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CROATIAN FINANCIAL SERVICES  
SUPERVISORY AGENCY  
Zagreb, Franje Račkog 6

ZAGREB STOCK EXCHANGE  
Zagreb, Ivana Lučića 2a

OTS HINA (Croatian News Agency)

## Decisions of the General Assembly

General Assembly of Dalekovod d.d. Zagreb was held on June 30, 2021 in the company's premises.

According to the announced agenda:

1. **Opening of the General Assembly meeting**, verifying applications and powers of attorney, as well as determining the representation of share capital, compiling a list of present and represented shareholders and confirming that the General Assembly has been validly convened and can validly make decisions;
2. **Annual reports of the Company for 2020:**
  - a. consolidated and unconsolidated revised financial reports for 2020;
  - b. report by the auditor of the Company for 2020;
  - c. Management Board report on the state of the Company and Dalekovod group for 2020;
  - d. Supervisory Board report on the performed supervision of business management of the Company for 2020.
3. **Decision on the loss coverage for 2020;**
4. **Decision on discharge to members of the Company's Management Board for 2020;**
5. **Decision on discharge to members of the Supervisory Board for 2020;**
6. **Decision on remuneration to the Supervisory Board for 2020;**
7. **Decision on appointing the Company's auditor for 2021;**
8. **Decision on reduction of the share capital of the Company by withdrawal of own shares**
9. **Decision on use of reserves to cover losses of previous periods;**
10. **Decision on the simplified reduction of the share capital of the Company;**
11. **Decision on amendments of Articles of Association of the Company;**
12. **Management Board report on reasons for total exclusion of other shareholders' preemptive rights in the moment of share subscription in the share capital increase**
13. **Decision on the increase in share capital of the Company with cash deposits and/or entry of rights, as stated in the decision on total exclusion of existing shareholders' preemptive rights in the moment of share subscription pursuant to Article 308 paragraph 4 of the Corporations Act, with use of the exception of the previous publication of the prospectus in**

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relation to the offer of securities from Article 1/4/(d) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC and on granting approval for the acquisition of shares without the obligation to announce a takeover bid, pursuant to the provisions of Article 14 paragraph 1 subparagraph 3 of the Act on the Takeover of Joint-Stock Companies;

14. **Decision on granting authorisation to the Management Board to acquire own shares;**
15. **Decision on entering New Shares of the Company into the regulated market.**

The General Assembly of Dalekovod d.d. adopted following Decisions:

**With respect to Item 3) DECISION on the loss coverage for 2020**

Item 1

Based on the adopted financial reports, the loss after taxation for 2020 amounts to 10,011,722.13 HRK.

Item 2

The loss of the Company from Item 1 shall be covered with the profit planned to be realized in future periods.

**With respect to Item 4a) DECISION on discharge to members of the Company's Management Board**

Item 1

The President of the Company's Management Board Tomislav Rosandić shall be discharged for the fiscal year 2020.

**With respect to Item 4b) DECISION on discharge to members of the Company's Management Board**

Item 1

A member of the Company's Management Board Tomislav Đurić shall be discharged for the fiscal year 2020.

**With respect to Item 4c) DECISION on discharge to members of the Company's Management Board**

Item 1

A member of the Company's Management Board Hrvoje Išek shall be discharged for the fiscal year 2020.

**With respect to Item 4d) DECISION on discharge to members of the Company's Management Board**

Item 1

A member of the Company's Management Board Đuro Tatalović shall be discharged for the fiscal year 2020.

**With respect to Item 4e) DECISION on discharge to members of the Company's Management Board**

Item 1

A member of the Company's Management Board Ivan Kurobasa shall be discharged for the fiscal year 2020.

**With respect to Item 5a) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

The President of the Company's Supervisory Board Željko Perić shall be discharged for the fiscal year 2020.

**With respect to Item 5b) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

The President of the Company's Supervisory Board Dinko Novoselec shall be discharged for the fiscal year 2020.

**With respect to Item 5c) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

The Vice President of the Company's Supervisory Board Toni Đikić shall be discharged for the fiscal year 2020.

**With respect to Item 5d) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Vladimir Maodus shall be discharged for the fiscal year 2020.

**With respect to Item 5e) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Hrvoje Markovinović shall be discharged for the fiscal year 2020.

**With respect to Item 5f) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Gordan Kuvek shall be discharged for the fiscal year 2020.

**With respect to Item 5g) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Dražen Buljić shall be discharged for the fiscal year 2020.

**With respect to Item 5h) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Damir Sertić shall be discharged for the fiscal year 2020.

**With respect to Item 5i) DECISION on discharge to members of the Company's Supervisory Board**

Item 1

A member of the Company's Supervisory Board Mladen Gregović shall be discharged for the fiscal year 2020.

**With respect to Item 6) DECISION on remuneration to the Supervisory Board for 2020**

Item 1

For the period of 2020, a remuneration in a total net amount of 4,000.00 HRK for the members of the Supervisory Board, and 5,000.00 HRK for the President of the Supervisory Board has been determined, and it is appropriate to the work they perform and the state of the Company.

Item 2

This Decision shall enter into force upon closing of the General Assembly meeting.

**With respect to Item 7) DECISION on appointing the Company's auditor for 2021**

Item 1

The company KPMG Croatia d.o.o., Ivana Lučića 2/a, Zagreb is appointed as the Company's auditor for 2021.

Item 2

This Decision shall enter into force upon closing of the General Assembly meeting.

**With respect to Item 8) DECISION on reducing the share capital of the Company by withdrawing its own shares**

Item 1

The company's share capital is reduced from the amount of HRK 247,193,050.00 by the amount of HRK 50.00 to the amount of HRK 247,193,000.00.

Item 2

The company's share capital is reduced regularly to enable (mathematical) merging of shares following the Decision on simplified reduction of the company's share capital, without payment to the shareholders of the Company.

Item 3

The share capital of the Company is reduced by withdrawing 5 treasury shares of the Company.

Item 4

All costs of reducing the share capital are borne by the Company.

Item 5

Management Board of the Company is ordered to perform all necessary legal actions for the implementation of this Decision and entry of the reduction of share capital of the Company in the court register immediately after the adoption of this Decision.

**With respect to Item 9) DECISION on use of reserves to cover losses of previous periods**

Item 1

The Company is in possession of reserves that can be used to cover losses from previous periods in the amount of 129,816,676.26 HRK, of which:

- 1) 32,188,406.81 HRK comes from statutory reserves;
- 2) 86,141,669.62 HRK comes from capital reserves;

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3) 11,486,599.83 HRK comes from legal reserves.

Item 2

On 31 December 2020, the total transferred loss of the Company from previous periods (until 31 December 2020) amounted to 398,108,874.40 HRK.

Item 3

A part of the accumulated losses from previous periods, in the amount of 32,188,406.81 HRK, shall be covered from the statutory reserves stated in Item 1 subitem 1 of this Decision.

A part of the accumulated losses from previous periods, in the amount of 86,141,669.62 HRK, shall be covered from the capital reserves stated in Item 1 subitem 2 of this Decision.

A part of the accumulated losses from previous periods, in the amount of 11,486,599.83 HRK, shall be covered from legal reserves stated in Item 1 subitem 3 of this Decision.

Item 4

After the accumulated losses cover in accordance with the aforementioned Items of this Decision, the remaining accumulated losses of the Company from previous periods amount to 268,292,198.14 HRK.

Item 5

This Decision shall enter into force on the date of its issuance.

**With respect to Item 10) DECISION on the simplified reduction of the share capital of the Company**

Item 1

The share capital of the Company amounts to 247,193,000.00 HRK and is divided into 24,719,300 ordinary shares on someone's name, each of the nominal value of 10.00 HRK. The share capital of the Company has been fully deposited.

Item 2

The Company's shares are dematerialized securities and are maintained in the depository of the company Central Depository & Clearing Company Inc. (in Croatian: Središnje klijinsko depozitarno društvo d.d.) (hereinafter: "SKDD").

Item 3

The share capital of the Company is simply being reduced from the amount of 247,193,000.00 HRK by the amount of 244,721,070.00 HRK to the amount of 2,471,930.00 HRK.

The share capital is being reduced to partially cover the Company's losses amounted during the previous periods until (and including) 31 December 2020, in the amount of 268,292,198.14 HRK, after all reserves, which are regulated by Article 349 paragraph 2 of the Corporations Act, were spent to cover the Company's losses. The Company has no retained profits. After the simplified reduction of the share capital in accordance with this Decision, the accumulated losses of the Company amount to 23,571,128.14 HRK.

Item 4

It is determined that, with the simplified reduction of the share capital of the Company in a way stated in Item 3 of this Decision, the nominal value of each share shall be reduced below the lowest allowed amount pursuant to Article 163 paragraph 2 of the Corporations Act which is 10.00 HRK, namely, to the amount of 0.10 HRK, after which, in accordance with Article 349 paragraph 3 of the Corporations Act and Article 342 paragraph 4 of the Corporations Act, the reduction of share capital from Item 3 of this Decision shall be implemented by consolidating the shares of the Company according to the reverse split ratio 100:1, in a way that every 100 ordinary shares of the Company shall be consolidated into 1 new Company's ordinary share on someone's name in the amount of 10.00 HRK.

The Company's shares created by the reverse split shall give their holders the same rights and obligations as the Company's shares from which they were consolidated.

## Item 5

It is determined that the Company has 98,836 treasury shares.

Shareholders who do not have a sufficient number of shares on their securities accounts to acquire a new number of new shares after the merger of shares following this Decision, may request from the Company the redemption of the Company's own shares which they need to have in their securities accounts a number of shares that is a multiple of 100 at the time of the implementation of the corporate action of reduction of share capital by merging shares.

Shareholders may request the redemption of shares from the Company by the previous paragraph only under the following conditions:

- 1) each shareholder has the right to repurchase only as many shares from the Company as he needs to have a multiple of 100 in his securities account at the time of the corporate action, provided that in no case will he be able to repurchase more shares from the Company from the number representing the difference between the number of shares he held at the end of the first business day after the announcement of the invitation for this General Assembly and the first following major multiple of 100;
- 2) shares may be acquired from the Company for the price calculated as the average share price realized on the regulated market, calculated as a weighted average of all Company share prices realized on the regulated market in the last three months before the invitation to the General Assembly;
- 3) the shareholder has submitted to the Company a request for redemption of shares no later than 17:00 hours on the tenth working day from the day this Decision was made.

The Company will not accept shareholders' requests for the repurchase of the Company's shares if by carrying out such repurchase the respective shareholder would not have a number of shares on its securities account that is a multiple of 100.

Given that the Company has a limited number of treasury shares, there is a possibility that the Company will not be able to accept the requests of all shareholders to repurchase the Company's shares. The Company will consider the received shareholder requests for the redemption of shares according to the time of receipt, with priority given to requests received earlier.

Shareholders do not have a pre-emptive right to repurchase the Company's shares following this Decision.

The Company shall notify the shareholders of the accepted requests for redemption no later than one working day from the expiration of the deadline for submitting requests for the purchase of shares following this Decision.

Shareholders whose requests for redemption are accepted are obliged to agree with the Company on the sale and transfer of shares no later than two working days after receiving the notification from the previous paragraph and pay the price for repurchased shares no later than two working days after concluding the contract. If the shareholder does not enter into an agreement with the Company within the specified period, it will be considered that he has waived the request to repurchase the shares. Payment of the price for the repurchased shares within the specified period is an essential element of the contract on the sale and transfer of shares. The costs of concluding and implementing the contract are borne by the Company.

The Management Board of the Company will on the Company's website and the website of the Zagreb Stock Exchange d.d. publish a notice on the manner of fulfilling the request for redemption of shares following this Decision.

Item 6 of this Decision shall apply to shareholders whose requests are not accepted and shareholders who withdraw from the request for redemption or who are deemed to have waived the request for redemption.

## Item 6

For the shareholders who shall not acquire a whole number of (new) shares by the reverse split, their number of shares shall be rounded to the first lower whole number of (new) shares and, after the implementation of the reverse split corporate action in the system of SKDD, those

shareholders' numbers of shares in the accounts of dematerialized securities shall be accordingly reduced to the first lower whole number of (new) shares,

In respect of parts of existing shares of all shareholders, remaining after the merger following paragraph 1 of this item, co-ownership will be based on new shares that will arise from the merger of such remaining parts of existing shares (proportional to parts of existing shares of each shareholder). Such new shares will be subscribed in the joint account of all shareholders in whose favor the co-ownership of the new shares is based. Following the acts of the SKDD, the holder of the said joint account will be the SKDD by order of the Company.

The Management Board is authorized to enter all necessary contracts and fulfil and sign all necessary orders and documents required following Article 567 of the SKDD Instructions, as well as all other contracts, forms, and documents following other provisions of the SKDD Instructions and other applicable acts.

Item 7

The Company's Management Board and the President of the Supervisory board shall take all necessary actions to implement this decision, including entry of this Decision in the court register of the Commercial Court in Zagreb, conclusion, and execution of all necessary contracts with the SKDD and implementation of this Decision in the SKDD depository.

Item 8

The corporate action of reducing the share capital by merging shares will be carried out by the SKDD in accordance with the SKDD acts.

Before the implementation of corporate actions provided for in this Decision and the opening of a joint account following Item 6 of this Decision, the Company shall publish a notice to shareholders on the manner and exact time of implementation of these corporate actions and the opening of this joint account.

The Company will announce the date of implementation of the corporate action after this Decision is entered in the court register.

After this Decision is entered in the court register, the Company will request from the Zagreb Stock Exchange d.d. calculation of the price referred to in item 5, paragraph 3, subparagraph 2 of this Decision and shall publish it on the Company's website and the website of the Zagreb Stock Exchange d.d.

Item 9

All members of the Management Board and the Supervisory Board are released from any liability to the Company in connection with the implementation of this decision, including liability for damages.

Item 10

The Company shall bear all costs of the reduction of the share capital and of the reverse split.

Item 11

The reduction of the Company's share capital by the reverse split stated in this Decision shall enter into force and shall be applied from the day this Decision is entered into the court register of the Commercial Court in Zagreb.

**With respect to Item 11) DECISION on amendments of Articles of Association of the Company**

Item 1

Article 7 paragraph 1 of the Articles of Association of the Company is amended as follows:  
"The share capital of the Company amounts to 2,471,930.00 HRK (in letters: two million four hundred and seventy-one thousand nine hundred and thirty kunas)."

Item 2

Article 7 paragraph 3 of the Articles of Association of the Company is amended as follows:  
"The share capital of the Company is divided into 247,193 (two hundred forty-seven thousand one hundred ninety-three) ordinary shares on someone's name, each of the nominal value of 10.00 HRK (ten Croatian kunas)."

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Item 3

All other provisions of the Articles of Association remain in full force and effect, and continue to create rights and obligations in their unchanged form.

Item 4

This Decision shall enter into force from the day it is entered into the court register of the Commercial Court in Zagreb.

Item 5

The Company's Supervisory Board is authorized to draft and sign the full text of the Articles of Association and to have a notary public notarize it.

**With respect to Item 13) DECISION on the increase in share capital of the Company by cash deposits and/or entry of rights, as stated in the decision on total exclusion of existing shareholders' pre-emptive rights in the moment of new share subscription pursuant to Article 308 paragraph 4 of the Corporations Act, with use of the exception of the previous publication of the prospectus in relation to the offer of securities from Article 1/4/(d) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC and on granting approval for the acquisition of shares without the obligation to announce a takeover bid, pursuant to the provisions of Article 14 paragraph 1 subparagraph 3 of the Act on the Takeover of Joint-Stock Companies**

Item 1

The share capital of the Company amounts to 2,471,930.00 HRK and is divided into 247,193 ordinary shares on someone's name, in dematerialized form, of the nominal value of 10.00 HRK for each share, which are issued in a dematerialized form (hereinafter: "Existing Shares"). The share capital of the Company has been fully deposited.

Item 2

This Decision increases the share capital from 2,471,930.00 HRK by a minimum of 150,000,000.00 HRK and a maximum of 410,000,000.00 HRK to a minimum of 152,471,930.00 HRK and a maximum of 412,471,930.00 HRK for collection of resources to settle the Company's debts to creditors whose claims were determined by a pre-bankruptcy settlement concluded between the Company and its creditors before the Commercial Court in Zagreb on January 29, 2014, under business number Stpn-365/2013 or related to them, including claims listed in item 9 of this Decision, while any remaining amount would be used to finance the current operations of the Company.

The final amount of the increased share capital shall be equal to the product of a single nominal value of one ordinary share and the number of new shares which shall be subscribed and paid (i.e., for which an equity in the rights will be subscribed) in accordance with this Decision.

Item 3

The increase in share capital of the Company from Item 2 of this Decision shall be conducted by a deposit in cash, i.e., equity in rights (claim subscription), and by issuance of a minimum of 15,000,000, and a maximum of 41,000,000 of new ordinary shares on someone's name, with individual nominal value of 10.00 HRK (hereinafter: "New Shares").

Item 4

New Shares shall be issued in a dematerialized form, in an electronic record form in the computer system of SKDD.

Each New Share equals to one vote at the General Assembly of the Company.

New Shares shall be issued on someone's name and shall give the shareholders the same rights as the Existing Shares, i.e., all the rights regulated by the Corporations Act and the Articles of Association of the Company, from the day the increase in share capital is entered into the court register of the competent court.

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#### Item 5

For the purpose of increase in share capital from this Decision, in accordance with the provisions of Article 308 paragraph 4 of the Corporations Act, the existing shareholders' pre-emptive rights in the moment of New Share subscription are entirely excluded. Pursuant to the provision of Article 308 paragraph 5 of the Corporations Act, the Company's Management Board delivered to the General Assembly a report on the reasons for total exclusion of pre-emptive rights in the moment of New Share subscription, in which the suggested amount for which New Shares shall be issued is explained.

#### Item 6

The increase in share capital of the Company based on this Decision shall be carried out through a public offer of New Shares in the Republic of Croatia, with the exclusion of Company's existing shareholders' pre-emptive rights in the moment of New Share subscription, by subscribing and paying the New Shares in the maximum of three rounds.

The Management Board is authorised at any time to issue a decision to suspend the procedure of increasing the share capital in accordance with this Decision, both in full and in respect to a particular round of New Share subscriptions.

#### Item 7

New Shares shall be subscribed by a written form ("Subscription Form"). The subscription and payment of New Shares shall be carried out in the manner specified in the public invitations for New Shares subscription in the first, second and third round, which shall be announced by the Company's Management Board on the Company's website and/or in another appropriate manner.

#### Item 8

The public offer of the New Shares shall be carried out without the obligation to publish a prospectus, pursuant to Article 1 paragraph 4 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC because the offer shall be sent to the shareholders who acquire New Shares with a minimum value of 10,000,000.00 HRK (in letters: ten million kunas) by the investor, for each individual offer.

#### Item 9

Subscription and payment of New Shares shall be made in a maximum of three rounds, provided that the third round shall be accessed only if in the previous rounds not all New Shares have been subscribed and paid for, as follows:

##### First round

In the first round, the Company's shareholders shall have the right to subscribe for New Shares by cash deposit at the end of the trading day, when the call for share subscription in the first round has been published, and only up to a maximum of 41,000,000 (in letters: forty-one million) of New Shares.

The New Shares subscription period in the first round shall last for five working days, beginning from the day indicated in the public call for share subscription in the first round. The time and place for share subscription by Subscription Forms shall be indicated in the public call for share subscription in the first round, which shall be published by the Company's Management Board no later than one working day before the start of the New Shares subscription period in the first round. In addition to the public call, the Subscription Form for New Share subscription in the first round shall be made available to the public by the Company's Management Board.

In the first round, New Shares shall be offered to investors at a cost of 10.00 HRK for each New Share.

In the first round, each investor shall be able to subscribe for at least 1,000,000 (in letters: one million) of New Shares by one Subscription Form, i.e., they may acquire shares with a value of at

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least 10,000,000.00 HRK. Each Subscription Form in which the investor subscribes for a number of shares less than 1,000,000 of New Shares shall be declared invalid.

The Company's Management Board shall be authorized, with the Supervisory Board's approval and according to their own evaluation, to adopt allocation rules of New Shares in the first round. The criteria for allocating New Shares to investors shall be defined by the allocation rules in case more than the maximum number of offered New Shares is subscribed for in the first and second round. The New Shares allocation rules, if adopted, shall be published on the Company's website, along with the public call for New Share subscription in the first round.

No later than the working day following the expiration of subscription period for New Shares both in the first and in the second round, the Company shall determine the exact number of New Shares allocated to each investor in the first round and they shall inform each investor on the number of New Shares that was allocated to them in the first round.

The investors shall pay for subscribed New Shares in a deadline which shall be determined by the Company's Management Board in the first round of the call for share subscription, and which shall be no later than three working days from the day on which the notification about allocated shares has been sent.

#### Second round

In the second round, all interested investors have the right to subscribe for shares by cash deposit, and up to a maximum of 41,000.000 (in letters: forty-one million) of New Shares. Share subscription in the second round may overlap in time with the share subscription in the first round.

The subscription period for New Shares in the second round shall last for two working days, beginning from the day indicated in the public call for share subscription in the second round. In the public call for share subscription in the second round, which shall be published by the Company's Management Board no later than one working day before the start of the New Shares subscription period in the second round, the time and place for share subscription by Subscription Forms shall be indicated. In addition to the public call, the Subscription Form for New Shares subscription in the second round shall be made available to the public by the Company's Management Board.

In the second round, New Shares shall be offered to investors at a cost of 10.00 HRK for each New Share.

In the second round, each investor shall be able to subscribe for at least 1,000,000 of New Shares by one Subscription Form, i.e., they may acquire shares with a value of at least 10,000,000.00 HRK. Each Subscription Form in which the investor subscribes for a number of shares less than 1,000,000 of New Shares shall be declared invalid.

The Company's Management Board shall be authorized, with the Supervisory Board's approval and according to their own evaluation, to adopt allocation rules for New Shares in the second round. The criteria for allocating New Shares to investors shall be defined by the allocation rules in case more than the maximum number of offered New Shares is subscribed for in the first and in the second round. The allocation rules of New Shares, if adopted, shall be published on the Company's website, along with the public call for New Shares subscription in the second round. No later than the working day following the expiration of New Shares subscription period both in the first and in the second round, the Company shall determine the exact number of New Shares allocated to each investor in the second round and they shall inform each investor on the number of New Shares that was allocated to them in the second round.

Investors will be required to pay for the subscribed New Shares no later than six months from the date of sending the notice of the allocated shares. Exceptionally, if at least HRK 310,000,000.00 is paid for New Shares during the scheduled period of six months from the date of sending the notice of allocated shares, the Management Board may, at its own discretion, shorten the

relevant period of six months and notify all investors who subscribed for New Shares in the second round, provided that the shortened period may not be shorter than five working days from the date of sending the notice to investors who subscribed for New Shares in the second round. If a certain investor does not pay for the subscribed shares within such a specified period, it will be considered that he has given up the subscription and his subscription will not be binding on him or the Company.

#### Third round

In the third round, the right to subscribe for New Shares, which have not been subscribed and paid for in the first and in the second round, 15,000,000 of New Shares belongs to the company CONSTRUCTION LINE ltd, with its registered office in Sliema (Malta), at the address Sir Adrian Dingli Street, Office 2, namely by equity in the rights – claim subscription towards the Company in the total amount of 150,000,000 HRK, namely the following claims:

- 1) claims in the total amount of 58,564,944.88 HRK (balance on 30 April 2021) arising from or confirmed by the Article 35 (7.4. (c)) of the Company's concluded Pre-Bankruptcy Settlement, ref. no. Stpn-365/2013, concluded before the Commercial Court in Zagreb on 29 January 2014 (hereinafter: "Pre-Bankruptcy Settlement")
- 2) claims in the total amount of 23,852,792.42 HRK (balance on 30 April 2021) arising from or confirmed by the Article 65 (7.4. (d)) of the Pre-Bankruptcy Settlement;
- 3) claims in the total amount of 23,507,142.39 HRK (balance on 30 April 2021) arising from or confirmed by the Article 79 (7.4. (e)) of the Pre-Bankruptcy Settlement;
- 4) claims in the total amount of 8,208,467.06 HRK (balance on 30 April 2021) arising from or confirmed by the Article 79 (7.4. (e)) of the Pre-Bankruptcy Settlement;
- 5) claims in the total amount of 35,866,653.25 HRK (balance on 30 April 2021) arising from or confirmed by the Article 12 (7.4. (a)) of the Pre-Bankruptcy Settlement i.e., Settlement on the regulation of mutual rights and obligations related to concluded financial leasing agreements dated 10 July 2020.

For the subscription of all aforementioned claims, the investor shall acquire 15,000,000 of New Shares by acquiring one New Share for every HRK 10.00 of claims entered. The investor will not enter the Company part of the principal of the claim described above under item 5) in the amount of HRK 977,509.41 and all claims based on interest on the principal for the period from 1 May 2021 until the relevant principal is entered into the Company.

The New Shares subscription period in the third round shall last for two working days, beginning from the day indicated in the public call for share subscription in the third round. The time and place for share subscription by Subscription Forms shall be indicated in the public call for share subscription in the third round, which shall be published by the Company's Management Board no later than 1 working day before the start of the New Shares subscription period in the third round. In addition to the public call, the Subscription Form for New Shares subscription in the third round shall be made available to the public by the Company's Management Board.

The public invitation for subscription of shares in the third round will be published only after the deadline for payment of shares in the second round.

If all offered New Shares shall be subscribed and paid for in the first and in the second round, or after the first and second rounds less than HRK 150,000,000.00 of unsubscribed and unpaid shares remain, the third round of New Shares subscription shall not be accessed.

In the third round, the investor shall be able to subscribe for at least 1,000,000 of New Shares by one Subscription Form, i.e., they may acquire shares with a value of at least 10,000,000.00 HRK. Each Subscription Form in which the investor subscribes for a number of shares less than 1,000,000 of New Shares shall be declared invalid.

No later than the working day following the expiration of New Shares subscription period in the third round, the Company shall determine the exact number of New Shares allocated to the investor in the third round and they shall inform the investor on the number of New Shares that

was allocated to them in the third round. The investor shall subscribe equities for subscribed New Shares in a deadline which shall be determined by the Company's Management Board in the third round of the call for share subscription, and which shall be no later than 15 (fifteen) working days from the day on which the notification about allocated shares has been sent.

The Company's Management Board shall be authorized for the conclusion of agreements with the company CONSTRUCTION LINE ltd, with its registered office in Sliema (Malta), at the address Sir Adrian Dingli Street, Office 2 for claim subscription into the share capital of the Company.

By claim subscription into the share capital and by merging, all subscribed claims shall cease to exist in their entirety, and which does not include part of the principal of the claim described above under item 5) in the amount of HRK 977,509.41 and all claims based on interest on the principal of the claims described above for the period from 1 May 2021 until the relevant principal is entered into the Company.

#### Item 10

Payment of the New Shares will be made to the special purpose account of the Company, which will be opened for these needs with ZAGREBAČKA BANKA d.d. and the same will be stated in the notice of allocated shares. The Company will be authorized to dispose of the funds paid for the New Shares only after the successful implementation of the share capital increase, entry of the share capital increase in the competent court register.

#### Item 11

In case of increased demand for New Shares, the assigned number of New Shares shall be reduced in any way determined by the Company's Management Board at its sole discretion in the allocation rules of New Shares which the Company shall be empowered to adopt for each round. As a result of the aforementioned indications, a number of New Shares smaller than the one they indicated in the Subscription Form shall be allocated to the investors.

Allocating a number of New Shares smaller than the number of New Shares subscribed and paid for by each investor (reduction) is possible in case of subscribing for a number of New Shares greater than the number envisioned as the maximum number of New Shares which shall be issued (i.e., more than 41,000,000 of New Shares). In that case, allocating a number of New Shares smaller than the number of New Shares subscribed for by each investor shall be carried out in accordance with the allocation rules adopted by the Company's Management Board.

#### Item 12

The subscription and payment performance for New Shares as well as the exact amount of the share capital increase shall be determined by the subscription and payment status, namely within 5 (five) working days from the expiration date of the New Shares payment period in the last round of New Shares subscription and according to this Decision.

The issuance of New Shares shall be deemed successful if at least 15,000,000 (in letters: fifteen million) of New Shares shall be subscribed and paid for (i.e., the equity in rights is subscribed) within the pre-determined subscription and payment deadlines. The Company's Management Board shall determine, with the Supervisory Board's approval, the performance of the issuance of New Shares, the exact amount of share capital increase and the exact amount of New Shares.

Shall the subscription of New Shares not be successful, the Company shall, within 15 (in letters: fifteen) working days from the deadline for the New Shares subscription in the third round and in a manner determined in the public call for share subscription, refund the investors for the payments made to an account number indicated by the investors in the Subscription Form. In that case, the Company shall not bear the costs of payment operations or any other costs, nor shall interest be paid to investors. Within the same period and under the same conditions, the Company shall refund certain investors possible overpayments.

#### Item 13

Based on the payment made in full for every New Share, i.e., subscription of other equities, and after the registration of the increase in the share capital in the court register, a corresponding

number of New Shares shall be issued, with marking attributed by the SKDD, without nominal amount, in a dematerialized form.

The investors shall become holders of New Shares by subscribing to the SKDD's depository, and the subscription shall be made according to applicable acts of the SKDD upon the registration of the increase in the share capital in the court register.

Item 14

Shall the share capital increase subscription not be entered in the competent court register within 12 months from the day of issuance of this Decision, the subscription statement (Subscription Form) shall stop binding the investors, and the payments made, i.e., subscription of equities shall be immediately returned to the investors in a manner determined in the public call for share subscription in the corresponding round.

In that case, the Company shall not bear the costs of payment operations or any other costs, nor shall interest be paid to investors.

Item 15

This Decision shall enter into force on the day of its issuance and shall apply provided it is entered into the court register of the Commercial Court in Zagreb.

The Company's Management Board shall be required to take all necessary actions to implement this Decision, including, among other things, drafting and publishing all acts, sending notifications to competent authorities, and taking actions to register this Decision and related share capital increase in the court register of the Commercial Court in Zagreb and in the SKDD's depository.

Item 16

Pursuant to this Decision, Article 7 paragraphs 1 and 3 of the Company's Articles of Association shall be amended, in a way that after the issuance of New Shares in accordance with this Decision and the results of subscription and payment of New Shares, the amount of share capital shall be modified in paragraph 1, and the number of ordinary shares into which the Company's share capital is divided shall be modified in paragraph 3.

After the Company's Management Board determines the performance of the issuance of New Shares with the consent of the Supervisory Board, the Company's Supervisory Board is authorized to adjust the exact amount of share capital and the exact number of New Shares to the previous amounts from Article 7 paragraphs 1 and 3 of Articles of Association and establish the full text of the Company's Articles of Association. Such amendments and additions shall enter into force and shall apply from the date of registration in the competent court register.

Item 17

For what is not regulated by this Decision, the provisions of the current laws and the Company's Articles of Association shall be applied accordingly.

**With respect to Item 14) DECISION on granting authorization to the Management Board to acquire own shares without the obligation to publish a takeover bid**

Item 1

By this Decision, the General Assembly of the Company, following Article 14, paragraph 1, item 3 of the Takeover of Joint Stock Companies Act (Official Gazette Nos. 109/07, 36/09, 108/12, 90/13, 99/13, and 148/13) approves to any investor who subscribes and acquires New Shares according to the Decision on the increase of the Company's share capital by cash investments and/or entry of rights, decisions on the complete exclusion of priority rights of existing shareholders when subscribing new shares by Article 308 companies, using the exception from the previous publication of the prospectus regarding the offer of securities referred to in Article 1/4 / (d) of Regulation (EU) 2017/1129 of 14 June 2017 on the prospectus to be published in the case of a public offering of securities or the listing for trading on a regulated market and repealing Directive 2003/71 / EC and granting approval to acquire shares without the obligation to publish a takeover bid following Article 14 Item 3 of the Takeover of Joint Stock Companies Act that it

may acquire New Shares, which are shares of the Company with voting rights, without the obligation to publish a takeover bid, if the acquisition of New Shares with voting rights in question would result in an obligation to publish a takeover bid.

Item 2

This Decision shall enter into force on the date of its issuance.

**With respect to Item 15) DECISION on entering New Shares of the Company into the regulated market**

Item 1

All New Shares of the Company, and up to a maximum of 41,000,000 New Shares which the Company shall issue based on the Decision on the increase of Company's share capital by cash deposit and/or entry of rights, the decision on fully excluding the pre-emptive rights of existing shareholders in entering New Shares pursuant to Article 308 paragraph 4 of the Corporations Act, with use of the exception of the previous publication of the prospectus in relation to the offer of securities from Article 1/4/(d) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC and on granting approval for the acquisition of shares without the obligation to announce a takeover bid, pursuant to the provisions of Article 14 paragraph 1 subparagraph 3 of the Act on the Takeover of Joint-Stock Companies, shall be listed on a regulated market managed by Zagrebačka burza d.d., Zagreb (hereinafter: "Stock Market").

The shares shall be listed in the official Stock Market in accordance with the relevant regulations and Stock Market rules. The shares shall be available for trading after their listing on the regulated market.

Item 2

The Company's Management Board shall be authorized and instructed to take all necessary actions in accordance with applicable regulations and Stock Market rules for the purpose of listing all shares of the Company on a regulated market, including but not limited to preparing and submitting a prospectus to the competent authority within 12 months.

Item 3

This Decision shall enter into force on the date of its issuance.

**DALEKOVOD JSC**