

PROPOSAL

On determining the Proposal - Decision on distribution of the Profit
of Stopanska Banka AD - Skopje for 2021

On the basis of Articles 40 of the Statute of Stopanska Banka AD - Skopje (A.D. No 399/04.03.2020, revised text) the Supervisory Board of Stopanska Banka AD - Skopje at the meeting held on 29.04.2022 passed a

DECISION

on determining the Proposal - Decision on distribution of the Profit of
of Stopanska Banka AD - Skopje for 2021

1. Stopanska Banka AD - Skopje (SB), in accordance with the Decision on adoption of the Annual Account and Annual Financial Statements of SB for 2021, realized net profit in amount of denars 2.465.955.632,00.
2. The Proposal for distribution of profit of Stopanska Banka AD - Skopje for 2021 is hereby determined as follows:
 - a) Retained earnings for investment restricted for distribution to the shareholders in amount of denars 1.543.455.632,00 and
 - b) Retained earnings for investments in amount of denars 922.500.000,00.

The profit allocated into retained earnings for investments, is used for development purposes and investments in tangible and intangible assets for expanding the primary business.

3. The Proposal from item 1 of this Decision shall be submitted for adoption to the Shareholders Assembly of Stopanska Banka AD - Skopje.
4. The Proposal-Decision on distribution of the profit of Stopanska Banka AD - Skopje for 2021 is integral part of this Decision.
5. This Decision shall enter into force on the date it is passed.

S.B. No.
29.04.2022
S k o p j e

SUPERVISORY BOARD

Chairman
Marinis Stratopoulos

EXPLANATORY NOTE

Stopanska Banka AD - Skopje (SB), realized net profit in amount of denars 2.465.955.632,00 as determined in the Income Statement for 2021, that is an integral part of the Annual Account and Annual Financial Statement for 2021.

In accordance with the Law on Banks, Company Law and the Statute of SB, the Shareholders Assembly, with this Decision distributes the profit, upon proposal by the Supervisory Board. Considering the above, it is proposed the profit realized in 2021, in accordance with provisions referred to in Article 483 paragraph 2 of the Company Law to be distributed for:

- Part of the profit in the amount of denars 1.543.455.632, 00 is to be distributed for retained earnings for investment purposes, in tangible and non-tangible assets and for expansion of the Bank's business activities, thus the same will be restricted for distribution to the shareholders in the future, and will increase the capital of the Bank. By separating part of the profit in retained restricted earnings, a tax deduction can be obtained with the Profit Tax Law. By this, the Bank will have the right for deduction of the tax base for the used amount of the investment and thus determining lower tax on the profit when preparing the Tax Statements for the year 2022.

The referred amount of denars 1.543.455.632, 00 shall not be available for payment of dividend to the shareholders in future (restricted for distribution to shareholders), and as such in accordance with the applicable regulation of the Central Bank, has a treatment as a core capital of Stopanska Banka AD-Skopje.

- The remaining part of the profit, in amount of denars 922.500.000, 00 will be distributed in retained earnings for investment purposes in tangible and non-tangible assets for expansion of the Bank's business activities. By separating part of the profit in retained earnings, a tax deduction can be obtained with the Profit Tax Law. By this, the Bank will have the right for deduction of the tax base for the used amount of the investment and thus determining lower tax on the profit when preparing the Tax Statements for the year 2022.

This amount of the profit will not be included in the Bank's regulatory capital and in the calculation of the capital adequacy. In case, the Bank, did not realize the investment, by separate decision will reallocate this part of the profit in the retained earnings distributable in the future.

Due to the aforementioned, it is proposed the Shareholders Assembly to pass the enclosed Decision.

Skopje, April 2022

DECISION

on distribution of the Profit of
Stopanska Banka AD - Skopje for 2021

On the basis of Articles 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 the meeting held on 31.05.2022 passed a

DECISION

on distribution of the Profit of
Stopanska Banka AD - Skopje for 2021

1. Stopanska Banka AD - Skopje (SB), in accordance with the Decision on adoption of the Annual Account and Annual Financial Statements of SB for 2021, realized profit in amount of denars 2.465.955.632,00.

2. The year 2021 profit determined in article 1 of this Decision, shall be distributed as follows:

- a) Retained earnings for investment restricted for distribution to the shareholders' in amount of denars 1.543.455.632,00 and
- b) Retained earnings for investments in amount of denars 922.500.000,00.

3. The profit allocated into retained earnings for investments is used for development purposes and investments in tangible and intangible assets for expanding the primary business of the Bank.

4. This Decision shall enter into force on the date it is passed.

A.D. No.
31.05.2022

Skopje

SHAREHOLDERS ASSEMBLY

Chairman,