

0202-1019/17-4
23.03.2017

Pursuant to article 384 paragraph 2 item 3 from the Law on Trade Companies the Board of directors of OKTA AD – Skopje submits to Annual General Assembly of Shareholders

REPORT
for the work of the Board of directors of OKTA in 2016

I.

The Board of directors according to the Law on Trade Companies and Charter of OKTA AD – Skopje has the broadest authorizations managing the Company within its scope of operations, and acting, in all circumstances on behalf of the Company.

The Board of directors during 2016 held 7 meetings and adopted 26 decisions and 5 conclusions.

II.

On the held meetings, the Board of Directors, reviewed and discussed all significant issues that fell part of its authorities.

During 2016 the meetings of the Board of Directors were attended by directors and managers of the relevant functions in order to explain the submitted reports and the material given on the meetings. According to the principles of good corporate governance, open discussions were held, related to the materials for the meetings and all other significant issues.

All members of the Board participated actively and cooperated positively for the achievement of the Company together for 2016.

On the 156th meeting held on 15.12.2016 the Board of Directors reviewed the Business plan of OKTA for 2017-2021 and concluded that it is justified with clearly defined objectives on all management levels ensuring integration of all efforts in achieving common goals of the company.

III.

The Board of Directors according to the article 415-v of the Law on changes and amendments of the Law on trade companies reviewed the semiannual report of the Internal Audit department of the Company.

The Internal Audit Department, as an independent organizational unit, submitted the Annual report for their work in 2016 on the meeting held on 23.03.2017.

The Board of Directors is of the opinion that the Annual Report of Internal Audit Department is of good quality, comprehensive and objective and provides a comprehensive review and summary of the audits which by size and dynamics is in accordance with the approved Annual Working Plan for 2016. On the session held on 23.03.2017 the Board adopted the Decision for approval of the Annual Report of Internal Audit Department.

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The Annual Report of Internal Audit Department for 2016 is included in the file available to the Shareholders in view of the Annual General Meeting, which will be held on 16th of May 2017.

The Board of Directors according to article 415-b of the Law on changes and amendments of the Law on Trade Companies reviewed the Annual plan of the Internal Audit Department for 2017 and adopted it.

IV.

In accordance to Article 480, paragraph 2 of the Law on Trade Companies, the Board held a meeting on 22.02.2017 on which the Financial Reports for the year ended on 31.12.2016 were reviewed, together with the Reports for executed audit and the Opinions submitted by the independent auditors.

The audit was made in accordance to the International Audit Standards and the Audit Law of Republic of Macedonia.

According to the opinion of the independent auditors, the financial reports of OKTA AD Skopje for the year ended on 31.12.2016 have been prepared in all material aspects in accordance to the accounting regulations of RM.

Together with the Financial Reports, the Board of Directors reviewed also the Annual Account of the Company for 2016, the Annual Report of the Company for the period January-December 2016 and proposal- Decision for approval of the Annual Account, audited Financial Statements and Annual Report for the year ended 31 December 2016 proposal-Decision for allocation of the net profit for 2016 FY and dividend calendar and proposes to the Assembly of Shareholders of OKTA, on the Annual General Assembly that will be held on 16th of May 2017, to bring Decisions according to which they will be approved and adopted.

V.

The work of the Board of Directors during 2016 was within the authorizations determined by the Law on Trade Companies and the Charter of OKTA AD- Skopje.

23.03.2017

THE BOARD OF DIRECTORS
Chairman



Evangelos Stranis

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