

 	TIGAR a.d. Pirot General Assembly
	Date:22.06.2016 Page: 1/23

MINUTES

**MINUTES
AS OF THE REGULAR SESSION OF THE GENERAL ASSEMBLY
OF THE JOINT STOCK COMPANY "TIGAR" – PIROT**

Place:	Large Conference Room of Tigar a.d. Pirot
Date :	22.06.2016
Time:	12h
Time of completion:	13h24min.

Present representatives of shareholders:

Ord.No.	Shareholders' representative	Identification number	Number of votes
1.	Jurišić Vitomir	2408956720032	2.024
2.	Mandić Saša	0708979340004	20.298
3.	Miladinović Siniša	2702933732527	3.073
4.	Milivojević Dragan	3007950773648	25.100
5.	Radenković Stevan	0707978710111	378.922
6.	Stanković Slavoljub	0205958732520	131.727

Present shareholders:

Ord.No	Shareholders	Identification number	Number of votes
1.	Milanković Goran	1707965303235	2.200
2.	Radenković Nikola	1811982710008	39.540

Shareholders who voted in absentia:

Ord.No	Shareholders	Identification number	Number of votes
1.	Živković Dejan	2704969710298	5

Present are:

- Members of the Executive Board: Branislav Čurić (Managing Director), Gorica Stanković, Nataša Pop-Krstić, Zorica Mladenović, Zoran Mančić
- Directors of factories: Miodrag Dopuđa (Footware Factory), Žarko Ćirić (Technical Goods Factory), Bojan Živković (Chemical Products Factory)
- Members of the Supervisory Board of Tigar a.d. : Nebojša Petrović and Nikola Radenković
- Slobodan Petrović, President of Independent Trade Union of Tigar a.d. Pirot
- Aleksandra Đorđević, head of the accounting function
- Srđan Stojanović: head of working group for preparation of the General Assembly
- Representatives of the audit firm 'Stanišić Audit I.I.c' : Zorica Dimitrijević and Marijana Nikolić
- Company Secretary, Danijela Cenić

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 2/23

Chairman of the GA, Stanković Slavoljub, opens the regular annual session of the General Assembly of the Joint Stock Company Tigar Pirot, welcomes all the attendees and in the beginning of the session provides information that Nebojša Đenadić submitted his letter of resignation for personal reasons at the function of Managing Director, whose resignation Tigar a.d. accepted and based on its own decision appointed new Managing Director – Branislav Čurić, the Executive Director for Commerce and Marketing in Tigar a.d. Chairman of the GA gives word to the Managing Director of Tigar a.d. Branislav Čurić.

The Managing Director Branislav Čurić, welcomed all the participants and first explained that on 20.06.2016 by the decision of Supervisory Board of Tigar a.d. and by the proposal of Nebojša Đenadić he was appointed new Managing Director of Tigar a.d. On behalf of the management of Tigar a.d., the employed and shareholders, he expressed his gratitude to Nebojša Đenadić for the results obtained in the process of consolidation of Tigar Group and explicated that Nebojša Đenadić shall remain in the Company as a member of the team that continues to work on the consolidation of the Company. In his speech, the Managing Director gave a brief review of the past activities, primarily concerning the first phase in the process of consolidation, compiled and accepted Prepackaged Plan of Reorganization for Tigar ad and Tigar Footware, and that the already mentioned plans are being implemented for a year and a half, including rationalization on every ground, safety in production and stability of its market position both in domestic market as well as in export, together with opening new possibilities. Among the past activities are the changes which resulted in positive effects, workforce optimization, as well as investing in the construction of a new plant, the White Mixing Room for production of rubber compounds, which represents the key for the Company's existence and development. The Managing Director pointed out that the team headed by Nebojša Đenadić with the help of the shareholders, purchasers, suppliers, creditors, state and other authorities made a significant breakthrough compared with year 2012. Ahead is the next, more difficult phase in the implementation of the measures envisaged by the Prepackaged Plan of reorganization. The plan envisages not only settlement of the debts from an earlier period but also a series of other measures, with the aim of reducing the principal amount of debts and interests: sale of real estates, sale of dependent entities, debt conversion into equity capital according to the adopted plan. Tigar a.d. started the process of negotiations for rebalance for its largest creditors under more favorable conditions of debt rescheduling trough additional reduction of interest rates, longer period for repayment of debt, writing off the debt, debt conversion into equity capital, with the aim of stabilizing and subsisting. In that sense, all activities are continued for the Company's stabilization, protection and preservation of the shareholders' investments as well as their trust, and the most important, the Company's existence and preservation of jobs for our employees.

In the end of his speech, the Managing Director wished a successful work of the General Assembly, making the necessary decisions and expressed his gratitude for the trust given.

President of General Assembly invited Nebojša Petrović, president of the Supervisory Board of Tigar a.d. to address the present:

Nebojša Petrović, president of the Supervisory Board of Tigar a.d. Pirot welcomes the Managing Director, shareholders and others present. In his introductory part he

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 3/23

emphasized that the team, founded in 2013 and headed by Nebojša Đenadić reached a certain level of results that deserve to be mentioned and marked down once again in this session of General Assembly. President of the Supervisory Board said that he perceived himself as a member of the team which set in 2013 with proclaimed and defined aims since the early beginning, together with the management of Tigar a.d. led by Nebojša Đenadić. In this sense, there were proclaimed three principal goals. The first goal was to restart the production which further implies that 1.600 workers retain their jobs. The second goal was to show that Tigar a.d. has high-quality manufacturing program that can survive on Serbian market as well as on others, both traditional and modern markets in Europe and beyond. The stated goal was achieved this year when effectively shown income at the consolidated level amounted to cc RSD 19 million. The third, arising goal is the one which from the early beginning appeared to be problematic for realization of the two previous goals. Namely, as a question frequently posed was the situation in which the Company was found in 2013, that is, the high degree of destruction over Tigar a.d.

2015 showed that Tigar Group is able to cover the functioning needs from its own manufacturing, financial and other arrangements, and to achieve, though small, but positive business result.

In his speech, president of the Supervisory Board pointed at the merits of Nebojša Đenadić earned while performing the function of Managing Director, Valentine Ivaniš, first president of the Supervisory Board in the new team, who launched the first round of activities for the existence of the Company and the stabilization of its business, as well as at the merits of other members of the Supervisory Board as of 2013, who together gave a certain contribution and every assignment took with great earnest. After his letter of resignation at the post of Managing Director, recommendation and order of the Supervisory Board is that Nebojša Đenadić remain in the narrowest team of Tigar a.d. which shall continue to take care of the company's business, bearing in mind the responsibility throughout his work and engagement at the function of Managing Director. President of the Supervisory Board pointed out that Tigar a.d shall remain a company taken care of by the Supervisory Board, despite further professional engagement of its members.

In the end of his speech, President of the Supervisory Board addressed the shareholders with a request for support to the newly appointed Managing Director, so as to give a positive impulse and to continue the already initiated activities in the next period with joint engagement and contribution.

According to the Rules of Procedure of the General Assembly of Tigar a.d., the President of GA appointed recording secretary, voting committee members. For the recording secretary was appointed **Maja Apostolović**, whereas the voting committee shall work in the following structure: **Suzana Jocić** (secretary of the committee), **Vesna Stanisavljević** and **Marjan Stojanović**.

Total number of voting shares: **1.138.775 shares**

Present shareholders and proxies at the GA: **602.889 votes**

Votes required for General Assembly (quorum): **569.389 shares**

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 4/23

On the basis of the data presented it was found that the Assembly has the required quorum and the right for decision in today's session.

For the session it is envisaged the following **agenda**:

1. Making decision on adopting the Financial Statement of Tigar a.d. Pirot for the year 2015 and of reports related to the financial statement, Executive Board Business Report Supervisory Board Report and Independent Auditor's Report.
2. Making decision on adopting the Consolidated Financial Statement of Tigar a.d. for the year 2015 and of reports related to the Consolidated Financial Statement, Executive Board's Business Report and the Supervisory Board Report and Independent Auditor's Report.
3. Making decision on the election of Independent Auditor for the year 2016
4. Making decision on the amendments and supplements of the By-Laws of Tigar a.d.
5. Making decision on the appointment of a member of the Supervisory Board of Tigar a.d. Pirot

President of the GA proposes that the first and the second item on the agenda be joined into a single item in the part of reporting due to their interrelatedness and similitude and that for each of the items on the agenda it should be voted individually, which was adopted.

I

Making decision on adopting the Financial Statement of Tigar a.d. Pirot for the year 2015 and of reports related to the financial statement Executive Board Business Report Supervisory Board Report and Independent Auditor's Report.

and

II

Making decision on adopting the Consolidated Financial Statement of Tigar a.d. Pirot for the year 2015 and of reports related to the Consolidated Financial Statement, Executive Board's Business Report and the Supervisory Board Report and Independent Auditor's Report.

Rapporteur: **Aleksandra Đorđević**, Director of Accounting Function

President of the GA calls for the rapporteur according to the here given items of the agenda.

Aleksandra Đorđević first explained to the participants that on 01.06.2015 the Prepackaged Plan of Reorganization (hereinafter referred to as PPR) became valid, so that activities related to its implementation started. Related to that, on 06.08.2015 decisions were made concerning the adoption of the draft of the Contract about merger of the subsidiaries Tigar Footware I.l.c., Tigar Technical Goods I.l.c., Tigar Chemical Products I.l.c. as assigning companies to the Joint Stock Company Tigar, as acquiring company. The date of the status change, that is, merger is on 11.09.2015. Following the status change, starting from 12.09.2015 the entire business of the given manufacturing units is shown within the data referring to the parent company Tigar a.d. She pointed at

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 5/23

the most important positions of the Report. Namely, the parent company Tigar a.d. in the period January – December 2015 recorded total operating income of RSD 2.4 billion. Operating expenses amounted to RSD 2.2 billion.

Operating profit (EBIT) for 2015 amounted to RSD 162 million. Operating profit prior to amortization and long-term reserves (EBITDA) amounted to RSD 247 million. Net loss amounted to RSD 264 million.

All this is due to great financial expenses, which for 2015 amounted to RSD 429 million the majority of which constitutes interest expenses in the amount of RSD 294 million and negative exchange rate differences in the amount of cc RSD 124 million, which mainly refer to short term and long term loans. Other income amounted to RSD 86 million, whereas other expenses amounted to RSD 190 million and for the most part refer to depreciation of the participation in capital of related parties and depreciation of non-material assets (Tigar Footware) in the amount of RSD 141 million.

The assets of the parent company on 31.12.2015 amounts to RSD 5.9 billion, out of which fixed assets amount to RSD 3.9 billion, whereas the current assets amount to RSD 2 billion.

Long term reserves and obligations of the parent company amount to RSD 6.8 billion, whereas short term obligations amount to RSD 1.6 billion. Loss above capital value amounts to RSD 2.5 billion.

The audit of financial statements for 2015 was performed by audit firm Stanišić Audit I.I.c Belgrade. As for the individual financial statements for 2015 the audit firm gave its reserved opinion for Tigar a.d. The basis for the reserved opinion refers to the following:

- Financial statements of the Company as of 31.12.2014 were subjected to audit by another auditor, and the newly elected audit firm did not have at its disposal and insight the initial states that are included in the results determination for the year ending at 31.12.2015.
- Non-material investments of capitalized expenses of development in the amount of cc RSD 269 million refer to the amounts in Footware Factory. Apart from the fact that the Company has already depreciated a significant amount of nonmaterial investments in the net amount of RSD 185 million (2014 – 105 million, 2015 – 79 million); the auditor stated that there are indications that the nonmaterial investments are shown in a value higher than their recoverable value and that these categories do not have economic profitability, therefore the fact that they are shown in the balances is not justified.
- On 31.12.2015 total receivables from related parties are stated in the amount of RSD 366.5 thousand. Bearing in mind the fact that the corporation does not make provision for receivables from related parties in accordance with the Company's accounting polices, and since they were accumulated year by year, the values were high and amounted to over RSD 2.2 billion. With the validity of the Prepackaged Plan of Reorganization there occurred a status change of merger of production units to the parent company resulting in mutual offset of receivables, so that there remain values in the amount of cc RSD 170 million (mostly with the economic society Ti-Car Trade Ltd.)
- Stocks with a slow turnover in which there was no fluctuation more than one year in the amount of RSD 237 million. Our professional services submitted their analyses however they were not sufficiently substantiated for the purposes of the auditors. During the

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 6/23

annual inventory there were no significant proposals for impairment of goods by the census commission since in 2013 a substantial amount of goods was depreciated.

When it comes to positions shown in **the consolidated financial statement**, total realized operating income on a consolidated basis for the period January – December 2015 amounts to RSD 2,826.617 thousand, which is 3.37% more compared to the same period last year, when they amounted to RSD 2,734.471 thousand. Consolidated operating expenses in 2015 in the amount of RSD 2,806.701 thousand are lower for 5.91% compared to the period January – December 2014 when they amounted to RSD 2,982.972 thousand. Lower operating expenses in 2015 result from the measures and controls taken in the cost reduction part, rationalization of labour, business optimization, as well as external factors such as the decrease in price of raw material.

Structure of operating expenses in 2015 in total costs by groups is as follows: expenses of wages, salaries and other personnel expenses account for about 40%, expenses for the cost of material and energy corrected for the changes in inventories and incomes from activating the effect account for 35%, the cost of goods account for 2%, expenses of amortization and reserves costs account for 7%, whereas other expenses account for 16%.

Reported operating income (EBIT) for 2015 amounted to RSD 19.9 million, whereas the operating loss for the same period last year amounted to RSD 248.5 million, which represents a better result for RSD 268.4 million. EBIT growth in 2015 compared to the previous year is an indicator of good business moves that gave these results.

Reported operating income before depreciation (EBITDA) in 2015 amounted to RSD 213 million, whereas in the same period in the previous year, the reported operating loss before depreciation in the amount of RSD 32 million which represents an improvement in the amount of RSD 245 million. The trend of business growth is an indicator of stabilization of business.

Financial expenses on a consolidated basis in the period January – December 2015 amounted to RSD 522.8 million, whereas financial expenses on a consolidated basis in the same period last year amounted to RSD 992.8 million. The largest part of financial expenses are the costs of interest on a consolidated basis in the amount of 389.5 million, whereas negative exchange differences and other financial expenses are shown in the amount of RSD 133.3 million. The effects of decreasing financial expenses result from validity of the Prepackaged Plan of Reorganization and its implementation. It is obvious that the amount of interests is still very high and of great importance.

Large burdens on the basis of borrowing from earlier periods and financial expenses still significantly affect net results so that the net loss on a consolidated basis in 2015 amounted to RSD 0.6 billion, while in 2014 amounted to RSD 1.4 billion which shows a trend of improvement by 60 %. Viewed individually, the parent company Tigar a.d. achieved an operating income of RSD 2.4 billion, the operating result (EBIT) of RSD 162 million, the loss before tax of RSD 260 million and a net loss of 264 million. At the subsidiary level in 2015 occurred in all entities a significant shift in the part of stabilization of operations to the level of operating results (EBIT) compared to the previous year, while the part of net results, the situation is as it follows: net operating losses recorded by Tigar Footwear llc (up to 11.09.2015) in the amount of RSD 150.8 million, Tigar Technical Rubber llc (up to 11.09.2015) in the amount of RSD 85 million, Ti - Car Trade in the amount of RSD 69.2 million, Tigar Montenegro in the amount of EUR

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 7/23

41 thousand, Tigar Partner in the amount of MKD 468 thousand, Tigar Catering llc in the amount of RSD 1million, Tigar Incon llc in the amount of RSD 15.9 million and Tigar Tours in the amount of RSD 0.3 million.

Gains in business were achieved by Tigar Business Service llc in the amount of RSD 19 million, Free Zone in the amount of RSD 42.7 million, Tigar Chemical Products (up to 11.09.2015) in the amount of RSD 1.8 million, Tigar Insurance in the amount of RSD 0.1 million and Tigar Trade in the amount of KM 1 thousand.

In order to resolve the status of the company Tigar Americas we have hired a lawyer to undertake steps to close down the aforementioned company, according to the decisions of the managing authority bearing in mind that there is no communication with the manager of Tigar Americas since 2013 and that the results shown were unsatisfactory even while it worked.

At the consolidated level, the value of total assets amounted to RSD 6.6 billion out of which fixed assets in the amount of RSD 4.5 billion, while current assets amounted to RSD 2.1 billion. At the consolidated level, the loss above the capital is RSD 2.1 billion. On the liabilities side the equity value is 0, liabilities for short term loans amount to RSD 0.4 billion and other liabilities amounted to RSD 1.4 billion.

By replacing the short-term liabilities with the long-term loans, through a process of long-term financial stabilization we provided a better impact on the current liquidity of the company.

For the consolidated financial statement for the year 2015, auditing firm Stanišić Audit l.l.c gave abstained opinion for Tigar a.d. The basis for their abstained opinion mostly refers to depreciation of various forms of property.

- Financial statements of the Company as of 31.12.2014 were subjected to audit by another auditor, and the newly elected audit firm did not have at its disposal and insight the initial states that are included in the results determination for the year ending at 31.12.2015.

- Non-material investments of capitalized expenses of development in the amount of cc RSD 269 million refer to the amounts in Footware Factory. Apart from the fact that the Company has already depreciated a significant amount of nonmaterial investments in the net amount of RSD 185 million (2014 – 243 million, 2015 – 79 million); the auditor stated that there are indications that the nonmaterial investments are shown in a value higher than their recoverable value and that these categories do not have economic profitability, therefore the fact that they are shown in the balances is not justified.

- Stocks with a slow turnover in which there was no fluctuation more than one year in the minimum amount of RSD 237 million.

- On 31.12.2015 the Group did not consolidate the data of the subsidiary Tigar Americas USA due to lack of communication as well as financial information of this society. During 2015 the managing authorities brought decisions concerning the steps necessary to close down this company.

- Inconsistencies regarding the amount of the Group's basic capital with the data from the Registry of Business Entities due to failure to convert the equity.

- Calculation of the accumulated reserves and minor interest.

In the end of the speech, it was pointed out that there is a visible shift, both in the part concerning business, as well as in the opinion submitted by the auditors.

 TIGAR ®	TIGAR a.d. Pirot General Assembly
	Date: 22.06.2016 Page: 8/23
MINUTES	

After the presentation of the Director of the accounting function, the President of the GA opens debate on the first and second item on the agenda. As there were no reports of panelists, the discussion is closed.

There was approached the secret ballot for the **first item** of the Agenda, **Making decision on adopting the Financial Statement of Tigar a.d. Pirot for the year 2015 and of reports related to the financial statement , Executive Board Business Report Supervisory Board Report and Independent Auditor's Report.**

Total votes: 602.889

Required number of votes for adoption: 301.445

Total votes "IN FAVOR": 598.576

Total votes "AGAINST": 1.200

Total votes "ABSTAIN": 3.113

Following the ballot, the President of the General Assembly stated that by the majority of votes, **there was made** the following:

DECISION

on adoption of the Financial Statement of the Joint Stock Company Tigar, Pirot for the year 2015

1. It is hereby adopted the Financial statement of the Joint Stock Company Tigar, Pirot for the year 2015 as well as reports related to it:
 - Executive Board's Report on business of Tigar ad Pirot in 2015.
 - Report of the Supervisory Board of Tigar ad Pirot
 - Auditor's Report Stanisic Audit I.l.c Belgrade
2. Within the Income statement of the Financial Statement for the period January-December 2015, the Joint Stock Company has reported the following positions:

Income statement (in thousands of RSD)	January December 2015	January December 2014
INCOME FROM OPERATIONS		
A. OPERATING INCOME	2,362,695	1,855,835
I. SALES OF GOODS	1,374,616	1,446,938
1. Income from sales of goods to parent and subsidiaries in the country	344,206	437,797
2. Income from sales of goods to parent and subsidiaries abroad	43,426	74,158
3. Income from sales of goods to other related parties in the country		
4. Income from sales of goods to other related parties abroad		
5. Income from sales of goods in the country	228,906	69,306
6. Income from sales of goods abroad	758,078	865,677
II. SALES OF PRODUCTS AND SERVICES	854,765	392,320
1. Income from sales of products and services to parent and subsidiaries in the country	219,535	351,812
2. Income from sales of products and goods to parent and subsidiaries abroad	47,089	
3. Income from sales of products and services to other related parties in the country	261	171
4. Income from sales of products and services to other related parties abroad		
5. Income from sales of products and services in the country	261,002	39,060

**Tigar**[®]TIGAR a.d. Pirot
General Assembly**MINUTES**

Date:22.06.2016

Page: 9/23

6. Income from sales of finished products and services abroad	326,878	1,277
III. REVENUES FROM PREMIUMS, SUBSIDIES, DONATIONS, GRANTS, ETC.		
IV. OTHER OPERATING INCOME	133,314	16,577
EXPENSES FROM OPERATIONS		
B. OPERATING EXPENSES	2,200,658	1,755,978
I. COST OF COMMERCIAL GOODS SOLD	1,178,334	1,261,701
II. WORK PERFORMED BY THE COMPANY AND CAPITALIZED		
III. INCREASE IN INVENTORIES OF FINISHED PRODUCTS AND WORK IN PROGRESS	40,189	
IV. DECREASE IN INVENTORIES OF FINISHED PRODUCTS AND WORK IN PROGRESS		
V. MATERIAL CONSUMED	307,667	4,648
VI. FUEL AND ENERGY CONSUMED	121,011	85,143
VII. STAFF COSTS	359,814	196,104
VIII. PRODUCTION EXPENSES	51,906	58,742
IX. AMORTIZATION	77,624	48,456
X. COST OF LONG-TERM PROVISIONS	7,102	302
XI. INTANGIBLE COSTS	137,389	100,882
C. PROFIT FROM OPERATIONS	162,037	99,857
D. LOSS FROM OPERATIONS		
I. FINANCE INCOME	115,048	49,695
I. FINANCIAL INCOME FROM RELATED PERSONS AND OTHER FINANCIAL INCOME	95,997	25,950
1. Financial income from parent and subsidiaries	69,817	
2. Financial income from other related parties		
3. Financial income from participation in the profit of related parties and joint ventures		
4. Other financial income	26,180	25,950
II. INTEREST INCOME (from third parties)	1,118	2,135
III. GAINS AND POSITIVE EFFECTS OF CURRENCY CLAUSE	17,933	21,610
F. FINANCE EXPENSES	429,085	612,261
I. FINANCIAL EXPENSES RELATED PARTY TRANSACTIONS AND OTHER FINANCIAL EXPENSES	10,848	14,276
1. Financial expenses from relation with parent and subsidiaries	4,696	10,245
2. Financial expenses from relation with other related parties		
3. Financial expenses from participation in the loss of subsidiaries and related parties and joint actions		
4. Other financial expenses	6,152	4,031
II. INTEREST EXPENSE (by third parties)	293,980	415,261
III. FOREIGN EXCHANGE GAINS AND NEGATIVE EFFECTS OF CURRENCY CLAUSE	124,257	182,724
G. PROFIT FROM FINANCING		
H. LOSS FROM FINANCING	314,037	562,566
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	13,838	1,832
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	37,373	385,418
K. OTHER INCOME	72,377	18,963
L. OTHER EXPENSES	152,900	24,861
M. OPERATING PROFIT BEFORE TAX		
N. LOSS FROM OPERATIONS BEFORE TAX	256,058	852,193
Q. NET PROFIT FROM DISCONTINUED OPERATION, EFFECTS OF CHANGED ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM EARLIER PERIOD		
R. NET LOSS FROM DISCONTINUED OPERATION, EXPENSES OF CHANGED ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM EARLIER PERIOD	3,506	
S. PROFIT BEFORE TAXATION		
T. LOSS BEFORE TAXATION	259,564	852,193
U. INCOME TAXES		
I. CURRENT TAX EXPENSE	4,791	
II. DEFERRED INCOME TAX EXPENSE		
III. DEFERRED INCOME TAX BENEFIT		
V. EARNINGS OF EMPLOYER		
W. NET PROFIT		
X. NET LOSS	264,355	852,193

 Tigar ®	TIGAR a.d. Pirot General Assembly	
	MINUTES	
	Date: 22.06.2016	Page: 10/23

3. In the Balance sheet as of 31.12.2015, the Joint Stock Company Tigar Pirot has reported the following positions:

BALANCE SHEET (in thousands of RSD)	As of 31 December 2015	As of 31 December 2014	As of 31 December 2013
ASSETS			
A. SUBSCRIBED CAPITAL UNPAID			
B. CURRENT ASSETS	3,894,327	1,983,302	2,308,016
I. INTANGIBLE ASSETS	279,515	13,758	16,381
Investment in development	268,544	33	71
Concessions, patents , licenses , trademarks , software and other rights	7,200	9,823	12,157
Goodwill			
Other intangible assets			
Intangible assets under construction	3,771	3,902	4,153
Advances for intangible assets			
II PROPERTY, PLANT AND EQUIPMENT	3,291,008	1,257,829	1,410,676
Land	454,761	54,376	54,156
Buildings	1,713,331	643,255	655,518
Plant and equipment	675,729	231,157	260,838
Investment property	292,513	290,896	395,695
Other properties, plants and equipment			
Property, plant and equipment construction	129,511	28,945	37,706
Investments in others' property, plants and equipment	5,223	9,200	6,763
Advances in property, plants and equipment	19,940		
III. BIOLOGICAL AGENTS			
1. Forest and perennial crops			
2. Primary stock			
3. Biological agents in preparation			
4. Advances for biological agents			
IV. LONG-TERM FINANCIAL PLACEMENTS	323,804	504,651	880,959
Shares in subsidiaries	313,298	480,785	856,716
Shares in associated companies and joint ventures	491	12,018	12,020
Shares in other legal entities and other securities available for sale	94	94	153
Long-term financial placements to parent and subsidiaries			
Long-term financial placements to other related parties			
Long-term placements in the country			
Long-term placements abroad			
Held to maturity securities			
Other long-term investments	9,921	11,754	12,070
V. LONG-TERM RECEIVABLES		207,064	
Receivables from parent company and its subsidiaries		207,064	
Receivables from other parties			
Receivables on the basis of sale of goods on commodity loan			
Receivables for sale according to contracts for financial leasing			
Receivables on the basis of bonds			
Contentious and suspicious receivables			
Other long-term receivables			
C. FERRED TAX ASSETS			
D.CURRENT ASSETS	1,976,298	2,851,148	2,936,294
I. INVENTORIES	1,399,397	453,874	621,303
Material, spare parts, tools and supplies	151,414	5,574	6,531
Unfinished production and unfinished services	136,514		67,895
Finished products	391,998		
Goods	347,474	430,666	532,532
Fixed assets for sale	362,160		
Advances paid to suppliers	9,837	17,634	14,345
II. DUE ON SALE	502,322	1,892,079	1,811,666
Customers in the country - the parent and subsidiaries	239,730	1,648,171	1,419,098



Tigar®

TIGAR a.d. Pirot
General Assembly

MINUTES

Date:22.06.2016

Page: 11/23

Customers abroad - parent and subsidiaries	125,698	115,847	127,897
Customers in the country - other related parties	1,093	585	978
Customers abroad – other related parties			
Customers in the country	72,487	57,380	172,988
Customers abroad	63,314	70,096	90,705
Other receivables from sales			
III. RECEIVABLES FROM SPECIFIC			
IV. OTHER RECEIVABLES	26,818	57,116	206,744
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS		239,953	276,539
Short-term loans and investments – the parent and subsidiaries		239,480	276,539
Short-term loans and investments - other related parties		456	
Short-term loans in the country			
Short-term loans abroad			
Other short-term financial investments		17	
VII. CASH AND CASH EQUIVALENTS	1,430	109,103	2,088
VIII. VALUE ADDED TAX	12,914	12,297	
IX. ACCRUALS	33,417	86,726	17,954
E. TOTAL ASSETS	5,870,625	4,834,450	5,244,310
F. OFF BALANCE SHEET ASSETS	798,813		
EQUITY AND LIABILITIES	As of 31 December 2015	As of 31 December 2014	As of 31 December 2013
A. EQUITY			
I. SHARE AND OTHER CAPITAL			
SHARE CAPITAL	642,704	642,704	642,704
Shares of societies with limited liability			
Investments			
State capital			
Social capital			
Cooperative shares			
Share premium			
Other equity			
II. SUBSCRIBED CAPITAL UNPAID			
III. TREASURY SHARES			
IV. RESERVES	143	143	143
V. REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	205,809	112,818	112,818
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		6	
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	2,042		
VIII. RETAINED EARNINGS	1,823		
Retained profit from previous years	1,823		
Retained profit from ongoing year			
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	3,371,206	1,814,668	962,476
Loss of previous years	3,106,851	962,476	143,183
Loss for the year	264,355	852,192	819,293
B. LONG-TERM RESERVES AND LIABILITIES	6,785,725	755,963	893,579
I. LONG-TERM RESERVES	240,390	220,604	221,704
Reserves for costs within the warranty period			
Reserves for costs of renewing natural resources			
Reserves for costs of restructuring			
Provision for retirement and other employee benefits	29,197	5,920	7,429
Provision for lawsuits	211,193	214,684	214,275
Other long-term reserves			
II. LONG-TERM LIABILITIES	6,545,335	535,359	671,875

 	TIGAR a.d. Pirot General Assembly		
	MINUTES		
	Date: 22.06.2016		Page: 12/23

Convertible liabilities			
Liabilities for the parent and subsidiaries			
Liabilities for other related parties			
Liabilities for securities issued in period longer than one year	317,125		
Long-term loans in the country	4,379,536	535,359	671,875
Long-term loans abroad	950,167		
Liabilities based on financial leasing			
Other long-term liabilities	898,507		
G. BILITIES FOR VALUE ADDED TAX	3,075		
H. SHORT-TERM FINANCIAL LIABILITIES	1,604,594	5,137,484	4,557,542
I SHORT-TERM FINANCIAL LIABILITIES	418,543	3,051,513	2,781,875
Short-term loans from parent companies and subsidiaries	16,086	119,984	66,187
Short-term loans from other related parties			
Short-term loans in the country		2,042,117	1,992,538
Short-term loans abroad			
Liabilities on the basis of fixed assets and assets for sale from discontinued operations			
Other short-term financial liabilities	402,457	889,412	723,150
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	44,436	52,541	52,114
III. ACCOUNTS PAYABLE	743,878	990,652	1,048,472
Suppliers - parent and subsidiaries in the country	83,712	164,010	212,622
Suppliers - parent and subsidiaries abroad	50,507	50,584	41,642
Suppliers - other related parties in the country	2,158	3,972	4,949
Suppliers- other related parties abroad			
Suppliers in the country	321,310	293,792	396,512
Foreign suppliers	283,504	478,113	391,121
Other liabilities	2,687	181	1,626
IV. OTHER CURRENT LIABILITIES	347,760	945,237	591,121
V. LIABILITIES FOR VALUE ADDED TAX	74		4,905
VI. OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	6,563	15,364	18,550
VII. ACCRUALS	43,340	82,177	60,505
I. THE LOSS IN EXCESS OF CAPITAL	2,522,769	1,058,997	206,811
J. TOTAL LIABILITIES	5,870,625	4,834,450	5,244,310
K. OFF BALANCE SHEET LIABILITIES	798,813		

4. Financial statement of Tigar ad Pirot for 2015 together with the Report of the Independent auditor is published on Tigar's website www.tigar.com, in both Serbian and English.
5. This Decision shall enter into force upon its adoption

The President opened discussion for the second item on the Agenda.

Since there was no discussion, the President approached the secret ballot for the **second item** of the Agenda, **Making decision on adopting the Consolidated Financial report of Tigar a.d. Pirot for the year 2015, together with the reports related to the Consolidated Financial report, Executive Board report and reports related to it, Report of the Supervisory Board on business and Auditor's report.**

Total votes: 602.889
 Required number of votes for adoption: 301.445
 Total votes "IN FAVOR": 598.279
 Total votes "AGAINST": 1.200
 Total votes "ABSTAIN": 3.410

 Tigar ®	TIGAR a.d. Pirot General Assembly
	MINUTES

Date:22.06.2016

Page: 13/23

By the majority of votes, **there was made** the following

DECISION

on adopting the Consolidated Financial report of the Joint Stock Company Tigar, Pirot for the year 2015 and of reports related to it

1. It is hereby adopted the Consolidated financial statement of the Joint Stock Company Tigar, Pirot for the year 2015 as well as of reports related to it:
 - Executive Board's Report on business of Tigar ad Pirot in 2015.
 - Report of the Supervisory Board of Tigar ad Pirot in relation to business results in 2015
 - Auditor's Report by Stanišić Audit I.I.c Belgrade
2. Within the Consolidated Income statement of the Financial Statement for the period January – December 2015, the Joint Stock Company has reported the following results:

Income statement (in thousands of RSD)	Januar- Decembar 2015	Januar- Decembar 2014
INCOME FROM OPERATIONS		
A. OPERATING INCOME	2,826,617	2,734,471
I I Sales of goods	72,569	145,519
1. Income from sales of goods to the parent and subsidiaries in the country		
2. Income from sales of goods to the parent and subsidiaries abroad		
3. Income from sales of goods to other related parties		
4. Income from sales of goods to other related parties abroad		
5. Income from sales of goods in the country	60,879	114,208
6. Income from sales of goods abroad	11,690	31,311
II INCOME FROM SALES OF PRODUCTS AND SERVICES	2,707,606	2,566,507
1. Income from sales of products and services to the parent and subsidiaries in the country		
2. Income from sales of products and services to the parent and subsidiaries abroad		
3. Income from sales of products and services to other related parties in the country	290	218
4. Income from sales of products and services to other related parties abroad		
5. Income from sales of products and services in the country	1,462,497	1,198,403
6. Income from sales of finished products and services abroad	1,244,819	1,367,886
III INCOME FROM PREMIUMS, SUBVENTIONS, DONATIONS ETC.		
IV OTHER OPERATING INCOME	46,442	22,445
EXPENSES FROM OPERATIONS		
B. OPERATING EXPENSES	2,806,701	2,982,972
I I Cost of commercial goods sold	59,117	63,057
II Work performed by the company and capitalized	39,637	270
III Increase in inventories of unfinished and finished products and work in progress	88,420	
IV Decrease in inventories of unfinished and finished products and work in progress		15,425
V Material consumed	926,170	941,854
VI Fuel and energy consumed	175,642	185,212
VII Staff costs	1,139,438	1,153,955
VIII Production expenses	331,925	261,439
IX Amortization	184,122	213,002
X Costs of long-term provisions	9,188	3,302
XI Intangible costs	109,156	145,996
C. PROFIT FROM OPERATIONS	19,916	
D. LOSS FROM OPERATIONS		248,501
E. FINANCE INCOME	32,486	33,875
I Financial income from related persons and other financial income	295	973

 	TIGAR a.d. Pirot General Assembly	
	Date: 22.06.2016 Page: 14/23	
MINUTES		

1. Financial income from the parent and subsidiaries		
2. Financial income from other related parties		
3. Income from participation in the profit of subsidiaries and joint ventures		
4. Other financial income	295	973
II Interest expense (by third parties)	2,679	2,344
III Foreign exchange gains and positive effects of currency clause	29,512	30,558
F. FINANCE EXPENSES	522,808	992,800
I Financial expenses related party transactions and other financial expenses	6,246	4,031
1. Financial expenses from the relation with the parent and subsidiaries		
2. Financial expenses from the relation with other related parties		
3. Expenses from the participation in the loss of the related parties and joint ventures		
4. Other financial expenses	6,246	4,031
II. Interest expense (by third parties)	389,474	583,930
III Foreign exchange gains and negative effects of currency clause	127,088	404,839
G. PROFIT FROM FINANCING		
H. LOSS FROM FINANCING	490,322	958,925
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	18,608	14,044
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	27,369	158,210
K. OTHER INCOME	84,087	50,077
L. OTHER EXPENSES	161,534	124,017
M. OPERATING PROFIT BEFORE TAX		
N. LOSS FROM OPERATIONS BEFORE TAX	556,614	1,425,532
O. NET PROFIT FROM DISCONTINUED OPERATION, EFFECTS OF CHANGED ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM EARLIER PERIOD		
P. NET LOSS FROM DISCONTINUED OPERATION, EXPENSES FROM CHANGED ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM EARLIER PERIOD	3,506	
Q. PROFIT BEFORE TAXATION		
R. LOSS BEFORE TAXATION	560,120	1,425,532
S. INCOME TAXES		
I Current tax expense	23,903	16,893
II Deferred income tax expense	15	735
III Deferred income tax benefit	7,430	4,354
T. EARNINGS OF EMPLOYER		
U. NET PROFIT		
V. NET LOSS	576,608	1,438,806
I NET PROFIT BELONGING TO MINOR INVESTORS	15,104	5,531
II NET PROFIT BELONGING TO MAJORITY SHAREHOLDER		
III NET LOSS BELONGING TO MINOR INVESTORS		
IV NET LOSS BELONGING TO MAJORITY SHAREHOLDER	591,712	1,444,337

3. In the Consolidated Balance Sheet as of 31.12.2015, the Joint Stock Company Tigar Pirot has reported the following positions:

BALANCE SHEET (in thousands of RSD)			
ASSETS	As of 31 December 2015	As of 31 December 2014	As of 31 December 2013
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	4,530,441	5,113,669	5,477,305
I. INTANGIBLE ASSETS	279,860	415,482	487,546
Investment in development	268,544	368,482	434,142
Concessions, patents, licenses, trademarks, software and other rights	7,434	16,243	17,450
Other intangible assets	3		100
Intangible assets under construction	3,879	30,757	35,854
Advances for intangible assets			
II. PROPERTY, PLANT AND EQUIPMENT	4,240,075	4,674,321	4,965,518
Land	517,802	525,279	444,382

**Tigar**®TIGAR a.d. Pirot
General Assembly**MINUTES**

Date:22.06.2016

Page: 15/23

Buildings	2,518,424	2,678,462	2,787,681
Plant and equipment	723,714	800,631	877,165
Investment property	292,513	582,070	755,514
Property, plant and equipment construction	161,394	57,190	72,020
Investments in property, plants and equipment	6,288	10,749	8,816
Advances for properties, plant and equipment	19,940	19,940	19,940
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS	10,506	23,866	24,241
Shares in subsidiaries			
Shares in associated companies and joint ventures	491	12,018	12,171
Shares in other legal entities and other	94	94	
Other long-term investments	9,921	11,754	12,070
V. LONG-TERM RECEIVABLES			
Receivables from the parent and subsidiaries			
C. DEFERRED TAX ASSETS			1,875
D. CURRENT ASSETS	2,117,297	1,884,157	2,164,386
I. INVENTORIES	1,588,154	1,174,846	1,147,985
Material, spare parts, tools and supplies	129,280	97,547	99,618
Unfinished production and unfinished services	136,514	166,214	234,208
Finished products	391,998	252,125	116,740
Goods	509,357	595,272	670,223
Fixed assets for sale	399,680	27,162	
Advances paid to suppliers	21,325	36,526	27,196
II. DUE ON SALE	310,266	393,108	520,025
Customers in the country - the parent and subsidiaries			
Customers abroad - parent and subsidiaries			
Customers in the country - other related parties	3,832	3,402	29,457
Customers in the country	224,271	282,629	361,661
Customers abroad	82,163	107,077	128,907
Other receivables from sales			
III. RECEIVABLES FROM SPECIFIC	129	1,384	4,761
IV. OTHER RECEIVABLES	70,845	52,005	63,176
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS		472	472
Short-term loans and investments - parent and subsidiaries			
Short-term loans and investments - other related parties		472	472
Other short-term financial investments			
VII. CASH AND CASH EQUIVALENTS	85,481	194,656	220,447
VIII. VALUE ADDED TAX	16,541	22,943	19,634
IX. PREPAYMENTS	45,881	44,743	187,886
E. TOTAL ASSETS	6,647,738	6,997,826	7,643,566
F. OFF BALANCE SHEET ASSETS	811,313		
EQUITY AND LIABILITIES	As of 31 December 2015	As of 31 December 2014	As of 31 December 2013
A. EQUITY			
I. SHARE AND OTHER CAPITAL	642,704	642,704	642,704
Share Capital	642,704	642,704	642,704
II. SUBSCRIBED CAPITAL UNPAID			
III. TREASURY SHARES			
IV. RESERVES	5,411	5,409	5,396
V. REVALUATION RESERVES BASED ON	1,509,372	1,509,155	1,506,949

 	TIGAR a.d. Pirot General Assembly	
	Date: 22.06.2016 Page: 16/23	
MINUTES		

REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT			
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	84,716	77,139	87,216
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	4,976	3,593	
VIII. RETAINED EARNINGS			
Retained earnings in previous years			
IX. PARTICIPATION RIGHTS WITHOUT CONTROL	91,147	87,802	88,216
X. LOSS	4,405,805	3,814,092	2,413,007
Loss of previous years	3,814,093	2,369,755	1,374,171
Loss for the year	591,712	1,444,337	1,038,836
B. LONG-TERM PROVISIONS AND LIABILITIES	6,862,923	2,024,795	1,321,211
I. LONG-TERM PROVISIONS	255,595	254,496	291,854
Provision for retirement and other employee benefits	42,692	36,736	78,654
Provision for lawsuits	211,193	217,760	213,200
Other long-term provisions	1,710		
II. LONG-TERM LIABILITIES	6,607,328	1,770,299	1,029,357
Liabilities for securities issued in more than one year	317,125		
Long-term loans in the country	4,379,536	535,359	724,075
Long-term loans abroad	950,167	944,950	301,462
Liabilities based on financial leasing	11,425	15,881	3,820
Other long-term liabilities	949,075	274,109	
G. DEFERRED TAX LIABILITIES	107,363	114,777	117,631
H. SHORT-TERM LIABILITIES	1,754,883	6,353,730	6,287,250
I. SHORT-TERM FINANCIAL LIABILITIES	416,816	3,555,912	3,709,620
Short-term loans from the parent and subsidiaries			
Short-term loans from other related parties			
Short-term loans in the country		2,042,605	2,211,127
Liabilities on fixed assets and assets from discontinued operations for sale	9,452	27,162	
Other current financial liabilities	407,364	1,486,145	1,498,493
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	56,025	100,564	78,241
III. ACCOUNTS PAYABLE	768,531	1,050,547	1,037,057
Suppliers- the parent and subsidiaries in the country			
Suppliers – the parent and subsidiaries abroad			
Suppliers - other related parties in the country	4,835	4,259	18,099
Suppliers in the country	459,272	502,240	544,868
Foreign suppliers	298,686	532,398	448,955
Other liabilities	5,738	11,650	25,135
IV. OTHER CURRENT LIABILITIES	433,906	1,419,881	1,296,447
V. LIABILITIES FOR VALUE ADDED TAX	6,591	32,172	32,691
VI. OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	12,758	28,787	43,954
VII. ACCRUALS	60,256	165,867	89,240
I. THE LOSS IN EXCESS OF CAPITAL	2,077,431	1,495,476	82,526
J. TOTAL LIABILITIES	6,647,738	6,997,826	7,643,566
K. OFF BALANCE SHEET LIABILITIES	811,313		

4. Consolidated Financial statement of Tigar ad Pirot for 2015 together with the Report of the Independent auditor is published on Tigar's website www.tigar.com, in both Serbian and English.

5. This Decision shall enter into force upon its adoption.

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 17/23

III

Making Decision on the election of the independent auditor

Rapporteur: **Aleksandra Đorđević**, Director of accounting Function
President of General Assembly invites Aleksandra Đorđević, Director of accounting function as a rapporteur for this item on agenda:

Pursuant to the Law on companies (article 453.) and the Law on Audit (article 21), annual financial statements of joint stock companies such as Tigar is and those of dependent entities that have the status of big and middle enterprises, are obliged to be the subject to revision, by the audit firm to be elected by the GA. On the request for a bid for Annual audit of individual and consolidated financial statements with the pre-audit for the year 2016, there have responded and sent their bids three audit firms:

- audit firm MDM Audit at price EUR 12.000 (without VAT)
- audit firm Moore Stephens at price EUR 10.500 (without VAT)
- audit firm Stanišić Audit I.I.c. from Belgrade at price EUR 9.400 (without VAT)

Not even one audit firm belonging to the 'big four' submitted its offer for the 2016 audit. Bearing in mind the overall financial situation in which the Company is right now and taking into account the fact that the Annual Financial statements audit for 2015 was done by auditing firm Stanišić Audit doo Belgrade, the Audit Committee following a review of all outstanding bids made a recommendation to the Supervisory Board to propose to the GA the audit firm Company for audit and consulting Stanišić Audit doo Belgrade, as independent auditors for Tigar Joint Stock Company Pirot and its subsidiaries for 2016.

After the presentation of the Director of the Accounting function, the President of the GA opens debate on the third item on the agenda.

Dragan Milivojević applies for discussion and requests an explanation about the submitted offers and costs to the audit firms for conducting the audit, with reference to the height of the costs paid to Stanišić Audit I.I.c. in 2015 for performing audits.

Once again, Aleksandra Đorđević explained that audit firms submitted in total three bids: audit firm MDM Audit at price EUR 12.000 (without VAT), audit firm Moore Stephens at price 10.500 EUR (without VAT), audit firm Stanišić Audit I.I.c. from Belgrade at price EUR 9.400 (without VAT). Nataša Pop-Krstić, Executive Director for Corporate Management, engages herself in the discussion with a note that for performing audits in 2015, audit firm Stanišić Audit offered their bid for EUR 15.500 without VAT, and since following the adoption of this decision there came about a status change of merger of subsidiaries to the parent company, the cost was reduced and an amount of cc EUR 10.400 thousand without VAT was paid, where EUR 2.000 thousand refer to performing audit of consolidated financial statements. At the recommendation of a member of the Supervision Board, Nikola Radenković who is at the same time a member of the Audit Commission and a shareholder there started negotiations concerning the correction of the cost. According to that, the audit firm Stanišić Audit I.I.c. submitted a corrected bid when it comes to the amount of costs paid for performing the audit.

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 18/23

After the closing of the discussion, there was approached the secret ballot on the **third item** on the agenda:

Total votes: 602.889
 Required number of votes for adoption: 301.445
 Total votes "FOR": 585.525
 Total votes "AGAINST": 1.228
 Total votes "ABSTAIN": 16.136

By the majority of votes, there was made the following

DECISION
on election of independent auditor of the Joint Stock Company Tigar Pirot for 2016

1. As for the independent auditor of the Joint Stock Company Tigar Pirot for the year 2016 is hereby elected '**Audit and Consulting Company - Stanišić Audit I.I.c. Belgrade**
2. Status and responsibilities of the auditor referred to in item 1 hereof are regulated by the Law on audit.
3. This decision shall come into force upon its adoption.

IV

Making Decision on amendments and supplements of Tigar ad By-Laws

Rapporteur: Danijela Cenić, the Company's Secretary

President of the GA gives word to Danijela Cenić, the Company's Secretary so as to explain the most important amendments and supplements.

At the beginning of the speech, Danijela Cenić, explained that there did not come about essential amendments and supplements, but technical adjustments. To remind, at the General Assembly session held on 18.12.2013 was made a decision about equity decrease of the Company so as to cover the loss recorded in the corrected financial statement for the year 2012. In that sense, the equity in the amount of RSD 2.062.152 divided into a total of 1.718.460 shares with nominal value of RSD 1.200 was decreased to the amount of RSD 642.704.000 so that the nominal value of a share amounts to RSD 374.00. Since there was an incompatibility of the registered equity with the Agency under the Tigar a.d. By-Laws, amendments to it remedy the already mentioned incompatibility. Also, amendments and supplements on the number of executive directors (their number is reduced from 8 to 5), in accordance with the Company's needs, operation rationalization is being performed.

President of the GA opens discussion opens debate on this item on the agenda.

Nikola Radenković applies for discussion and points at the possibility to convert the existing debt to the state into equity, that is, whether voting for the By-Laws in part related to nominal value of the shares in the amount of RSD 374.00 following the conversion the amount remains RSD 374.00 or RSD 1.200.00.

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 19/23

The secretary explained that the decision made for the amount of RSD 374.00 was registered with the Business Registers Agency.

Srđan Stojanović, head of the GA preparation team, joined the discussion and explained that there is an incompatibility between the By-Laws and the shares' nominal value and if it were to come to new shares issuing, according to the Law on Capital Market and Law on Companies, the average trading price on the stock market in last 3 or 6 months is taken, but not lower than the nominal value. In case there is still incompatibility between the By-laws and nominal value in financial statements, an assessment of shares' value should be done according to which conversion of debt into equity would be carried out.

Following the closing of the discussion the secret ballot for the **fourth item** on the agenda was approached.

Total votes: 1.138.775

Required number of votes for adoption: 569.388

Total votes "IN FAVOR": 597.377

Total votes "AGAINST": 1.206

Total votes "ABSTAIN": 4.306

Following the voting, President of the GA states that by the majority of votes, **there was made** the following

DECISION
on amendments and supplements of Tigar a.d. Pirot By-Laws

- 1) In the By-Laws of the Joint Stock Company Tigar a.d. Pirot since 20.06.2016 amendments and supplements of its regulations is done in the following way:

Article 1

Article 17 of the By-Laws amends and now reads:

'The total issued capital of the Company amounts to RSD 642.704.040.

The capital of the Company is divided into 1.718.460 of issued and subscribed ordinary shares of Class D. All shares are of the same class. The shares of the Company are ordinary, they identify the holder, and they are transferrable as provided for in applicable legislation.

The nominal value of each ordinary voting share of one class in the capital of the Company is RSD 374.00'

Article 2

In Article 20 paragraph 2 of the By-Laws amends and now reads :

'All issued shares of the Company are ordinary shares and they identify the holder. The number of votes per share is one. The nominal value per share is RSD 374.00 RSD (three hundred seventy-four Serbian Dinars) and the

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date:22.06.2016 Page: 20/23

designation of the shares is: CFI Code ESVUFR, and ISIN number RSTIGRE55421.'

Article 3

In Article 26, paragraph 3 amends and now reads:

'Any decision to issue convertible bonds, warrants or other securities, as well as the determination of the number, time, price of acquisition, and other terms of the issue, shall be made by the General Assembly.'

Article 4

In Article 34, paragraph 1, item 2 amends and now reads:

' 2. Capital increases and decreases, and every issue of securities, except in the case of authorized capital'

Article 5

In Article 42, following paragraph 2 a new paragraph 3 is added and it reads:

'Shareholders' signatures – individuals at the power of attorney need not be validated in accordance with the law applicable to signature validation.'

Hitherto paragraphs 3,4,5 and 6 are now paragraphs 4, 5, 6 and 7.

Article 6

In Article 49 paragraph 1, item 9 of the By-Laws which reads:

'9. Issuing of bonds and other securities as provided for under the Law and these By-Laws'
is to be deleted.

Article 7

In Article 49 paragraph 1, item 10 of the By-Laws becomes item 9, amends and now reads:

'9. Determining the issue price of shares as provided for under Article 260, Paragraph 2 of the Law on Companies and under Article 263 Paragraph 2 of the Law on Companies'

Hitherto items 11,12,13,14,15,16,17 and 18 become items 10,11,12,13,14,15,16 and 17.

Article 8

Article 50 paragraph 5 of the By-Laws which reads:

'The Chairperson of the Supervisory Board shall represent the Company vis-a-vis the executive directors (members of the Executive Committee) and shall have other powers as provided for under the law, these Bylaws and other documents of the Company.'
is to be deleted.

Article 9

Subtitle and Article 60 paragraphs 1 and 2 of the By-Laws amend and now read:

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date:22.06.2016 Page: 21/23

‘Number of Executive Directors, Appointments and Dismissals’

Article 60

The Company shall have 5 (five) executive directors who will comprise the Executive Committee, including:

- an ED for Corporate Management
- an ED for Finance and Accounting
- an ED for Production Processes, Development and Investments
- an ED for Commercial Operations and Marketing, and
- an ED for Business Activities Support

The Supervisory Board shall appoint the executive directors at the proposal of Nominating Committee

Article 10

Article 62, paragraph 4 of the By-Laws amends and now reads:

‘The executive directors in accordance with the Law on Companies (under Article 431 and appropriate application of Article 416) shall report in writing to the Supervisory Board.’

Article 11

In Article 65, paragraph 1, item 3 of the By-Laws amends and now reads:

‘3) Represent the Company.’

In Article 65, paragraph 1, item 5 of the By-Laws which reads:

‘5. Appoint governing bodies of all subsidiaries (performing the duties which fall within the competence of the General Meeting of the respective subsidiary), that is representatives of the Company in bodies and institutions on different grounds.’
is to be deleted.

Hitherto items 6, 7, 8, 9, 10 and 11 become items 5, 6, 7,8 ,9 and 10.

Article 12

Article 73 of the By-Laws amends and now reads:

‘Internal supervision

Article 73

Through its internal documents, the Company shall stipulate the mode of implementation and organization of internal supervision of its business operations.

At least one individual competent for internal supervision affairs must fulfill the criteria prescribed for an internal auditor in accordance with the law which regulates accounting and auditing, must be employed in the Company and manage only the internal supervision affairs and shall not at the same time be a director or a member of the Supervisory Board.

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 22/23

The individual from the previous paragraph is appointed by the Supervision Board at the proposal of Audit Committee.

The individual who will manage internal supervision affairs must fulfill the professional knowledge and experience criteria stipulated by the Company in a special document.

The individual who will manage internal supervision affairs is appointed by the Supervision Board at the proposal of Audit Committee.

Other individuals engaged to perform internal supervision duties need not fulfill the criteria prescribed for the internal auditor pursuant to the law which regulates accounting and auditing. These individuals are engaged in accordance with the conditions envisaged by the document of organization and disposition of jobs in the Company.'

Article 13

Article 76, paragraph 2 of the By-Laws amends and now reads:

'The acquisition or disposal as contemplated in this article means the acquisition or disposal of assets in any way under Article 470. of the Law on Companies.'

2. Based on this Decision there will be drawn up a consolidated text of the By-Laws.
3. This decision shall come into force upon its adoption

V

Making Decision on appointing a member of the Supervisory Board of the Joint Stock Company Tigar Pirot

Rapporteur: Zorica Mladenović, Executive Director of Human Resources and member of the Nominating Committee

Zorica Mladenović explained that the candidate proposed for a member of the Supervisory Board was given by the Nominating Committee, consisting of Nebojša Petrović, the President and members Aleksandar Đurković and Zorica Mladenović. The nominated candidate Nikola Radenković is from Belgrade, born on 18.11.1982. He was educated in Paris where he graduated. He is at the post of Director in company Nikomms doo Belgrade. At the session held on 26.08.2015 the Supervisory Board of Tigar a.d. Pirot committed the cooptation of Nikola Radenković at the post of member of the Supervisory Board. Since the Law on Companies envisages that the mandate period of the co-opted member expires in the first following session of the GA, it is necessary that the General Assembly within its jurisdiction, make a decision on appointing Nikola Radenković a member of the Supervisory Board of Tigar AD Pirot for a term that coincides with the mandate period of the other members.

Since there was no discussion for this item on the agenda, President of GA announces the voting results:

	Tigar ®	TIGAR a.d. Pirot General Assembly
MINUTES		Date: 22.06.2016 Page: 23/23

Total votes: 602.889
Required number of votes for adoption: 301.445

Total votes "IN FAVOR": 595.727
Total votes "AGAINST": 1.430
Total votes "ABSTAIN": 5.732

Following the voting, President of GA states that by the majority of votes, **there was made** the following

DECISION

on appointing a member of the Supervisory Board of the Joint Stock Company Tigar Pirot

1. As for the member of the Supervisory Board of the Joint Stock Company Tigar Pirot is hereby Appointed **Nikola Radenković, personal identification number 1811982710008** on a mandate period that coincides with the duration of the four-year term of office of the Supervisory Board members, elected by the General Assembly of Tigar ad Pirot on 14.06.2013.
2. The appointed member of the Supervisory Board shall exercise his rights and duties in accordance with legal regulations and internal regulations of the company, governing status issues, scope, operation and decision-making of the Supervisory Board.
3. This decision shall come into force upon its adoption

The President of the General Assembly notes that the work of today's session of the General Assembly has been completed and that all decisions were made by the required majority of votes.

The session was adjourned at 13:24h.

RECORDING SECRETARY

Maja Apostolović

President of General Assembly

Slavoljub Stanković

MEMBERS OF THE VOTING COMMITTEE:

1. **Suzana Jocić**, secretary
2. **Vesna Stanisavljević**, member
3. **Marjan Stojanović**, member