

*certified translation:*

“REVIZIJA ŠKAMO” LTD TUZLA  
AUDIT, ACCOUNTING AND CONSULTING COMPANY  
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Pursuant to Article 49, para. 1 and 2, and Article 53 of the Law on Accounting and Audit of Federation of Bosnia and Herzegovina (“Official Gazette of Federation of Bosnia and Herzegovina”, no. 83/09) the authorized auditor of Audit, Accounting and Consulting Company Revizija Škamo Ltd. Tuzla conducted an audit of financial reports of the legal entity Registry of Securities S.C. Sarajevo /*Registar vrijednosnih papira D.D. Sarajevo-RVP*/ for the year of 2017. Upon conducted audit, the authorized auditor produced on behalf of Audit, Accounting and Consulting Company Revizija Škamo Ltd. Tuzla, and in accordance with the aforementioned Law, the following

## AUDIT REPORT

### To the co-owners and the Executive Board of Registry of Securities of Federation of Bosnia and Herzegovina S.C. Sarajevo

#### Positive Opinion!

We have conducted an audit of the financial reports provided by the legal entity Registry of Securities of Federation of Bosnia and Herzegovina (hereinafter: RVP u FBiH d.d. Sarajevo), including the Report on financial situation of the Company as of 31 December 2017, the Balance Sheet and the Report on Total Profit, the Income Statement and the Report on Cash Flow, as well as the Report on Changes in Capital for the ending year. In addition to the reports, we have also presented the summary of important accounting policies and other notes.

#### Auditing Limitations

Although our commitment to the disclosure of RVP u FBiH d.d. Sarajevo’s assets and obligations as of December 31, 2016 and December 31, 2017 was timely, it is still possible that we might inherit some unrealistic evaluation of positions from previous years, which will be addressed as an abstract notion. In our opinion, the submitted financial reports for the requested period present by and large an objective financial situation of RVP u FBiH d.d. Sarajevo as of December 31, 2017, including the results of its business and the changes in the cash flow for the year that then ended.

#### Opinion Basis

We have conducted the audit in accordance with accepted auditing standards. Our obligations towards these standards are described in detail in the section dealing with auditor’s liability when auditing financial reports. We are independent from RVP u FBiH d.d. Sarajevo in compliance with the code of ethics for professional auditors, that is The International Ethics Standards Board for



Accountants (IESBA), and have fulfilled all our other ethical obligations as foreseen by the IESBA Code.

We are convinced that the auditing evidence that we collected were sufficient and adequate for the production of our professional opinion.

### **Key Auditing Issues**

The key auditing issues were those that we, in our professional assessment, hold to be the most important when auditing the financial reports for the current period. We have discussed these issues in the context of our auditing of the financial reports as a whole, and in the process of formulation of our opinion. We do not provide separate opinion on these issues.

### **Compliance with Domestic Legislation and Internal Acts**

RVP u FBIH d.d. Sarajevo has been doing business for many years now, and has always declared its financial reports on a regular, timely basis. This company adjusts its business operation and financial reporting to the requirements of domestic legislation and internal acts, and conducts possible corrections in case of bookkeeping errors or omissions.

All our conducted auditing procedures are bound to detailed compliance verifications of provided bookkeeping records with the laws and rules, aiming at identification of possible deviations and their impact on the financial reporting, its accuracy, completeness and expediency.

### **Executive Liability**

The Executive Board is responsible for the preparation and an objective presentation of financial reports in accordance with International Financial Reporting Standards and all those internal controls, which the Board determines to be necessary for the completion of accurate financial reports and the prevention of false reporting caused by to fraud or error.

In the process of production of financial reports, the Board is liable for an assessment of RVP u FBIH d.d. Sarajevo's capacity to continue with time-unlimited business operation, its publication, and when necessary, its capacity to solve issues related to time-unlimited business and the usage of accounting basis based on unlimited business operation, unless the founder and the Board want to liquidate the company and stop the operation, provided that there is no other real alternative.

Those in charge of managing the aforementioned company are responsible for the supervision of work processes and financial reporting established by law, and applied by the Executive Board.

### **Auditor Liability**

Our aims are to form a reasonable opinion on whether the financial reports as a whole are displayed correctly, and not subject to fraud or errors, and to produce an audit report that would include this opinion. A reasonable opinion is a higher level of opinion, but it is not a complete guarantee that the audit will always reveal incorrect display of some positions. Wrong display may be caused by a fraud or error and is considered serious if it may be reasonably expected that it influences, individually and as a hole, the economic decisions of the users made on the basis of such financial reports.



Our responsibility is to produce an evaluation of the financial reports made available on the basis of the audit carried out.

The audit was conducted in accordance with generally applied auditing standards. These standards require compliance of auditors' codes of ethics and planning and execution of auditing up to the level which provides reasonable conviction that the audited financial reports do not contain any significantly erroneous statements.

The auditing of the financial reports was conducted on the basis of tests, and the evidence that confirm the amounts and the display in the financial reports, in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS).

The audit also includes an assessment of the applied accounting policies and the suitability of the established accounting assessments of the Executive Board, as well as an evaluation of the overall display of existing financial reports.

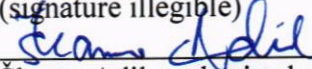
Due to the nature of tests and other possible inherent auditing limitations, together with inherent limitations of the accounting system and internal control systems, there is an unavoidable risk that even a significant error in the production of facts may stay unrevealed, which we here express as a possibility.

In the specific case, we believe that the auditing evidence is sufficient and provides a reasonable basis for the statement of our opinion.

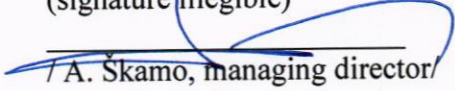
Tuzla, 19 February 2018

Audit conducted by:

(signature illegible)

  
Škamo Adil, authorized auditor  
/licence no. 3090099106/

“Revizija Škamo” d.o.o. Tuzla  
(signature illegible)

  
/ A. Škamo, managing director/

(official seal affixed)

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Herewith I certify that this is a true and faithful rendering of the original text written in Bosnian-Croatian-Serbian language.

Sarajevo, 24 February 2018  
Dn. no.: 38-Eng-18

Dennis Gratz PhD  
certified court interpreter for English and German language





**ANNUAL FINANCIAL STATEMENT OF THE ISSUER FOR THE PERIOD  
JANUARY 1 – DECEMBER 31, 2017**

<b>I – GENERAL DATA ON THE ISSUER</b>	
- full and short name	Registry of Securities of the Federation of Bosnia and Herzegovina, JSC
- headquarters	Maršala Tita 62 2nd floor, Sarajevo
- phone number, fax number, e-mail address and web page	033/279-150, 279-151, <a href="mailto:info@rvp.ba">info@rvp.ba</a> , <a href="http://www.rvp.ba">www.rvp.ba</a>
- head and members of the Supervisory Board	Head of the SB: Alem Laličić; members: Adnan Rovčanin, Miroslav Džidić, Željka Marković-Sekulić and Emina Sarač
- MB	Acting Director: Marina Orlando Acting Deputy Director: Osmo Polutak
<b>II – DATA ON SECURITIES AND ISSUER'S HOLDERS</b>	
- issued securities quantity; par value	20.523 shares; per value 100 BAM
- holders with more than 5% of securities – shares of the issuer with a voting right	Federation of Bosnia and Herzegovina (Securities Commission in the FB&H)
-BoD and SB members as holders and percentage of ownership in the issuer	Members of the MB or SB are not holders of the issuer's shares
<b>III – DATA ON FINANCIAL BUSINESS OF THE ISSUER</b>	
<b>DATA SHEET:</b>	
<b>ASSETS</b>	
a) Subscribed capital unpaid	-
b) Fixed assets	1.418.788
c) Current assets	1.175.685
d) Loss over the capital	-
e) Total Assets	2.594.473
<b>LIABILITIES</b>	
a) Capital	2.451.167
b) Subscribed initial capital	2.052.300
c) Long-term liabilities	-
d) Short-term liabilities	143.306
e) Total liabilities	2.594.473
<b>DATA FROM INCOME STATEMENT</b>	
a) Income	2.259.304
b) Charges	2.243.320
c) Profit or Loss before taxation	15.984
d) Tax on profit	-
e) Net profit/ Net Loss for the period	15.984
<b>IV – DATA ON ISSUER'S EXTERNAL AUDITOR</b>	
-name and headquarters	DOO "REVIZIJA SKAMO" TUZLA
-final opinion on financial statements	Financial Statements are reviewed

Acting Director  
Marina Orlando