



Makedonski Telekom AD-Skopje

Pursuant to the Law on Trade Companies and the Statute of Makedonski Telekom AD – Skopje (MKT/the Company), and based on the Proposal of the Board of Directors 26/2018 on the adoption of the Resolution on the modifications to the Statute of the Company (Arch. No. 321061/1 dated 22.05.2018), the Shareholders' Assembly of the Company at its meeting held on 28.06.2018 adopted the following

Proposed Resolution on the modifications to the Statute of the Company

Article 1

Due to optimization of the Executive Management after finishing of the transitional period of the legal merger and proposed deletion of the second Executive member of the Board of Directors in function of the Chief Operating Officer of the Company, the Shareholders' Assembly of the Company hereby performs the following modifications to the Statute of the Company:

In Article 21 of the Statute, item 21.1, point 11 is hereby modified and reads:

"11) Approval of major transactions in accordance with article 50-54 of this Statute"

In Article 30 of the Statute, items 30.1, 30.5 and 30.7 are hereby modified and read:

- "30.1 The Board of Directors of the Company is consisted of fourteen (14) members, out of which thirteen (13) will be Non-Executive members and one (1) will be Executive member.
- 30.5 Four out of thirteen Non-Executive members of the Board of Directors shall be appointed as Independent members of the Board of Directors, in accordance with the legal terms.
- 30.7 The Executive member will be elected by the Board of Directors from the existing members of the Board of Directors appointed by the Shareholders' Assembly of the Company, with majority of votes from the total number of the members of the Board of Directors. Such elected Executive member shall be the Chief Executive Officer of the Company."

In Article 30 of the Statute, item 30.8 is deleted.

In Article 33 of the Statute, item 33.2 is hereby modified and reads:

"33.2 The meetings of the Board of Directors are convened by the President, on his/her own initiative, on initiative of the Executive member of the Board of Directors or on initiative of any of the Non-Executive members of the Board of Directors of the Company."

In Article 44 of the Statute, items 44.1 and 44.2 are hereby modified and read:

- "44.1 With the exception of the competences which, according to the Law on Trade Companies and this Statute, have explicitly been determined to be performed by the Board of Directors or by the Shareholders' Assembly, the elected Executive member will manage and be responsible for the operation of the Company and has the largest authorizations to carry out all actions connected with the management, application of laws and other regulations, execution of the day-to-day activities of the Company and acting in all cases on behalf of the Company within the limitations defined by the Board of Directors or this Statute.
- 44.2 For the realization of his/her authorizations, the Executive member of the Board of Directors, as Chief Executive Officer of the Company, has especially the following competencies and obligations to:
- 1) Propose the business policy and carries out the adopted business policy;

- 2) Propose the plans and programs of the Company;
- 3) Implement the resolutions of the Board of Directors;
- 4) Manage the functioning of the Company;
- 5) Propose the internal organization of the Company in the part that is subject of adoption by the Board of Directors,
- 6) Determine the detailed internal organization of the Company in the part that is below the domain of deciding of the Board of Directors;
- 7) Make the election of new employees of the Company and concludes employment contracts with them, decide on promotions or downgrading of employees from their current positions and decide on termination of employment relation with individual employees, according to the valid Labor Law;
- 8) Appoint and release and determine the responsibilities of the Managers (employees with special authorization, e.g. directors, heads) who perform the daily management of the operation of the Company in accordance with the resolutions, guidelines and orders of the Executive member of the Board of Directors;
- 9) Decide on the staff distribution in accordance with the need of the working process;
- 10) Determine the prices of products/services of the Company;
- 11) Decide on scrapping and sale of fixed assets of the Company whose individual market value does not exceed € 50 thousands (without VAT);
- 12) Decide on establishment of advisory bodies (Management Committee, etc.) in order to comply with their legal and statutory obligations in an efficient manner;
- 13) Manage other matters related to the management, realization of current activities and the representation of the Company, as well as those matters that according to the Law have been transferred onto him/her by the Board of Directors.”

In Article 44 of the Statute, items 44.3 and 44.4 are deleted.

Article 45 of the Statute is deleted.

Article 46 of the Statute becomes Article 45, in which the new numbered item 45.1 is hereby modified and reads:

“45.1 If the Executive member of the Board of Directors is prevented to perform his/her duties for a period longer than one (1) month, the Board of Directors, without any prolongation, shall appoint another Executive member elected from the existing members of the Board of Directors.”

Article 47 of the Statute becomes Article 46, in which the new numbered items 46.1, 46.2, 46.3 and 46.4 are hereby modified and read:

- 46.1 The Company is represented by the Executive member of the Board of Directors.
- 46.2 The signing of contracts, agreements and other legal documents on behalf of the Company whereby the Company undertakes certain obligations shall be performed by the Chief Executive Officer.
- 46.3 In case of absence of the Executive member of the Board of Directors, he/she may grant a power of attorney to one of the Chief Officers, Chief Directors or Directors of the Company, of up to one month in duration, to sign contracts, agreements and other legal documents, for which signing the absent Executive member is duly authorized pursuant to the Law and this Statute.
- 46.4 The Chief Executive Officer may issue a power of attorney to other person of the Company for signing of contracts, agreements and other legal documents within his/her competence. The signature of certain contracts, concluded by the Company, are performed collectively with two (2) signatories in accordance with the authorization, resolutions and other internal acts of the Chief Executive Officer.”

Article 48 of the Statute becomes Article 47, in which the new numbered item 47.1 is hereby modified and reads:

“47.1 Authorizations, rights, compensations, duties and responsibilities of the Executive member of the Board of Directors, except the rights and obligations determined with the Law and this Statute, shall be regulated in

greater detail with the contract for regulation of the relations between the Company and the Executive member of the BoD.”

Article 49 of the Statute becomes Article 48, in which the new numbered items 48.1 and 48.2 are hereby modified and read:

- “48.1 The Executive member is obliged to submit a written report to the Board of Directors for the operation of the Company at least once in every three months.
- 48.2 In accordance with the law, the Executive member is obliged to submit the annual balance sheet, annual financial reports and the annual report of the Company to the Board of Directors, after the end of the business year.”

Article 50 of the Statute becomes Article 49, in which the new numbered items 49.1, 49.2 and 49.3 are hereby modified and read:

- “49.1 The Non-Executive members of the Board of Directors supervise the work of the Executive member and the work of the Company in general, and in this manner provide recommendations and guidelines.
- 49.2 Upon request of the Non-Executive members, the Executive member is obliged to prepare a special report for the current condition of the Company or for a specific aspect of its operation.
- 49.3 The Non-Executive members are authorized to undertake any activities personally or through their representatives in order to inform themselves about the operation and management of the Company by the Executive member.”

Article 51 of the Statute becomes Article 50.

Article 52 of the Statute becomes Article 51, in which only the reference to the article in the new numbered item 51.3 is hereby modified and reads:

- “51.3 In the event that the consent set out in item 51.2 of this article for the approval of the major transaction is not reached, the Board of Directors may decide to submit the major transaction, for which a resolution is to be adopted, for approval to the Shareholders’ Assembly. The Shareholders’ Assembly adopts the resolution by a majority of the represented voting shares at the Shareholders’ Assembly.”

Article 53 of the Statute becomes Article 52, in which only the reference to the articles in paragraph 1 of the new numbered items 52.2 and 52.3 are hereby modified and read:

- “52.2 The person referred to in item 52.1 of this Article is deemed as an interested party and as a party having an interest in the realisation of the transaction by the company, if such a person, his representative, spouse, parents, children, brothers/sisters from both parents or from one parent only, adoptive parents, adopted children, and/or any related party (hereinafter: interested party):
- 52.3 Provisions from items 52.1 and 52.2 of this Article do not apply: “

Article 54 of the Statute becomes Article 53, in which only the reference to the article in paragraph 1 of the new numbered item 53.1 is hereby modified and reads:

- “53.1 Persons referred to in article 52 of this Statute are obliged to notify the Board of Directors on:”

Articles 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68 and 69 become Articles 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67 and 68.

Article 70 becomes Article 69 and is hereby modified and reads:

- “69.1 The revised integral text of the Statute shall be applicable as of 1 July 2018.”

Article 2

All other provisions of the Statute of the Company, which have not been modified under the Resolution on the modifications to the Statute of the Company, remain in full force and effect.

Article 3

Pursuant to the Law on Trade Companies, the Shareholders' Assembly hereby authorizes the Board of Directors to prepare the revised integral text of the Statute of the Company and authorizes the President of the Board of Directors to sign the revised integral text of the Statute of the Company, prepared by the Board of Directors.

Article 4

The Executive members of the Board of Directors in function of Chief Executive Officer and Chief Operating Officer of the Company are hereby obliged and authorized to undertake all necessary activities aimed at implementing the Resolution herein in the Central Register of the Republic of Macedonia.

Article 5

This Resolution shall enter into force on the day of its adoption with 2/3 of the voting shares in the Shareholders' Assembly, and shall apply as of 1 July 2018.

Shareholders' Assembly
Chairperson