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30.05.2023

Item 3/1
33rd Annual General Assembly meeting, 30/05/2023

Proposal

According to Article 25 paragraph 1 item 2 of the Charter of OKTA AD - Skopje, in relation to Article 487 of the Law on trade companies, the Assembly of Shareholders of OKTA AD – Skopje, on its 33rd Annual General Assembly meeting held on 30.05.2023, passed the following

DECISION
for approval of payment of dividend

Article 1

Payment of dividend from the cumulative retained earnings from previous years IS APPROVED, in total gross amount of 92.253.240,00 denars (approximately 1.500.000,00 EUR) i.e. dividend in gross amount of 109,00 denars per share, according to the terms determined in the Decision for determining of the dividend calendar.

The dividend calendar will be determined by a separate decision.

Article 2

The shareholders of OKTA AD – Skopje will be notified of the payment of dividend via publication of the decision for determining of the dividend calendar on OKTA's web site and on the web site of the Macedonian Stock Exchange.

Article 3

The Directorate for Finance and Administration is responsible for enforcement of this Decision.

Article 4

This Decision enters into force on the day it is passed.

Annual General Assembly of Shareholders
Chairman

Rationale

According to Article 383 paragraph 1 item 2 and Article 483 paragraph 1 of the Law on trade companies (LTC), as well as according to Article 25 paragraph 1 item 2 of the Charter of the Company, it is within the competence of the Assembly of Shareholders to decide on the allocation of the net profit. According to Article 384 paragraph 2 item 2 of the LTC, on the Annual Assembly, the shareholders decide on the use of the net profit or the covering of the loss from the previous business year.

According to Article 483 paragraph 2 of the LTC, in the decision on the distribution of the profit, each separate purpose of the profit shall be stated, and in particular:

the amount of the profit to cover the losses from the past years (provided that there are any);

2) the amounts to be entered into the legal and statutory reserves of the company;

3) the amount to be paid as a dividend;

4) the additional expenses based on the decision;

5) the eventual transfer of the profit into the next year (retained earnings), and

6) the amount of the profit to be used to increase the basic capital of the company and the amount of the profit for investments

According to Article 487 paragraph 1 of the LTC, after the approval of the Annual Account and the Financial Reports and after determining the existence of profit for distribution, the Assembly of Shareholders determines the portion of the profit to be distributed to the shareholders in a form of a dividend, in accordance with the rights attached to the type and class of share. According to Article 487 paragraph 2 of the LTC, the management body can pay dividend in the amount that does not exceed the total acquired profit expressed in the Annual Account and Financial Reports, increased for the transferred non-distributed profit from the previous years or with the reserves that can be distributed, that is that exceed the legal reserves determined by the Charter, if the losses from the previous years have been covered, if they were not covered with the last approved Annual Account and Financial Reports due to any reasons.

OKTA AD – Skopje finished the business year 2022 with a realized net profit in the amount of 545,996,565.00 denars. However, due to reasons elaborated in the proposal Decision for allocation of the net profit for 2022, the Board of Directors has proposed to the Assembly to allocate the total amount of the net profit in a manner that it will be used for investments (reinvested profit) in a green energy project that will allow OKTA to further diversify from its core activities.

According to the financial report for 2022, as per 31.12.2022, excluding the profit realized in 2022, OKTA AD – Skopje has accumulated retained earnings available for distribution in the amount of 2,067,823,554.00 denars.

Therefore, taking into consideration the information presented by the Company's management, such as the company's accumulated retained earnings available for distribution, the commercial activities that might occur during the year and the excellent operational performance delivered in 2022, on its 204th meeting held on 26.04.2023, the Board of Directors determined this draft of the Decision to the Annual Assembly of Shareholders, with a proposal that part of the accumulated Retained earnings in the amount of 92.253.240,00 denars is to be paid as dividend to the shareholders.