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30.05.2024

Item 3
35th Annual General Assembly meeting, 30/05/2024

Proposal

According to Article 25 paragraph 1 item 8 of the Charter of OKTA AD - Skopje, Article 383 paragraph 1 item 8 and Article 479 paragraph 2 and 3 of the Law on Trade Companies, the Assembly of Shareholders of OKTA AD – Skopje, on its 35th Annual General Assembly meeting held on 30.05.2024, passed the following

DECISION
for appointing an authorized auditor of the Annual Accounts
and the Financial Statements of OKTA for 2024

Article 1

The Company for audit and bookkeeping consulting and services Ernst & Young Certified Auditors Ltd. – Skopje is appointed as the authorized Auditor of the Annual Account and the Financial Statements of OKTA for the year 2024.

Article 2

The Chief Executive Officer (CEO) of OKTA AD – Skopje is authorized to conclude a written Agreement with the auditor from Article 1 of this decision, which will regulate the remaining issues essential for the carrying out of the entrusted audit, the amount of the remuneration and all essential points for ensuring confidentiality.

Article 3

The Directorate for Finance and Administration is responsible for implementation of this Decision.

Article 4

This Decision enters into force on the day it is passed.

Annual General Assembly of Shareholders
Chairman

Rationale

According to Article 478 paragraph 1 item 1 of the Law on trade companies (LTC), all large and medium size commercial entities registered as shareholding companies, shall be subject of an audit, and shall have their Financial Statements audited. According to Article 479 paragraph 1 of the LTC, the Financial reports cannot be approved if they are not audited by an authorized auditing company.

According to Article 383 paragraph 1 item 8 of the LTC, Article 479 paragraph 2 of the LTC and Article 25 paragraph 1 item 8 of the Charter of the Company, the appointment of an authorized Auditor of the Annual Account and the Financial Statements, is within the competence of the Assembly of Shareholders.

Before making the proposal to the Assembly on the appointment of the auditor, the Board of Directors has considered the long-standing and successful cooperation with the proposed auditor, a company that applies a high level of professionalism and that has qualified and experienced staff. The reputation of the company has also been considered, and with the auditor being a subsidiary of one of the so called "big four" audit companies worldwide, it has been assessed that the auditor is suitable for a company of the size of OKTA. The Board of Directors has also considered the information received from the management of the Company and the Directorate of Finance and Administration, deriving from the experience the Company has had so far, according to which the team of the proposed auditor possesses skills and personalities that integrated efficiently with those of the financial and management team; that the auditor has shown genuine understanding of the Company's business and industry, making the right points and comments, without being generic; that they have the tools and expertise in place to properly assess the internal control framework; and that they have proven their ability to communicate with clarity to the management and the teams involved in the audit, so everybody is aware of where and how to improve. Lastly, the Board of Directors considered the cost, which has been assessed to be at fair market levels.

In light of all of the above factors, on its 213th meeting held on 26.04.2024, the Board of Directors determined this draft of the Decision to the Annual Assembly of Shareholders, with a proposal to appoint Ernst & Young Certified Auditors Ltd. – Skopje (full name: Company for audit and bookkeeping consulting and services Ernst & Young Certified Auditors Ltd. – Skopje) as the authorized Auditor of the Annual Account and the Financial Statements of OKTA for the year 2024.