

Publishing of answers to the questions of the shareholders of OKTA AD Skopje set at the annual shareholders' meeting held on 15.05.2019 in the company's head office
(in accordance with Article 391-b, Art.6 of the Law on Trade Companies)

Question: "Should a company reward the management team with higher compensation, bonuses, etc. when that company operates at a loss?"

Answer: The Company had excellent commercial results last year in terms of numbers, we are building the future of the company through various projects, we are renewing staff, younger employees occupy positions, and older employees leave the company. The company had a very good commercial success with a profit of around 6,000,000. Management, directors and managers have done a great job in the course of 2018. It should be borne in mind that the loss is only from an accounting aspect, but that from a business point of view the company worked profitably in 2018.

Question: "If the value sale has increased, does the same apply to the quantity sale?"

Answer: "We had larger sales since prices went up, in liters, i.e. volume, the numbers were similar as in 2017, which was a record year."

Question: "Note 3, item 1, which explains the credit risk, includes claims for which a correction was made in the amount of 46,000,000 denars. Is there a real reason for these claims to be declared uncollectible? Have court cases been initiated against them, and subsequently been lost, so it was decided to make a correction of the value of those claims?"

Answer: What you see as a figure is an accumulated figure involving uncollectible claims transferred from previous years, the amount of uncollectible claims from 2018 is only 8,000 euros. We do not have any court proceedings that we have initiated because there was no need. We have excellent monitoring and we are always covered from a credit aspect.

Question: What are the reasons for the increase in depreciation rates in 2018, especially in buildings, equipment and vehicles? And why in 2019 will the old depreciation rates again apply again, which were valid in 2017?"

Answer: The rate will not change and will not return the same as in 2017. The new rate is in line with the company's new amortization policy, as approved and complied with auditors, and will remain stable without a planned change in the foreseeable future.

Question: “There are data in the financial statements that assets are allocated for further sale. The same assets are depreciated for 129.000.000 denars. Is there a valid estimate of the depreciation and is it just an estimate received by one appraiser or is it multiple estimates by different appraisers? Has this assessment, if existing, been shown to the auditors? When has a decision been made for the depreciation of these assets and with whom was an agreement signed for the sale of the same assets, is there an agreement at all? This can be seen in Note 22 on page 35 of the financial statements, what are the assets and the depreciation? Why such a step has not been announced somehow the previous year that it will be concluded or maybe this has been deliberately done for the company to end the year at a loss, because if this lack of depreciation had not happened, OKTA would have ended 2018 with a minimum profit of 24,000,000 denars.”

Answer: The depreciation of 129,000,000 denars is based on the planned sale of precious metals in the catalysts we want to sell, whereby the assumed value is determined by accounting. The final outcome will depend on the actual price at which the sale will take place. In fact, the difference of 2.000.000 euro you see is the assumed difference in the selling price that will come at the time of the sale. We are following the London Stock Exchange based on when we plan to sell them. There are no appraisers, because the London Stock Exchange is being followed. Therefore, this loss is not a real loss, it is an accounting loss. At the same time, as clarification, on the one hand, the depreciation, and on the other hand, the amortization, is about two different things. Sales of metals from the catalyst will only happen once and the decision was made at a meeting when it was decided to sell the metals from the catalyst. This case has nothing to do with the change in the rate of depreciation, according to the new policy, as explained in relation to the previous question.

Question: “Sponsorships in 2018 increased by 4,000,000 denars compared to 2017. Is there an internal procedure for the same, who decides on this and what are the criteria for selecting postgraduate students for, because part of the sponsorship also applies to sponsoring postgraduate students both in the country and abroad?”

Answer: OKTA is a corporate socially responsible company, and one of the fields in which we are active is granting scholarships. We decided to award ten scholarships for postgraduate studies at the state university "Ss. Cyril and Methodius ", in areas of specialization, of which OKTA potentially has an interest in having those students as employees in the future. This policy continues and also provides two scholarships for postgraduate studies at universities in Greece. The advertisements were publicly announced, contained precise criteria and the best candidates were selected. In fact, the universities have selected the students who are the best candidates to receive scholarships. The figures you mentioned refer to these scholarships. Funding for scholarships has increased, but minimally. That figure you mentioned is not correct.

Question: “How are the one-time non-operating expenses of 185,000,000 denars explained? Do these costs indirectly support the operation, or are they costs that are outside the scope of the operation of OKTA?”

Answer: There are two types of costs in terms of these non-operating costs. The first is the sale of metals from the catalyst at the assumed value of 2.000.000 euro, which has not yet been done, and the second is related to the optimization of the employees in the amount of 3.000.000 euro. The first because it is an activity that will be carried out once, it is a non-operating expense arising from the sale of noble metals in the catalysts, and the optimization is in support of the operation of the company.

Question: 2018 ends with a negative financial result of 104,000,000 denars. Does the management think that this is a result of the reduction in the margin in 2018 compared to 2017?"

Answer: The margin is lower because most of our partners used prepayment. There were different products that had an average lower margin and also the negative results were due to the reduced prices and the stock we had in 2018. Prices fell and we had a lower margin, even a negative margin sometimes.

Question: "Regarding the audit report where the auditors provide a basis for an opinion with a reservation. This reserved opinion refers to receivables in the amount of 769.000.000 denars and liabilities in the amount of 172.000.000 denars recorded in the period 2000-2004, which occurred prior to the acquisition of the company. For these items that appear in the financial statements, the auditors do not receive any support at all, no documentation to verify their authenticity, and therefore have provided a reserved opinion. The question is how true are they, what are the chances of collecting them and why have there not been any reservations or depreciation of a certain percentage for 15 years?"

Answer: This number is due to the pre-privatization period and refers to an unresolved legal case and we expect that if this legal case is resolved positively that we will receive the funds. We expect to resolve the legal case, and then take action. If we take action before the case is resolved, it will mean that we acknowledge that these requests are unfounded. This is a 20-year-old case. The numbers existed when you purchased the shares, they existed last year, and the year before that, and they may exist in the years to come.

Question: "Why is the Report missing an ascertainment as to whether the deals concluded with HELLENIC PETROLEUM and other related companies are also deals with an interested party and whether the legal procedure for approving deals with an interested party was followed? At the same time, a question as to why the report lacks other elements which in accordance with the law are obligatory?"

Answer: In the report, we have presented the balance and transactions with related companies, including those with Hellenic Petroleum and we have complied with all the requirements for presenting in accordance with our agreement with our auditors.

Question: "Why does the body violate the right to information guaranteed by law and is something being hidden from the minority shareholder PUCKO PETROL with such actions?"

Answer: Requests from shareholders must be respected, whether they are majority or minority shareholders. The Board of Directors has taken into consideration the request of the minority shareholder PUCKO PETROL and the decision by the Board of Directors will be made in a timely manner.