

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

REPORT OF THE *SUPERVISORY BOARD*

For the general meeting of Shareholders of joint stock company "Siguldas ciltslietu un mākslīgās apsēklošanas stacija" 2018.

March 22, 2019
Sigulda

The Supervisory Board has examined the stock company's review for 2018. 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 turnover during the reporting period increased by 1.6% or by 18 thousand euro more than in the previous 2017.

A report of the sworn auditor has been presented together with the Company's annual report. The auditor has recognized that the 2018 annual report of the JSC " Siguldas ciltslietu un mākslīgās apsēklošanas stacija " provides a clear and genuine view of the Company's financial situation as of 31 December 2018 and the company's performance and cash flows. The auditor has not identified any material inconsistencies between the financial information reflected in the management report and the 2018 financial statement.

The Management report is definitely Company's future prospects and development for 2019.

By increasing the efficiency of the business, the company will continue to work to expand the size of its production and services market so as to ensure its competitiveness. The year 2018 has been closed with losses of 11 000 of the euro. Compared to the previous year, annual profit has fallen by 92 000 euro due to increases in personnel and material costs.

The Supervisory Board considers that the Management Board proposal to cover the annual losses from previous years' profits and to pay out of previous profits in dividends of 33 795.20 euro, which is 0.08 euro per share, corresponds to the company's current financial capacity.

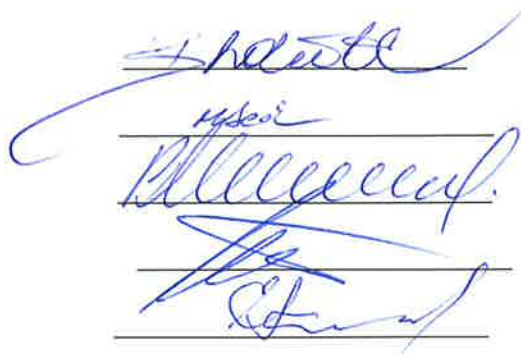
The Supervisory Board considers that the stock company has worked well in 2018. The submitted 2018 financial statements are clear and truthful information on the results of economic activities, cash flows and financial situation as of 31 December 2018.

The Supervisory Board has a proposal to approve the general meeting of shareholders of JSC " Siguldas ciltslietu un mākslīgās apsēklošanas stacija " report for the year 2018 and to pay

in 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 activities of the Company in accordance with the law, revised its financial statements. During the reference year, five Council meetings have taken place. The meetings were reviewed financial statements, the Management Board work reports, as well as issues related to the future of JSC.

The Supervisory Board would like to thank the Company's Management Board and all employees of the company for the financial year that has been successful.



Inita Bedrīte, Chairman of the Supervisory Board

Maija Beča, Deputy Chairman of the Supervisory Board

Baiba Mecauce, Member of the Supervisory Board

Maruta Niedrīte, Member of the Supervisory Board

Jekaterina Kreise, Member of the Supervisory Board