

„BANJALUČKA PIVARA“ AD
BANJA LUKA
- AD Management Board -
No: 02-126-1/2018.
Date: May 22, 2018

Based on Article 41 of the Articles of Association of Joint Stock Company „Banjalučka pivara“ Banja Luka, the AD Management Board adopted on its LXXXVI session held on May 22, 2018 the following

EXPLANATION
with the proposal of Resolution on distribution of realised profit of the Company in 2017

I

The Management Board of „Banjalučka pivara“ Banja Luka prepared a proposal of Resolution on distribution of realised profit of the Company in 2017, No 02-126/18 dated on May 22, 2018, which, in accordance with Article 210 of the Law on Business Companies (Official Gazette of the RS, no 127/08 and 58/09, 100/11, 67/13 and 100/17) and Article 23 of the Articles of Association No: 02-34/13 of 2nd Dec 2013, regulates the manner of distribution of realised profits following the adoption of financial report for the previous year.

II

Based on the stated legal regulations and general acts of the Company, the Management Board proposes to the Shareholders' Assembly that the realised profit in 2017 be distributed as follows:

- amount of **313,926.65 KM** to be used to form legal reserves (Article 210 point 3 and Article 231 point 2 of LOBC, Articles 23 and 24 of AOA),
- amount of **31,392.66 KM** to be used to form statutory reserves (Article 210 point 3 and Article 231 point 2 of LOBC, Articles 23 and 24 of AOA),
- amount of **45,744.36 KM** to be distributed as dividend to the owners of preferential, cumulative-participatory shares (Article 204 point 3 of LOBC, Article 20 and Article 23 of the Company's AOA, Resolution on the VI emission of the Company's shares),
- amount of **5,887,469.33 KM** is to remain as undistributed profit (Article 210 of LOBC, Article 23 of the Company's AOA).

III

This Explanation is published along with the Proposal of Resolution on distribution of realised profit of the Company in 2017.

DELIVERED TO:

1. Audit Board
2. Finance and IT Sector
3. AD Shareholders' Assembly
4. Management Board file
5. a/a

MANAGEMENT BOARD

PRESIDENT

Ragnar Tryggvason