

Joint Stock Company
" Siguldas ciltslietu un mākslīgās apsūklošanas stacija "
Registration No. 40003013295

REPORT OF THE *SUPERVISORY BOARD*

General meeting of Shareholders of joint stock company "Siguldas ciltslietu un mākslīgās apsūklošanas stacija" 2019 report.

March 20, 2020
Sigulda

The Supervisory Board has considered the report of the Joint Stock Company 2019. The Annual Report provides complete information on the economic activities of the company. The economic activity has been carried out in accordance with the financial possibilities and the technical support. The joint stock company has paid all taxes, paid full salaries to employees.

The company's net turnover over the reporting period increased by 5.5% or by EUR 61749 more than in the previous 2018.

A report from the sworn auditor has been presented together with the annual report. The auditor has recognized that the 2019 annual report of the JSC " Siguldas ciltslietu un mākslīgās apsūklošanas stacija " provides a clear and genuine view of financial situation of the company as of 31 December 2019 and of the company's performance and cash flows.

The auditor has not identified any material discrepancies between the financial information reflected in the management report and the 2019 financial statement.

The management report sets out public development measures for 2020.

By increasing the efficiency of the business, the company will continue to work to expand the size of its production and services market to ensure its competitiveness.

Supervisory Board has examined the proposal of the Management Board on the allocation of EUR 50343 of the 2019 profit. The Supervisory Board considers that the proposal by Management Board not to use the profits for the accounting year but to pay out of previous years' profits in dividends of EUR 33 795.20, which is EUR 0.08 per share, corresponds to the current financial capacity of joint stock company.

The Supervisory Board The council believes the stock company has worked well in 2019. The submitted financial statement for 2019 contains clear and truthful information on economic performance, cash flows and financial situation as of 31 December 2019.

The Supervisory Board has a proposal for the general meeting of shareholders to approve the 2019 annual report of the JSC " Siguldas ciltslietu un mākslīgās apsūklošanas stacija "

and to pay in dividends EUR 33 795.20 of the undistributed profits of the previous years, amounting to EUR 0.08 per share.

In the course of 2019, the Supervisory Board has fulfilled its duties and supervised the activities of the Company in accordance with its legislation, examining the financial statements. Five the Supervisory Board meetings were held during the reference year. The meetings examined the financial statements, the board's work reports, as well as issues related to the future of the stock company.

The Supervisory Board would like to thank the Board of the Company, all employees of the company and cooperation partners for the financial year that has been successful.

The Supervisory Board hopes that the outbreak of the COVID-19 virus will not have a significant impact on joint stock company's financial performance for 2020.

_____ 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