominee or custodial accounts	45,669	1.73%
Total:	2,640,000	100%

Top ten shareholders by number of shares and votes:

No.	Shareholder	No. shares	%
1.	Agromarket d.o.o.	2,190,164	21.56%
2.	Nenadovic Dragan	173,718	16.64%
3.	OTP banka Srbija - Custodial Account	27,557	8.79%
4.	Nenadovic Milomir	5,544	8.33%
5.	Vojvodjanska banka a.d. Novi Sad - Nominee Account	5,002	6.58%
6.	Vukov Bosko	4,152	6.39%
7.	Security Kapitalanlage	3,300	3.81%
8.	Vukov Zoran	3,222	2.73%
9.	Komercijalna banka a.d. - Custodial Account	2,814	2.13%
10.	Raiffeisen banka ad Beograd - Custodial Account	2,636	1.24%
	Total:	2,418,109	91.60%

Statement on the Corporate Governance Code's Implementation

Company implements own Corporate Governance Code, which is published on Company's website in the section *For investors / Corporate Governance / Company's Regulations*.

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, as well as respecting human rights, occupational health and safety and environmental protection.

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.

During reported period there were no significant departures from established principles in the implementation of the Corporate Governance Code.



2. OPERATIONS IN THE FIRST HALF OF 2020

Significant activities

The impact of the pandemic caused by the COVID-19 virus on the business operations of the Company

By the decision of the Government of the Republic of Serbia, on March 15th, 2020, a state of emergency was declared in the country caused by the COVID-19 virus pandemic. Company's business is organized in accordance with the Government Decree of Republic of Serbia on organizing the work of employees during the state of emergency and the need to regularly supply Serbian agriculturists with necessary raw materials, i.e. plant protection products and fertilizers, during the agricultural season.

Considering that our common business practice is to be ready for a new agricultural season, i.e. with a high level of stocks of products and raw materials, the declaration of a state of emergency did not significantly affect our business. The core business processes took place within the planned framework, with continuous adaptation to new circumstances and minimization of potential negative effects on the Company's operations.

The second half of March and April 2020 were marked by record high values of sales and production, as a direct consequence of the general atmosphere of uncertainty and the tendency of users of our products to provide all necessary raw materials for agricultural production as soon as possible. We have successfully responded to all the challenges of organizing intensive business activities in extraordinary circumstances, which is shown by the business results in the first six months.

Corporate Governance

On December 30th, 2019, the process of taking over the Company by the company Agromarket d.o.o., Kragujevac was completed, by which this company became the owner of 82.96% of the Company's capital. The Commission for Protection of Competition approved the market concentration by its decision of June 19th, 2020.

After the Chairman of the Board of Directors, Mr. Nedeljko Puhar, resigned from the membership of the Committee in early January, Mr. Mirjana Bogicevic, an independent director, has been appointed to the position of Chairman of the Board. Until the expiration of the four-year term to which he was appointed by the decision of the General Meeting of Shareholders from June 2016, the Board of Directors has functioned in the composition specified in Section 1 of this Report.

The Annual General Meeting of Shareholders was held on July 24th, 2020, at which, besides the common decisions related to the regular session, the following decisions were made:

- decision on amendments and modifications of the Company's Articles of Association
- decision on Changes to the Dividend policy
- appointment of members of the Board of Directors of the Company for the term of four years, consisting of: Dusan Mojsilovic (chairman), Mirjana Bogicevic (deputy chairman, an independent director), Nikola Mojsilovic (non-executive director) Dragan Nenadovic (general manager) and Slavica Pekovic (executive director).

Report and Minutes of the Annual General Meeting of Shareholders are published on Company's website.

Significant transactions with related parties

There were no significant transactions with related parties during the previous period.

Operations in the first half of 2020

Seasonal character

The operations of our Company have a highly expressed seasonal character. Plant protection products are mostly sold in the period from March to May, which is also the period when they are mostly applied. In the first six months we usually achieve about 80% of the total annual revenue from plant protection products sale.

Our business cycle begins in September, when the production for the following season begins and it ends in August of the following year. Our business policy is such that we strive to go in the new agricultural season with fully prepared stocks of finished products.

For that reason, the last quarter in the calendar year is always marked by intensive procurements and production activities, which is why the stock levels at the end of the year are extremely high.



Sales of plant protection products

In our most important business segment, the Plant Protection Products (PPPs), we achieved a growth of 10%, with a growth of 7% on the domestic market and 35% on exports.

This year we faced price pressure from generic competition in the domestic market, which is why our average sales prices were 1% lower than last year. In relative terms, this year's sales of plant protection products on June 30th is 9% higher than last year during the same period, but the decline in sales prices has reduced revenue growth to 7%.

The revenue growth from exports of PPP has been made in the segment of sales of our products with EU registrations, which amounted to EUR 3.2 million (growth of 77%). Export of our products to Bosnia and Herzegovina was at the standard level, of about 1.5 million EUR.

Agricultural production

Mercantile agricultural production (mercantile wheat, corn, oilseed rape and sunflower) in the season 2020 is based on an area of 655 ha, on agricultural land owned by the company in Becmen and Ugrinovci, while the production of wheat seed is contracted as service production with the Company's partners, on 876 ha.

The quality and yields of mercantile wheat, oilseed rape and wheat seed that are harvested are at the planned level. The harvest of mercantile sunflower and corn is planned for autumn 2020, where we expect a standard yield and quality.

Realized revenues from the sale of agricultural products in the first half of 2020 refer to the sale of wheat stocks from 2019.

Frozen fruits production

In accordance with the previously made business decision, the Company has ceased to be engaged in processing and selling frozen fruit. Realized revenues from the sale of frozen fruit in the first half of 2020 relate to the sale of fruit stocks remained from previous years.

During the first quarter of 2020, the cold storage facility was converted and adapted, so this space is now used as a storage area for plant protection products and fertilizers.

Financial results

Sales revenue growth in all significant segments (except for frozen products, which accounts for less than 1% of total revenue), has led to an increase in operating profit of 14%. Profit margins are maintained at approximately the same level as last year: the gross operating profit margin was lower by 0.4 percentage points (42.9% compared to last year's 43.3%), while the operating profit margin was at the same level (28.7%)

In the main business segment, Plant Protection Products, we maintained profitability despite the decrease in sales prices in the domestic market, due to the fall in average purchase prices in USD of imported raw materials (10%). The positive effect of the fall in purchase prices was partially annulled by the weakening of the exchange rate of RSD to USD during the raw material procurement season, so that the final impact on profitability was sufficient to compensate for the fall in sales prices, i.e. to maintain profit margins at the same level.

Operating expenses have the expected growth in the segment of production services, specifically on costs related to EU registrations. Intensive investment activities related to the registration of new and maintenance of existing EU registrations are underway, so that these costs are 3.2 times higher than last year in the same period (91 compared to last year's 28 million RSD). The business plan for 2020 envisages a cost of 185 million RSD for this position and now we expect the plan to be realized.

Expected operating risks in the second half of 2020

Standard risk we have been facing in the second half of the year is related to the impairment of the receivables from farmers. Debt collection rate in case of this group of buyers directly depends on the yields quality and market prices of the agricultural products.

We do not expect a significant impact of the pandemic caused by the COVID-19 virus on the demand for our products, considering that we supply raw materials to primary agricultural producers. On the other hand, we are taking into consideration the risks related to logistics, because most of our raw materials are procured from imports and we are trying to reduce these negative impacts to an acceptable level.



Apart from the abovementioned risks, there are general business risks that are related to the nature of our business activity:

- Risks in the production process – technological safety and reliability, protection of the health of employees, environmental protection;
- Risks in the application of our products – product efficiency, safe application, environmental protection, health protection for consumers of agricultural products.

**3. FINANCIAL PERFORMANCE FOR THE FIRST HALF OF 2020****BALANCE SHEET***(In 000 RSD)*

	30-Jun-19	31-Dec-19	30-Jun-20
ASSETS			
Property, plant and equipment (PP&E)	1,735,927	1,702,490	1,709,317
Intangible assets	4,586	3,913	3,301
LT financial placements	661,233	277,264	279,409
<i>Fixed assets</i>	<i>2,401,746</i>	<i>1,983,667</i>	<i>1,992,027</i>
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Inventory	1,385,949	2,255,847	1,170,060
Receivables	2,785,067	796,890	2,980,155
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Cash and cash equivalents	365,337	421,954	656,477
<i>Current assets</i>	<i>6,669,371</i>	<i>6,390,317</i>	<i>7,631,854</i>
<i>Deferred tax assets</i>	<i>26,653</i>	<i>29,692</i>	<i>29,692</i>
<i>Operating assets</i>	<i>9,097,770</i>	<i>8,403,676</i>	<i>9,653,572</i>
Total assets	9,097,770	8,403,676	9,653,572
Off-balance sheet assets	196,558	66,564	162,091
EQUITY AND LIABILITIES			
Shareholders and Other equity	3,511,200	3,511,200	3,511,200
Reserves	996,879	996,879	996,879
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<i>Equity</i>	<i>8,491,279</i>	<i>8,048,166</i>	<i>9,368,154</i>
LT reserved funds	0	0	0
LT Debt	0	0	0
Liabilities from business operations	307,580	239,715	214,119
ST financial liabilities	0	0	0
Liabilities for VAT and other public revenues	31,270	6,839	32,321
Other ST liabilities	267,641	108,956	38,978
Liabilities for income tax			
<i>Current (ST) liabilities</i>	<i>606,491</i>	<i>355,510</i>	<i>285,418</i>
Liabilities and reserved funds	606,491	355,510	285,418
Total equity and liabilities	9,097,770	8,403,676	9,653,572
Off-balance sheet liabilities	196,558	66,564	162,091

*(In EUR)*

	30-Jun-19	31-Dec-19	30-Jun-20	jun20 / jun19
OPERATING REVENUES				
Sales	26,910,621	37,342,981	30,114,526	112%
<i>plant protection products</i>	23,542,158	28,945,741	26,081,011	111%
<i>cold-storage</i>	212,397	1,125,913	188,887	89%
<i>agriculture</i>	327,277	2,527,567	409,856	125%
<i>goods</i>	2,828,788	4,743,761	3,434,772	121%
Other operating revenues	96,670	256,262	740,272	766%
<i>Total operating revenues</i>	27,007,291	37,599,242	30,854,798	114%
OPERATING EXPENSES				
Cost of goods sold (COGS)	2,283,659	4,328,847	2,959,685	130%
Cost of material	7,693,486	16,148,674	8,954,989	116%
Change in inventory value	5,345,348	933,957	5,727,282	107%
Salaries / Other personal expenses	1,685,114	4,054,953	1,462,530	87%
Cost of production services	1,059,489	3,344,667	1,592,795	150%
Amortization expense	354,582	706,426	341,330	96%
Other operating expenses	840,757	1,590,778	951,825	113%
<i>Total operating expenses</i>	19,262,435	31,108,302	21,990,435	114%
OPERATING PROFIT	7,744,856	6,490,940	8,864,362	114%
<i>Operating profit margin</i>	29%	17%	29%	
Financial revenues	134,288	516,409	127,403	95%
Financial expenses	113,513	289,829	44,595	39%
<i>Financial profit/loss</i>	20,774	226,580	82,808	
Revenues from assets valuation adj.	3,435,291	5,025,133	3,843,949	112%
Expenses from assets valuation adj.	1,068,727	4,978,380	1,055,274	99%
<i>Profit/loss from valuation adjustments</i>	2,366,564	46,753	2,788,674	
Other revenues	39,362	153,735	90,295	229%
Other expenses	29,111	60,364	39,362	135%
<i>Non-operating profit/loss</i>	10,251	93,371	50,934	
Earnings before tax (EBT)	10,142,446	6,857,645	11,786,779	116%
Tax	565,202	1,021,566	559,924	99%
NET PROFIT	9,577,244	5,836,079	11,226,855	117%

* The balance sheet values have been calculated according to the average middle exchange rate for euro in the period.

**PROFIT AND LOSS ACCOUNT***(In 000 RSD)*

	30-Jun-19	31-Dec-19	30-Jun-20	jun20 / jun19
OPERATING REVENUES				
Sales	3,177,684	4,400,960	3,540,690	111%
<i>plant protection products</i>	2,779,926	3,411,325	3,066,453	110%
<i>cold-storage</i>	25,081	132,692	22,208	89%
<i>agriculture</i>	38,646	297,880	48,189	125%
<i>goods</i>	334,032	559,064	403,840	121%
Other operating revenues	11,415	30,201	87,037	762%
Total operating revenues	3,189,099	4,431,161	3,627,727	114%
OPERATING EXPENSES				
Cost of goods sold (COGS)	269,661	510,165	347,982	129%
Cost of material	908,469	1,903,160	1,052,875	116%
Change in inventory value	631,194	110,069	673,380	107%
Salaries / Other personal expenses	198,983	477,886	171,956	86%
Cost of production services	125,108	394,177	187,272	150%
Amortization expense	41,870	83,254	40,132	96%
Other operating expenses	99,279	187,477	111,910	113%
Total operating expenses	2,274,564	3,666,188	2,585,507	114%
OPERATING PROFIT	914,535	764,973	1,042,220	114%
<i>Operating profit margin</i>	29%	17%	29%	
Financial revenues	15,857	60,860	14,979	94%
Financial expenses	13,404	34,157	5,243	39%
Financial profit/loss	2,453	26,703	9,736	397%
Revenues from assets valuation adj.	405,649	592,224	451,949	111%
Expenses from assets valuation adj.	126,198	586,714	124,073	98%
Profit/loss from valuation adjustments	279,451	5,510	327,876	117%
Other revenues	4,648	18,118	10,616	228%
Other expenses	3,438	7,114	4,628	135%
Non-operating profit/loss	1,211	11,004	5,989	495%
Earnings before tax (EBT)	1,197,649	808,190	1,385,821	116%
Tax	66,741	120,394	65,833	99%
NET PROFIT	1,130,909	687,796	1,319,988	117%



(In EUR)

	30-Jun-19	31-Dec-19	30-Jun-20	jun20 / jun19
OPERATING REVENUES				
Sales	26,910,621	37,342,981	30,114,526	112%
<i>plant protection products</i>	23,542,158	28,945,741	26,081,011	111%
<i>cold-storage</i>	212,397	1,125,913	188,887	89%
<i>agriculture</i>	327,277	2,527,567	409,856	125%
<i>goods</i>	2,828,788	4,743,761	3,434,772	121%
Other operating revenues	96,670	256,262	740,272	766%
<i>Total operating revenues</i>	27,007,291	37,599,242	30,854,798	114%
OPERATING EXPENSES				
Cost of goods sold (COGS)	2,283,659	4,328,847	2,959,685	130%
Cost of material	7,693,486	16,148,674	8,954,989	116%
Change in inventory value	5,345,348	933,957	5,727,282	107%
Salaries / Other personal expenses	1,685,114	4,054,953	1,462,530	87%
Cost of production services	1,059,489	3,344,667	1,592,795	150%
Amortization expense	354,582	706,426	341,330	96%
Other operating expenses	840,757	1,590,778	951,825	113%
<i>Total operating expenses</i>	19,262,435	31,108,302	21,990,435	114%
OPERATING PROFIT	7,744,856	6,490,940	8,864,362	114%
<i>Operating profit margin</i>	29%	17%	29%	
Financial revenues	134,288	516,409	127,403	95%
Financial expenses	113,513	289,829	44,595	39%
<i>Financial profit/loss</i>	20,774	226,580	82,808	
Revenues from assets valuation adj.	3,435,291	5,025,133	3,843,949	112%
Expenses from assets valuation adj.	1,068,727	4,978,380	1,055,274	99%
<i>Profit/loss from valuation adjustments</i>	2,366,564	46,753	2,788,674	
Other revenues	39,362	153,735	90,295	229%
Other expenses	29,111	60,364	39,362	135%
<i>Non-operating profit/loss</i>	10,251	93,371	50,934	
Earnings before tax (EBT)	10,142,446	6,857,645	11,786,779	116%
Tax	565,202	1,021,566	559,924	99%
NET PROFIT	9,577,244	5,836,079	11,226,855	117%

* The balance sheet values have been calculated according to the average middle exchange rate for euro in the period.



PROFIT STRUCTURE	000 RSD			
	30-Jun-19	30-Jun-20	jun20 / jun19	31-Dec-19
Gross profit	1,382,042	1,556,158	113%	1,918,453
Gross profit margin	43.3%	42.9%		43.3%
Operating profit	914,535	1,042,220	114%	764,973
Operating profit margin	28.7%	28.7%		17.3%
EBITDA	956,405	1,082,351	113%	848,227
EBITDA margin	30.0%	29.8%		19.1%
EBT	1,197,649	1,385,821	116%	808,190
Net profit	1,130,909	1,319,988	117%	687,796

PROFIT STRUCTURE *	EUR			
	30-Jun-19	30-Jun-20	jun20 / jun19	31-Dec-19
Gross profit	11,703,997	13,235,543	113%	16,278,437
Gross profit margin	43.3%	42.9%		43.3%
Operating profit	7,744,856	8,864,362	114%	6,490,940
Operating profit margin	28.7%	28.7%		17.3%
EBITDA	8,099,439	9,205,693	114%	7,197,366
EBITDA margin	30.0%	29.8%		19.1%
EBT	10,142,446	11,786,779	116%	6,857,645
Net profit	9,577,244	11,226,855	117%	5,836,079

* The balance sheet values have been calculated according to the average middle exchange rate for euro in the period.



Six – month Financial Report 2020, 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.

Six – month Financial Report 2020 has not been, nor will it be audited by external auditors.

Six – month Report 2020 was approved by Board of Directors on meeting held on August 19th, 2020.

Executive Director,
M.Sc. Slavica Pekovic

Chief Executive Officer,
B.S.Ec. Dragan Nenadovic

In Belgrade, August 19th, 2020