

Pursuant to article 47 of the Statute of Komercijalna banka AD Skopje, the Assembly of the Bank at its meeting, held on 04.04.2019, passed

**D E C I S I O N**  
**on utilization and distribution of the**  
**undistributed profit realized by 31.12.2018**

**Article 1**

The undistributed profit realized by 31.12.2018 shall be distributed as follows:

1. Dividend on ordinary shares	MKD	957.208.140
2. Part for reserves	MKD	500.000.000
3. Retained earnings	MKD	323.084.028
<b>TOTAL:</b>	<b>MKD</b>	<b>1.780.292.168</b>

**Article 2**

The funds for dividend on ordinary shares to be distributed in cash.

**Article 3**

The profit that is distributed in retained earnings is not available for payment of dividend to the shareholders in the future (restricted for shareholder distribution).

**Article 4**

This Decision shall be in effect from the date of its adoption.

**CHAIRMAN OF THE ASSEMBLY**

## **EXPLANATION**

to the Decision

As a result of its performance in 2018, Komercijalna banka AD Skopje realized profit before tax in the amount of MKD 1.992.735.872. After deducting the income tax expense in the amount of MKD 212.443.704 the profit after tax is MKD 1.780.292.168. The amount of undistributed profit of MKD 1.780.292.168 is proposed for distribution for part for dividend on ordinary shares, part for reserves and part for retained earnings.

1. Pursuant to article 11, paragraph 3 of the Memorandum of foundation of Komercijalna banka AD Skopje, the owners of the ordinary shares shall be given proportional part of the distributed profit.

The total amount of the part of the profit for the holders of ordinary shares is proposed to be MKD 957.208.140, which is 42,0% of the individual face value of the shares.

2. Pursuant to article 483 and 485 of the Trade Company Law and article 22 of the Bank's Statute, it is proposed to allocate a part of the profit for reserves in the amount of MKD 500.000.000.

The amount proposed for allocation in reserves is according to the strategic determination of the Bank for maintenance of the equity value and its increase through a policy of allocation of a part of the net profit for reserves and represents an additional increase of the level of the total equity for the purpose of a further growth of the Bank.

3. Pursuant to article 483 of the Trade Company Law and article 22 of the Bank's Statute, it is proposed to allocate a part of the profit for retained earnings in the amount of MKD 323.084.028.

The amount is not available for payment of dividend to the shareholders in the future (restricted for shareholder distribution).

**Bank's Supervisory Board**