



Инвестиционо-развојна банка  
Републике Српске

**“Krajinapetrol“ AD Banja Luka  
Short Profile**

**Key information:**

Name	Akcionarsko društvo za trgovinu naftom, naftinim derivatima i tečnim gasom „Krajinapetrol“ Banja Luka
Abbreviated Name	„Krajinapetrol“ a.d. Banja Luka
Registered Seat	Bosnia and Herzegovina, Republic of Srpska, 78000 Banja Luka, Ivana Franje Jukića Street, No. 2
Company Registration Number	1494201
Core Activity	Retail trade in motor fuels 50500
Court Registry Entry No .	1-7450-00
Number of Decision on Entry into the Court Registry	057-0-Reg-11-004101
Company Director	Milovan Bajić, without limit of authorization
Telephone	+387 51 212 914
Fax	+387 51 212 898
E-mail	krajinapetrol@blic.net
Web site	www.krajinapetrol.com
Number of employees as of 31 December 2012	148

**Ownership structure**

<b>OWNER</b>	<b>Number of shares</b>	<b>Share%</b>
RS Share Fund	5,865,136	42.267074
Petrobart limited, Gibraltar	3,505,201	25.260214
„INA“ d.d., Zagreb	1,348,252	9.716172
RS Pension Reserve Fund – PREF	902,292	6.502363
ZIF Kristal invest fond a.d., Banja Luka (closed-end investment fund)	562,583	4.054252
RS Restitution Fund	451,146	3.251182
Zepter Fond a.d., Banja Luka	355,894	2.564748
Polara invest fond a.d., Banja Luka	175,078	1.261699
ZIF Aktiva invest fond a.d., Banja Luka (closed-end investment fund)	121,643	0.876620
ZIF BLB-Profit a.d., Banja Luka (closed-end investment fund)	117,161	0.844320
Other shareholders	471,985	3.401356
<b>TOTAL: for 799 shareholders in total as of 31.12.2012.</b>	<b>13,876,371</b>	<b>100.000000</b>

**Founding of the Company and chronology of status changes:**

On 4 March 1992, the Assembly of the Autonomous Region of Krajina of the Serbian Republic of Bosnia and Herzegovina adopted the Decision on Founding the Public Enterprise for Trade in Oil, Oil Derivatives and Natural Gas Krajinapetrol, a company with full liability, seated in Banja Luka. The Assembly of the Self-Governing Regional Community of Banja Luka Municipality was entered into the Court Registry as the founder of the enterprise, with the founding capital amounting to 50,000.00 dinars. The entry of the Public Enterprise into the Registry was made on 6 April 1992, on the basis of the Decision of the Basic Court of Associated Labour Banja Luka, Court Registry No.



## ИРБРС

U/I 1297/92, Entry No.1-3351-00. In the same year, based on the Decision of the Crisis Committee of the Autonomous Region of Krajina, there was a merger of the Mixed Joint Stock Company (MJSC) Trgopetrol Banja Luka with the aforementioned Public Enterprise.

The same decision instructed PE Krajinapetrol to pay the adjusted value of paid-up shares of MJSC Trgopetrol to the buyers (employee shareholders) within one month from the date of the merger with MJSC Trgopetrol. Following the completion of the procedure, the entry of the merger with the Public Enterprise was made based on the Decision of the Basic Court of Associated Labour Banja Luka on 26 May 1992, Court Registry No U/I 1800/92C, Court Registry Entry Number 1-3351-00.

On the basis of Articles 3 and 12 of the Decree on establishment of a company from a part of the business process (The Decree was adopted by the Executive Board of the Autonomous Region of Krajina on 9 May 1992, Decree Number 03-319/92) and pursuant to provisions of Article 3, Paragraphs 2 and 3, Articles 36 and 82, Paragraph 2 of the Law on Companies (Official Gazette of the SFRY, Numbers: 77/88, 40/89, 46/90 and 61/90), the workers' assembly of the Business Unit Ina-plin Banja Luka, being a part of the business process of the company Ina-trgovina Zagreb, i.e. Interina Sarajevo, adopted a Decision on establishment of a limited liability company as a company in social ownership Krajina-Plin d.o.o. Banja Luka. The Company was registered with the Basic Court of Associated Labour in Banja Luka on 4 August 1992 and entered into the Court Registry No. U/I 2293/92, Entry No. 1-3858-00 under the name „Krajina-Plin” *Preduzeće za trgovinu plinom, naftom i naftnim derivatima d.o.o Banja Luka* (Company for Trade in Gas, Oil and Oil Derivatives, LLC Banja Luka).

After completion of the incorporation procedure, on the basis of the Decision of the Basic Court Banja Luka, Decision No: U/I 1054/03 of 13 May 1993 the following change was entered in the Court Registry, Entry No. 1-3351-00: *Preduzeće za trgovinu tekućim gasom, naftom i naftinim derivatima „Krajina-Gas“ d.o.o. Banja Luka, Ramići bb* (Company for Trade in Liquefied Gas, Oil and Oil Derivatives Krajina-Gas, LLC Banja Luka).

On 16 August 1994, after carrying out the relevant procedure, the Basic Court in Banja Luka issued the Decision on Deletion of the Company Krajina-Gas, Decision No. U/I 1310/94, from the Court Registry, Entry No. 1-3858-00, for the purpose of merger with the Public Enterprise. The merger with the Public Enterprise Krajinapetrol (hereinafter: the Company) was performed on the same day as the deletion based on the Decision of the Basic Court in Banja Luka and it was entered in the Court Registry No. U/I 1311/94, Entry Number 1-3351-00.

Property relations between the legal predecessors Trgopetrol and Krajina-Gas and the legal successor PE Krajinapetrol Banja Luka were regulated on the basis of universal succession.

Subsequently, the Company has changed its organizational form, status and ownership several times from being an independent entity to a dependent company within the business system, state-owned company or a company in mixed ownership.

The last entry was made on 28 November 2012, when the company acts were harmonized with the Law on Companies (Official Gazette of the Republic of Srpska, Number: 127/08 and 58/09) and harmonization of the business activity with the Law on Classification of Economic Activities and Register of Business Entities (Official Gazette of the Republic of Srpska, No. 74/10) and the Decree on Classification of Economic Activities in the Republic of Srpska, at the District Commercial Court in Banja Luka, Decision Number 057-0-Reg-11-004101, Court Register Entry No. 1-745-00.



ИРБРС

**Capacity:**

The Company has 15 petrol stations at its disposal, with the storage tank capacity of 1,370,000 litres and a warehouse in Derviši - Banja Luka – with storage capacity of 4,600,000 litres. Besides, the Company uses the following facilities in Ramići: 3 tanks for storing gas, each with capacity of 150 m<sup>3</sup>, which amounts to 450 m<sup>3</sup> in total or 210,000 kg and one place of sale. One reservoir of capacity 14,000 kg or 30 m<sup>3</sup> is located in the new facility „Gradiška 2“.

**Financial statements:**

Income Statement (in BAM)

No.	ITEM	2009	2010	2011
1.	Operating income	25,256,028	30,844,263	44,738,170
2.	Finance income	29,388	59,979	525,975
3.	Income from ordinary activities (1+2)	25,285,416	30,904,242	45,264,145
4.	Other income	246,888	257,773	161,426
5.	Other income for the accounting period	-	-	283,443
<b>6.</b>	<b>TOTAL INCOME (3+4+5)</b>	<b>25,532,304</b>	<b>31,162,015</b>	<b>45,709,014</b>
7.	Operating expense	24,714,551	30,669,024	45,342,480
8.	Finance expense	163,493	54,227	27,936
9.	Expense from ordinary activities (7+8)	24,878,044	30,723,251	45,370,416
10.	Other expense	262,383	348,691	316,706
11.	Other expense for the accounting period	-	-	-
<b>12.</b>	<b>TOTAL EXPENSE (9+10+11)</b>	<b>25,140,427</b>	<b>31,071,942</b>	<b>45,687,122</b>

Source: Financial Statements of the Company

The table above shows the structure of total income, i.e. the percentage share of individual items in total income on one side and percentage of what amount of the total income was needed to cover individual items of expense on the other side.

Operating income accounts for the largest share in total income, which is over 98%. Finance and other income make up a negligible share of the total income with 1.15%, i.e. 0.35% in 2011. However, almost all the income generated is used to cover only operating expense, amounting to as high as 99.2% in 2011. On the basis of absolute amounts, it can be seen that the operating revenues were smaller than operating expense and that the Company incurred an operating loss in the last year of the observed period. The gross result is positive for the same year, owing solely to other income generated, recognized directly in equity. This category, similar to other revenues, is not regular and predictable.

Balance Sheet (in BAM)

ITEM	2009	2010	2011
Fixed assets	16,769,883	16,418,367	16,943,075
Current assets	5,540,197	5,523,856	5,563,786
<b>OPERATING ASSETS</b>	<b>22,310,080</b>	<b>21,942,223</b>	<b>22,506,861</b>
<b>OFF BALANCE SHEET ASSETS</b>	<b>441,490</b>	<b>-</b>	<b>152,885</b>
<b>TOTAL ASSETS</b>	<b>22,310,080</b>	<b>21,942,223</b>	<b>22,659,746</b>
Equity	20,552,565	20,595,344	20,316,505
Provisions	31,857	32,197	31,857
Liabilities	1,725,658	1,314,682	2,158,499
<b>OPERATING LIABILITIES</b>	<b>22,310,080</b>	<b>21,942,223</b>	<b>22,506,861</b>
<b>OFF BALANCE SHEET ASSETS</b>	<b>441,490</b>	<b>-</b>	<b>152,885</b>
<b>TOTAL LIABILITIES</b>	<b>22,310,080</b>	<b>21,942,223</b>	<b>22,659,746</b>

Source: Financial Statements of the Company.



ИРБРС

As it is visible from the previous table, fixed assets make up the largest part of the operating assets of the Company, i.e. 75.28%, which is the usual case for companies of the given industry. The observed company has recognized the following properties in its balance sheet: land, amounting to BAM 4,160,200, buildings in the gross amount of BAM 15,139,495, with value adjustment of BAM 7,120,667 and net amount of BAM 8,018,828, plants and equipment amounting to a gross BAM 8,689,962, with the value adjustment of BAM 3,983,796 and present value of BAM 4,704,166, and investment property amounting to BAM 58,381. The share of current assets in the operating assets is somewhat below 25%. In the total current assets, the largest share belongs to receivables from buyers, which make up almost half of the current assets, while inventories account for a smaller percentage in the current assets, that is 41,24%. The dominating item in operating equity and liabilities is capital, the share of which ranged from 92.12% in 2009 to 90.27% in 2011. The largest share of equity is made up of share capital, which participates with 61.65%, and revaluation reserves with 22.73%. Long-term liabilities make up 4.35% of the operating equity and liabilities and they refer to a long-term borrowing taken for a period of five years in order to make investments in the new petrol station in Gradiška, as well as financial leasing whose total period of maturity is three years. The short-term liabilities are higher than long-term liabilities and they make up 5.24% of the operating equity and liabilities. The largest part within short-term liabilities belongs to liabilities towards suppliers, which make up 38.78% of the total short-term liabilities.

***Litigation:***

There are 15 court cases initiated against the Company, of which 11 law suits filed by INA“ d.d., Zagreb and 4 cases filed by physical persons. Most of the cases where the plaintiff is „INA“ refer to determination of ownership rights and claims for repossession of property. The value of disputes initiated is estimated to BAM 1,390,000. The proceedings have been ongoing since 2005 and they are currently in different phases. They have been conducted before the competent district-commercial courts and higher commercial court. In most cases, there is a decision on stay of proceedings pursuant to Article 4 of the Law on the Implementation of Annex “G” of the Agreement on Succession Issues in the Territory of the Republic of Srpska (Official Gazette of the Republic of Srpska, No: 71/10). The Company is a plaintiff in 96 court cases against buyers due to non-payment or untimely payment of their obligations. The value of these disputes is BAM 1,034,062.82. The first law suit dates from February 2002, while the last one is from July 2012. One part of proceedings is finalized in favour of the plaintiff and court decisions are enforceable, second part was resolved by court settlement and for the third part, claims are expected to be accepted. One part of defendants have partially settled their liabilities, so the balance of unsettled liabilities amounts to BAM 907,094.05 as of 31 August 2012.

***Disclaimer note and contact information:***

This Company Profile has been prepared based on the information provided by the management of the Company and other publicly available data. The Republic of Srpska Investment-Development Bank, Joint Stock Company Banja Luka has reviewed this information, but has not carried out an independent verification or audit. The sole purpose of this document is to provide background information to potential investors and thus encourage them to conduct further investigation in order to make a final investment decision.

For further information please contact:

Republic of Srpska Investment-Development Bank, Joint Stock Company Banja Luka  
Vidovdanska 2  
78 000 Banja Luka,  
Republic of Srpska, BiH  
Telephone: + 387 (51) 334-777, 334-720  
Fax: +387 (51) 347-770