

Joint Stock Company
" Siguldas ciltslietu un mākslīgās apsēklošanas stacija "
Registration no. 40003013295

REPORT OF THE ***SUPERVISORY BOARD***

General meeting of Shareholders of joint stock company "Siguldas ciltslietu un mākslīgās apsēklošanas stacija" 2017 report.

March 19, 2018
Sigulda

The Supervisory Board has considered the report of the Joint Stock Company 2017. The Annual Report provides complete information about the company's economic activity. Economic activity has been carried out in accordance with the financial capability and technical support. The joint stock company has paid all taxes, fully paid employees wages. The Company's net sales during the reporting period increased by 3.6% or 38 thousand euro compared to the previous 2017.

Together with the Company's annual report had submitted the sworn auditor's report. The auditor has acknowledged that the JSC " Siguldas ciltslietu un mākslīgās apsēklošanas stacija " 2017 report provides a true and fair view of the Company's financial position at 31 December 2017 and the company's operating results and cash flows. The auditor has not detected any material inconsistencies between the financial information presented in the management report and the 2017 financial statement.

Management report are definitely Company's future prospects and development.

By increasing operational efficiency, the company will continue to work to expand their production and services market size for ensuring the company's competitiveness. Supervisory Board has examined the proposal of the Management Board on the 2017 profit distribution of euro 65 798. The Supervisory Board considers that the Management Board proposal do not pay profit of the reporting year, but pay dividends of the previous year profits 33 795.20 euro, which is a 0.08 euro per share. It meets to the Company's existing financial possibilities.

The Supervisory Board considers that the joint-stock company has worked well. The submitted 2017 financial statements are true and fair information on the results of operations, cash flows and financial position as at 31 December 2017.

The Supervisory Board is a proposal to approve the general meeting of shareholders of JSC " Siguldas ciltslietu un mākslīgās apsēklošanas stacija " 2017 report and dividends from retained earnings of previous years 33 795.20 euro, which is a 0.08 euro per share.

Company's Supervisory Board has fulfilled its duties and monitored the operations of the Company in accordance with the law, reviewed the financial statements. During the year took place in 8 Council meeting. Meetings were reviewed financial statements, the Management Board reports, as well as prospects for the future of JSC related issues.

The Supervisory Board want to thank the Company's Management Board and all employees of the company on a successful past financial year.

_____ Inita Bedrīte, Chairman of the Supervisory Board

_____ Maija Beča, Deputy Chairman of the Supervisory Board

_____ Baiba Mecaucē, Member of the Supervisory Board

_____ Maruta Niedrīte, Member of the Supervisory Board

_____ Jekaterina Kreise, Member of the Supervisory Board