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ISIN: HRRIVPRA000  
Security: RIVP (RIVP-R-A)  
Bloomberg: RIVP CZ; Reuters: RIVP.ZA  
Listing: Prime Market of Zagreb Stock  
Exchange

**HANFA**- Croatian Financial Services Supervisory Agency  
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#### **HANFA-Official Registry of Prescribed Information**

#### **Zagreb Stock Exchange**

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**Subject: General Assembly – convocation, invitation to the shareholders**  
*(General assembly - agenda, proposals and decisions of meeting)*

The Management Board of Valamar Riviera d.d., with registered office in Poreč, Stancija Kaligari 1, personal identification number (PIN) 36201212847 (hereinafter: the Company), pursuant to the provisions of the Companies Act, rendered on February 28, 2024 the decision to convoke the Company's General Assembly which will be **held on April 24, 2024** at the Istra Premium Camping Resort by Valamar, Funtana, Grgeti 35, Istra Indoor Theatre Hall, starting at 1:00 PM.

Pursuant to the provisions of the Capital Market Act and the Rules of the Zagreb Stock Exchange, the Management Board hereby submits for announcement the Invitation to the shareholders of the Company in its prescribed form, containing decision proposals.

We hereby also announce that the Invitation to the shareholders will be submitted for publication on the Court Register's website. The full prescribed form of the Invitation to the shareholders, including the documents for the General Assembly will also be released on the Company's websites <https://valamar-riviera.com/en/home/>, pursuant to existing regulations.

The Invitation is enclosed in the following text.

Valamar Riviera d.d.

Pursuant to the provision of Article 277., Paragraphs 2., 3. and 4. of the Companies Act and pursuant to the Management Board's Decision from February 28, 2024 to convoke the General Assembly, Valamar Riviera d.d. from Poreč, Stancija Kaligari 1 hereby announces

**INVITATION  
TO THE GENERAL ASSEMBLY TO THE SHAREHOLDERS OF  
VALAMAR RIVIERA d.d.**

We hereby inform the shareholders of Valamar Riviera d.d. from Poreč, Stancija Kaligari 1, that the **GENERAL ASSEMBLY will be held on Wednesday, April 24, 2024 at Istra Premium Camping Resort by Valamar, Funtana, Grgeti 35, Istra Indoor Theatre Hall, starting at 1.00 pm.**

For the General Assembly, there has been specified the following:

**AGENDA:**

1. Presentation of the Annual Financial Reports for 2023 together with the Auditors' Report, and the Management and Supervisory Board Reports and the related:
  - a. Distribution of profit
  - b. Discharge grant to
    - i. Management Board members
    - ii. Supervisory Board members
2. Management Board and Supervisory Board Members Remuneration Report for 2023
3. Appointment of the Company's Auditors
4. Remuneration Policy
5. Remuneration for the work of Supervisory Board members
6. Authorization for acquisition of treasury shares of the Company
7. Dividend payout

**DECISION PROPOSALS**

Management Board and Supervisory Board, and for points 3, 4 and 5, the Supervisory Board, proposes to the General Assembly to render the following decisions:

**AD 1)**

1.a) The realized profit of the Company in 2023 in the total amount of EUR 24,945,219.25 shall be distributed to the retained profit of the Company.

1.b)

- i. A discharge is granted to the members of the Management Board for managing the Company's business in 2023.
- ii. A discharge is granted to the members of the Supervisory Board for the supervision of the management of Company's business in 2023.

**AD 2)**

The Remuneration report of the members of the Management Board and Supervisory Board for the year of 2023 along with the Auditors Report is hereby approved.

### AD 3)

The auditors Ernst & Young d.o.o. za reviziju from Zagreb, Radnička cesta 50, personal identification number (PIN): 58960122779 and UHY RUDAN d.o.o. za porezno savjetovanje i reviziju, from Zagreb, Ilica 213, personal identification number (PIN): 71799539000 are hereby appointed as the Auditors for Valamar Riviera d.d. from Poreč in 2024.

### AD 4)

The Remuneration Policy is being approved for the period of 4 (four) years, starting from 2024 until 2027, all according to the following text determined by the Supervisory Board:

“By invitation and within the meaning of Article 247.a Paragraph 1. of the Companies Act (hereinafter: **Act**) the Supervisory Board of the company **Valamar Riviera dioničko društvo za turizam**, registered in the Court Register of the Commercial Court in Pazin with its headquarters in Poreč-Parenzo, Stancija Kaligari 1, PIN: 36201212847 (hereinafter: the **Company**), at the Supervisory Board meeting held on February 28, 2024, has determined the following:

## REMUNERATION POLICY

### 1. INTRODUCTION

**Determination of the maximum amount of the Management Board members' remuneration and how much does the remuneration contribute to the business strategy and long-term development of the Company (Article 247.a Paragraph 1. Point 1. of the Act)**

Valamar Riviera d.d. (hereinafter: **the Company**) is the largest company in the tourism sector in the Republic of Croatia, which sector represents one of the key strategic branches with a significant share in the GDP of the Republic of Croatia. The Company's operations reflect the responsibility of such an important position, which is reflected in the core values which are an integral part of its business relations, corporate rules and standards, and business development and strategy. The Company strives to innovatively manage leisure tourism and create a stimulating corporate culture through corporate social responsibility, meanwhile creating added value for shareholders and taking care of sustainable development and local communities. Given the above, in order to attract top experts to the Company's Management Board, who will conduct company business with due diligence and responsibility in accordance with the established core values and business strategy of the Company, the remuneration policy of the Management Board is structured in a way which reflects these core values. It encourages the Company's development and responsible decision-making, rewards good performance and results, but also provides security and stability to Management Board members in decision-making, which discourages them from taking unnecessary risks.

### 2. ALL FIXED AND VARIABLE REMUNERATION COMPONENTS AND THEIR SHARES IN TOTAL REMUNERATION (Article 247.a Paragraph 1. Point 2. of the Act)

Remuneration of the Company's Management Board members can be divided into three categories: fixed remuneration, variable remuneration and other benefits, and together they make up the total remuneration of the Management Board members. (Article 247.a Paragraph 1. Point 1. of the Act). The total remuneration of the Management Board members can amount to a maximum of the total fixed annual salary of an individual Management Board member together with an annual bonus not exceeding the fixed salary and participation in the Company's long-term incentive plan of up to 9% of the sum of 1.5% of the annual increase in the Company's market capitalization and 1.5% of the annual increase in the Company's business value. The share of a particular type of income in the total income of an individual member of the Management Board depends on the realization of the

right to variable income, whereby, in principle, fixed income - annual salary, represents the predictable largest share in the total income. The variable part of the remuneration can amount from 16.67% to 100% of the total annual fixed salary, while participation in the long-term incentive plan amounts up to 9% of the amount equal to the sum of 1.5% of the annual increase in the Company's market capitalization and 1.5% of the annual increase in the Company's business values. (Article 247.a Paragraph 1. Point 3. of the Act).

In determining the amount and type of remuneration of the Management Board members, the Company took into account the salaries and positions of all its employees (Article 247.a, Paragraph 1, Point 9 of the Act). As one of the most desirable employers in the Sector and in the country in general, the Company believes that adequate compensation, permanent investment in education and training as well as other working conditions that ensure a high level of quality of life and development for employees are the key to success and responsible and successful business. Remuneration of Management Board members is proportional to the amount of work they perform, their high expertise and education, and the responsibility that arises from their position.

#### 2.1. Fixed remuneration

The fixed remuneration of the Management Board members consists of the basic monthly salary expressed in its gross amount.

Fixed remuneration is determined, both in absolute and relative terms, in a sufficient amount to provide financial security and stability, i.e. to enable a Management Board member to be independent of the variable part of remuneration.

Determined in such a way, the fixed part of their remuneration encourages responsible decision-making, eliminating the need to take unnecessary risks.

#### 2.2. Variable remuneration

Variable remuneration consists of bonuses which can be paid to a Management Board member in accordance with the result achieved in the business year (hereinafter: **Bonuses**) and participation in the long-term incentive plan for key executives (hereinafter: **LTIP**).

The amount of the Bonus depends on the result in the previous business year, i.e. on the degree of realization of certain KPIs<sup>1</sup> and on an annual level it can amount from an additional two to an additional twelve average monthly gross salaries paid to an individual Management Board member.

The degree of participation in the LTIP is determined in accordance with the individual contract of the Management Board member.

Variable remuneration is conditioned by the criteria for payment in a way that rewards business management which achieves the sustainable development of the Company (Article 247.a, Paragraph 1., Point 4 of the Act). Together with fixed remunerations, they are an ideal incentive for the Management Board to lead the Company's operations responsibly, without taking unnecessary risks, and with the aim of developing and creating added value in a sustainable and innovative way, thereby contributing to the business strategy and long-term development of the Company.

##### 2.2.1. Payment criteria and determining methods (Article 247.a Paragraph 1. Point 4. and 4.b of the Act)

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<sup>1</sup> **KPI ( key performance indicators )** are measurable objective values that show how effectively a certain company achieves set business goals.

- a) The criteria on which the realization of payment and the amount of the Bonus depends on are determined by the Supervisory Board of the Company.

The criteria for the payment of bonuses are objective financial criteria such as growth in operating income, EBITDA, improvement in EBITDA, share price on the Zagreb Stock Exchange, etc. and the assessment of the Supervisory Board on the qualitative improvement of the Company.

- b) The criteria for participation in the LTIP are determined by the Regulation on the LTIP.

Participation in the LTIP is calculated as the share of an individual Management Board member in the payment of an amount equal to a certain part of the increase in the annual market capitalization of the Company's shares on the Official Market of the Zagreb Stock Exchange d.d. and the growth of the Company's business value.

The fulfillment of the criteria for payment is to be determined by the Supervisory Board as part of the supervision of the management of the Company's affairs, by determining the relevant facts by consulting the corresponding documents, reports and publicly available data.

#### 2.2.2. Method and time of payment

- a) Members of the Management Board are entitled to the Bonus for the previous business year when the audited financial reports for the previous business year are approved by the Supervisory Board and the Bonus is paid without undue delay.

The bonus shall be paid in cash.

- b) Participation in the LTIP is paid by transferring the Company's shares.

The shares are distributed to the Management Board members by the end of June of the current business year for the previous business year (Article 247.a, Paragraph 1., Point 7.a of the Act).

#### 2.2.3. Limitations and return of the variable component of the remuneration (Article 247.a Paragraph 1. Point 6 and Point 7.b of the Act)

- a) The Company is not entitled to request the return of the Bonus from the Management Board members.
- b) The Company has the right to demand the return of shares received in accordance with the participation in the LTIP in the event of the end of term of a Management Board member pursuant to the conditions and in the manner prescribed by the Regulation on the LTIP.

Members of the Management Board are obliged to keep the shares for four years starting from - January 1<sup>st</sup> of the year of allotment, and they are prohibited from share disposal during that period (Article 247.a, Paragraph 1., Point 5.b of the Act).

Payment of a part of the variable remuneration in shares contributes to the achievement of the Company's objectives by giving the Management Board members an additional personal interest in the Company's sustainable business development and also

contributes to the closer alignment of interests of the Management Board and shareholders (Article 247.a Paragraph 1. Point 7.c of the Act), and which all contributes to the business strategy and long-term development of the Company.

### 2.3. Other benefits

Members of the Management Board, pursuant to the applicable regulations of the Company, are entitled to other benefits and remunerations.

This type of income contributes to more efficient and simpler business activities, encourages the development of professional skills and further education of the Management Board members and provides them with additional personal development and additional security and stability.

Members of the Management Board are entitled to the use the Company's vehicles and mobile phones both for business and private purposes, and all maintenance burdens are borne by the Company.

Members of the Management Board have the right for coverage of travel expenses, membership in domestic and foreign professional organizations, additional professional education, etc.

The company may enter into life insurance agreements for the Management Board members in the name of which it pays policies to the insurer. The Company can additionally promote the healthcare of -Management Board members in the form of physical checkups in renowned institutions and by the contracting of supplementary and additional health insurance premiums.

## 3. **CONTRACT WITH THE PRESIDENT AND MEMBER OF THE MANAGEMENT BOARD (MANAGEMENT CONTRACT)** (Article 247.a Paragraph 1. Point 8 of the Act)

### 3.1. Duration and termination of the contract (Article 247.a Paragraph 1. Point 8.a of the Act)

The contract is concluded for the term of office of an individual member of the Management Board.

The contract is terminated by fulfilling the preconditions determined by law and the contract; upon expiration of the period for which it was concluded, termination, cancellation, etc.

The notice periods are determined by each individual contract.

### 3.2. Severance pay (Article 247.a Paragraph 1. Point 8.b of the Act)

The right to severance pay, its amount and the preconditions for payment for Management Board members are determined pursuant to each individual contract.

### 3.3. Pension and health insurance (Article 247.a Paragraph 1. Point 8.c of the Act)

The Company withholds contributions for mandatory pension and health insurance from both the fixed and the variable remuneration of Management Board members.

## 4. **CONFLICT OF INTEREST**

Management Board members are bound by coercive legislation to prevent conflicts of interest.

The Company applies the Corporate Governance Codes of the Zagreb Stock Exchange d.d. in its business activities, and the members of the Management Board are obliged to apply them in accordance with their contracts.

The contracts of the Management Board members contain provisions on the prohibition of market competition with the Company.

The contracts of the Management Board members contain provisions restricting the participation of Management Board members in other companies, both in membership and in the bodies of other companies.

Contracts of the Management Board members contain provisions on the confidentiality.

## **5. ADOPTION OF THE REMUNERATION POLICY (Article 247.a Paragraph 1. Point 10 of the Act)**

The Company's Remuneration Policy is determined by the Company's Supervisory Board.

The established Remuneration Policy is submitted by the Supervisory Board to the General Assembly of the Company for approval.

The preparation of the decision proposal on the remuneration policy, implementation and supervision over the implementation of the remuneration policy is performed by the Presidium of the Supervisory Board in the capacity of the Supervisory Board Committee whose scope of work includes remuneration and rewards.

The Supervisory Board may temporarily deviate in all parts of the remuneration policy if this is necessarily required for the long-term well-being of the Company, in accordance with the procedure established by the Supervisory Board (Article 247.a, Paragraph 2. of the Act).

## **6. REMUNERATION OF SUPERVISORY BOARD MEMBERS**

Members of the Supervisory Board receive a reward for their work in accordance with a special decision of the General Assembly of the Company. The amount of the reward is determined by the General Assembly in that decision, applying the principles expressed in this Remuneration Policy.

Regarding the data on the remuneration of the Supervisory Board members, the data specified in this Remuneration Policy shall be applied accordingly.

All taxes, surcharges, contributions and/or other duties are deducted by the Company from the gross amount of the reward.

In addition to the remuneration for the work, the Company covers all travel expenses for Supervisory Board members incurred as a result of their work.

## **7. FINAL PROVISIONS**

This Remuneration Policy is set for a period of four years, from 2024 to 2027, and it shall completely replace the Remuneration Policy established in 2020 for the period from 2020 to 2023.

This Remuneration Policy was established by the Supervisory Board of the Company on February 28, 2024, and will be submitted for approval to the Company's General Assembly.

If the General Assembly does not approve the Remuneration Policy, the Supervisory Board will submit its revised Remuneration Policy to the next General Assembly which will vote on it.

The decision of the General Assembly and the Remuneration Policy are published and made available free of charge for a period of ten years, immediately after the General Assembly, on the Company's websites.”

#### **AD 5)**

The remuneration for the work of the Supervisory Board members is hereby approved, all according to the following text determined by the Supervisory Board:

“With invitation and reference to the meaning of the provision of Article 22. of the Company's Articles of Association, the General Assembly of Valamar Riviera dioničko društvo za turizam, with registered office in Poreč, Stancija Kaligari 1, registration number (MBS): 040020883, personal identification number (OIB) 36201212847 (hereinafter: the Company) on April 24, 2024 rendered the following

### **DECISION regarding the remuneration of Supervisory Board members**

I

The remuneration of Supervisory Board members shall be set as follows:

- a) Monthly remuneration in the gross amount of EUR 2,000.00 (in words: two thousand) for Supervisory Board member, and gross amount of EUR 3,000.00 (in words: three thousand) for the Supervisory Board Chairman and Deputy Chairman;
- b) Additional remuneration in the gross amount of EUR 2,000.00 (in words: two thousand) for each Supervisory Board meeting or Supervisory Board Committee meeting;
- c) Additional remuneration for the work of the Supervisory Board member who perform tasks related to permanent supervision, with the consent of the Supervisory Board Chairman, in the gross amounts of: EUR 1,000.00 (in words: one thousand) if the work lasted all day (more than 6 hours), EUR 500.00 (in words: five hundred) if the work lasted half a day (more than 3 but less than 6 hours), and EUR 130.00 (in words: one hundred and thirty) per each hour of work up to three hours. Any Deputy Chairman can grant such consent to the Supervisory Board Chairman.

The Company will reimburse the Supervisory Board members for all travel expenses that incur as a result of their work as Supervisory Board members for travelling from their place of permanent residence to the place where meetings are held or where other work tasks are performed (accommodation costs in a four or five star hotel, business class tickets for trains, buses, ships and/or airplanes as well as/or the use of a private or Company's car).

All the mentioned amounts are expressed as gross amounts. Upon payment, the Company shall deduct and pay all taxes, surtaxes, contributions and/or other obligations chargeable to such remunerations of Supervisory Board members, pursuant to the existing legal regulations of the Republic of Croatia.

II

This decision on the remuneration for the work of the Supervisory Board members has been made in accordance with the principles expressed in the Company's Remuneration Policy from February 28, 2024, and in relation to the remuneration of the Supervisory Board members, it is referred to the appropriate application of the data specified in the Company's Remuneration Policy from February 28, 2024.

This Decision shall enter into force on the day immediately following the day it is rendered. On the day this decision comes into force, the Decision regarding the remuneration of Supervisory Board members rendered at the General Assembly on May 8, 2018 shall no longer be valid.”

#### **AD 6)**

With reference to the meaning of the provisions of Article 233., Paragraph 1. of the Companies Act, the General Assembly of Valamar Riviera dioničko društvo za turizam, with registered office in Poreč, Stancija Kaligari 1, registration number (MBS): 040020883, personal identification number (OIB) 36201212847, rendered on April 24, 2024 the following

### **DECISION on the acquisition of treasury shares**

#### I

The Management Board of Valamar Riviera d.d. (hereinafter: the Company) is authorized, depending on the financial status, to acquire treasury shares on the organized securities market during the five-year period from the day this decision enters into force.

#### II

The consent is given to the Management Board for one or more purchases of ordinary, treasury shares (hereinafter: Shares) in a way that the maximum total amount of shares bought based on this decision is up to 10% (in words: ten percent) of the share capital of the Company.

Acquisition/Purchase Terms:

- The lowest price per share shall not be less than 50% (in words: fifty percent) below the average market value of the share in the thirty days that precede the day of purchase.
- The highest possible price per share shall not be more than 20% (in letters: twenty percent) over the average market value of the share in the thirty days that precede the day of purchase.
- Share purchase price measured with EV/EBITDA - multiplier of up to a maximum of 11 (in letters: eleven) times EBITDA.

#### III

The Management Board is authorized to purchase treasury shares outside the organized securities markets, i.e. through direct purchase. The Management Board can dispose of treasury shares acquired pursuant to this decision on the organized securities market and outside the organized securities market, without a special decision made by the General Assembly.

#### IV

This Decision shall enter into force on November 18, 2024 upon the expiration of the Decision on the Approval of Treasury Shares Acquisition rendered at the General Assembly on May 9, 2019.

#### **AD 7)**

With reference to the meaning of the provisions of Article 275., Paragraph 1., Point 2. and Article 220. of the Companies Act, as well as Article 27. of the Company's Articles of Association, the General Assembly of Valamar Riviera dioničko društvo za turizam, with registered office in Poreč, Stancija Kaligari 1 (hereinafter: the Company) on April 24, 2024 rendered the following

**DECISION  
on dividend payout**

I

The shareholders of the Company shall be paid a dividend of EUR 0.22 (in words: twenty two cents) per each share.

II

The dividend shall be paid out of the retained profit achieved in 2016, 2019 and 2021.

III

The right to dividend payout belongs to all of the Company's shareholders, owners of shares registered in their intangible securities accounts in the system of the Central Depository & Clearing Company on **April 30, 2024 (record date)**.

IV

The day from which the shares of the Company without the right to dividend payout will be traded on the regulated market is **April 29, 2024 (ex date)**.

V

Company shareholders shall receive their dividend on **May 24, 2024 (payment date)**.

## **INSTRUCTIONS FOR SHAREHOLDERS FOR PARTICIPATION AT THE GENERAL ASSEMBLY AND SHAREHOLDERS' RIGHTS:**

The total number of shares issued with voting rights is 126,027,542, and the total number of voting rights on the day this invitation is announced is equal to 122,610,520 shares, taking into account the one-share-one vote rule and that the treasury shares have no voting rights.

Shareholders have the right to participate in the General Assembly in person or represented by an attorney pursuant to the provisions of Article 279. of the Companies act (hereinafter: CA), if they **notify the Company in writing of their intention to participate in the General Assembly**, no later than six (6) days before the day of General Assembly i.e. if the participation registration is received the latest by **April 17, 2024** in one of the following ways:

- **by post on the Company's registered office address Valamar Riviera d.d., Legal Affairs Department, Stancija Kaligari 1, 52440 Poreč, or**
- **by e-mail on e-mail address [glavna.skupstina@valamar.com](mailto:glavna.skupstina@valamar.com)**

In order to determine the number of votes that belong to each individual shareholder at the General Assembly, as well as to determine who is considered to be a shareholder, the state in the register of the Central Clearing Depository Company d.d. on the last day of the deadline for the arrival of the application for participation in the General Assembly will be applied as relevant.

If a shareholders wish to participate at the General Assembly through an attorney, he must enclose a written power of attorney to the participation registration unless the shareholder has already issued general power of attorney that has been deposited in the Company and which has not been revoked. The power of attorney must specify who is giving it and to whom it has been given, the total number of shares i.e. voting rights, the authorization given to the attorney to vote at the Company's General Assembly, and the signature of the shareholder who gives the power of attorney. If the shareholder is a legal entity, the excerpt from the Court Register or its copy must also be enclosed with the power of attorney, from which it is visible that the legal representative of the legal entity has signed the power of attorney.

**The shareholder who failed to apply his intention for participation at the General Assembly in the prescribed period cannot participate in the General Assembly.**

If shareholders who together hold the twentieth part of the share capital of the Company request that a new point is added to the agenda and announced after the General Assembly has been convoked, they must give an explanation and decision proposal for each new agenda point. The Company must receive the request for adding a new point to the agenda at least 30 days before the holding of the General Assembly. The day a request is received in the Company is not included in this period.

The shareholders' proposals specifying their names and surnames, pursuant to Article 282. of the CA, must be made available to the persons specified in Article 281., Paragraphs 1. to 3. of the CA under circumstances specified there, providing that shareholders deliver their counterproposals at the Company address at least 14 days before the day of the holding of the General Assembly. The day on which the Company receives the proposal is not included in the 14-day period. The proposal must be available on the Company's website. If a shareholder does not exercise this right, it does not result with the loss of right to place a counterproposal at the General Assembly. This rule also applies to shareholders' counterproposals for the appointment of Supervisory Board members or Company's Auditors. Pursuant to Article 287. of the CA, upon individual shareholder's request, the Management Board is required to inform the shareholder on the Company's business if this is deemed necessary for deciding on certain points of the agenda.

The written materials for the General Assembly, the Invitation including the agenda and decision proposals, the participation registration form and power of attorney are available to the shareholders on the Company's websites <https://valamar-riviera.com/en/home/> and in the Company's registered office in Poreč, Stancija Kaligari 1. The said documents are available starting from the date of the publication of the invitation on the Court Register's website, every working day from 09 AM to 12 noon.

If the quorum at the General Assembly is not met, according to the provisions of Article 15. of the Company's Articles of Association, the next General Assembly will be held on May 2, 2024 at Istra Premium Camping Resort by Valamar, Funtana, Grgeti 35, Istra Indoor Theatre Hall, starting at 1:00 PM.

In order to timely registration and preparation of the list of participants at the General Assembly, the shareholders are kindly asked to arrive at least 30 minutes before the start of the General Assembly.

Management Board of Valamar Riviera d.d.

## EXPLANATION OF THE PROPOSED DECISIONS FOR THE GENERAL ASSEMBLY

**AD 1)** Pursuant to the provisions of the Companies Act, the Management Board and Supervisory Board have determined the prescribed non-consolidated and consolidated annual financial and other prescribed reports for 2023 and present them as such to the General Assembly. Pursuant to the Capital Market Act, the prescribed reports for the year 2023 were published on February 28, 2024, and have been available since on the Zagreb Stock Exchange website and the Company website as well. In addition, according to business policy and the needs of the Company's further development, the Management Board and Supervisory Board propose to distribute the Company's realized profits in 2023 totaling EUR 24,945,219.25 to the Company's retained profit.

Pursuant to the provisions of Article 276. of the Companies Act, it is proposed that the members of the Management Board and Supervisory Board are granted discharge.

**AD 2)** Pursuant to the provisions of Article 272.r of the Companies Act, the Management Board and the Supervisory Board of the Company have determined the Remuneration report of the members of the Management Board and the Supervisory Board for the year of 2023, which report was examined by the auditors who also examined the financial reports for the year of 2023. The Management Board and the Supervisory Board submit the report together with the Auditors' report to the General Assembly and propose to the General Assembly, in accordance with the provision of Article 276.a Paragraph 4. of the Companies Act to approve the report.

**AD 3)** Pursuant to the Article 280., Paragraph 3. of the Companies Act, and according to the Audit Committee's opinion which had previously assessed the submitted offers of auditing companies, the Supervisory Board determined the proposal to appoint Ernst & Young d.o.o. za reviziju from Zagreb, Radnička cesta 50, personal identification number (PIN): 58960122779 and UHY RUDAN d.o.o. za porezno savjetovanje i reviziju from Zagreb, Ilica 213, personal identification number (PIN): 71799539000 as the Company's Auditors in 2024. The Supervisory Board determined the proposal for the appointment of two auditors, since the Company is obliged to contract a statutory audit with at least two mutual independent auditors, pursuant to the provision of Article 43. Paragraph 2. of the Audit Act.

**AD 4)** Pursuant to the provision of the Article 247.a, Paragraph 1. of the Companies Act, the Supervisory Board has determined the Management Board's and Supervisory Board's Remuneration policy for the period of four years, starting from 2024 until 2027. Pursuant to the provision of the Article 276.a of the Companies Act, Remuneration policy shall enter into force after the approval of Company's General Assembly. If the General Assembly does not approve the Remuneration Policy, the Supervisory Board will submit its revised Remuneration Policy on the first following General Assembly for voting. General Assembly decision and Remuneration policy shall be published and available free of charge right after General Assembly on the Company's website for a period of ten years.

**AD 5)** Pursuant to the provision of the Article 269., Paragraph 3. of the Companies Act, the Supervisory Board has determined the decision proposal regarding the remuneration of Supervisory Board members. The proposed remuneration is in compliance with the business performed by Supervisory Board members and Company's status.

**AD 6)** Pursuant to the provision of the Article 233. of the Companies Act, the Management Board and Supervisory Board have determined the decision proposal on the acquisition of treasury shares for the five year period, which determines the conditions under which the treasury shares can be acquired.

**AD 7)** According to the published Dividend Policy, the Management Board and the Supervisory Board reviewed the current and estimated future financial position of the Company as well as the investment needs, and therefore established a proposal for dividend payout to the Company's shareholders in the amount of EUR 0.22 (in words: twenty two cents) per share. The dividend shall be paid out of the retained profit in the year of 2016, 2019 and 2021. Pursuant to the provisions of Article 119. of the Rules of Zagreb Stock Exchange d.d. the proposed payment date is May 24, 2024 to all shareholders of the Company, holder of shares registered on their accounts of intangible securities in the computer system of the Central Depository and Clearing Company as of April 30, 2024 (record date), is eligible for the dividend payout. The ex date is therefore April 29, 2024.