

Information on activities undertaken based on the conclusion of the Annual Shareholders' Meeting held on 31.5.2022 - valuation of the ratio between ordinary and preferred shares for the purposes of possible conversion

In order to objectively and fully inform the investing public and all interested parties, Stopanska Banka AD - Skopje (hereinafter: "the Bank" or "SB") publishes the following information:

At the regular Annual Shareholders Assembly of SB held on 31.5.2022, it was requested by the Supervisory Board and the Board of Directors to undertake all necessary actions to select a qualified and independent third party, in order to perform the valuation of the exchange ratio between the cumulative preferred and ordinary shares, for potential conversion of preferred into ordinary shares. This position was taken considering that the conversion affects the rights of both types of shares, and as such it represents a complex and sensitive activity, which is why the procedure should follow the best international practices for this type of transaction.

Consequently, based on the conclusion of the Shareholders' Assembly, the Bank's Board of Directors immediately initiated activities for engagement of a third independent party, and in a process of selection among several qualified companies, selected and signed an agreement with the renowned international consulting company "Ernst & Young" in order to perform the above engagement.

Considering the complexity of the issue and the type of data that had to be submitted by the Bank and analyzed by the valuer, the preparation of the requested report required a certain period of time. Consequently, SB informs the public that the EY Report was prepared and submitted to the Bank. The report was discussed and reviewed by the Supervisory Board of the Bank and it was concluded that although the assessment is of an advisory nature and is not binding for any party, it is based on specific facts and data, and was prepared according to expert knowledge, best practices and experiences that the engaged company has, so as such it represents a good basis for continuing the activities and communication between shareholders for a possible conversion of preferred shares into ordinary shares.

Consequently, SB publishes the valuer's conclusion, which is also available on the official website of SB. In addition, for SB shareholders, the mentioned Report is also available for inspection at the Bank's premises.

All shareholders and the interested public are invited to review and take into account the assessment of the value of the SB's shares and to submit their proposals for the conversion of ordinary shares into preferred shares. They will be reviewed by the Supervisory Board during April 2023 and will be taken into account when preparing the agenda of the Bank's annual Shareholders' Meeting.

STOPANSKA BANKA AD - SKOPJE
Skopje, 05.4.2023