

DECISION

on reallocation of accumulated earnings for investment purposes
into earnings available for distribution to the shareholders

On the basis of Article 26 of the Statute of Stopanska Banka AD - Skopje (A.D. No. 399/04.03.2020, revised text), the Shareholders Assembly of Stopanska Banka AD – Skopje, at its meeting held on 31.05.2022, passed a

DECISION

on reallocation of accumulated earnings for investment purposes into earnings available for distribution to the shareholders

1. The Shareholders Assembly of Stopanska Banka AD – Skopje hereby approves reallocation of the non-utilized retained earnings for investment in amount of denars 934.352.057,00 distributed by the Decision on distribution of profit for 2020 of Stopanska Banka AD – Skopje (A.D. No. 425 dated 29.06.2021) into retained earnings available for distribution to the shareholders.
2. The earnings determined in item 1 of this Decision, were not used for the purpose determined in article 2 item b from the Decision on distribution of profit for 2020 of Stopanska Banka AD – Skopje (A.D. No. 425 dated 29.06.2021) due to which the Shareholders Assembly is reallocating the same into retained earnings available for distribution to the shareholders in the future.
3. This Decision enters into force on the day it is passed.

A.D. No. _____
31.05.2022

Skopje

SHAREHOLDERS ASSEMBLY

Chairman,

EXPLANATORY NOTE

In accordance with the Decision A.D. No. 425 dated 29.06.2021, Stopanska Banka AD – Skopje distributed the profit for 2020, in the amount of denars 1.979.852.057, 00, as follows:

- a) Amount of denars 1.045.500.000,00 - for retained earnings for investments restricted for distribution to the shareholders, and
- b) Amount of denars 934.352.057, 00 - for retained earnings for investments.

The retained earnings for investments under item b) amount of denars 934.352.057, 00 were planned to be used for development purposes and investments in tangible and intangible assets for expansion of the main business of the Bank. Since the noted amount was not utilized for investments in 2021, with this Decision, the Bank is making reallocation from retained earnings for investments into retained earnings distributable in the future, subject of approval by the Shareholders' Assembly. This amount of the profit will not be included in the Bank's Own Funds and in the calculation of the capital adequacy and the Bank, shall adequately record this Decision in its accounting books.

Due to the above, it is proposed to the Shareholders' Assembly to adopt the Decision, as proposed.

Skopje, April 2022