



www.dalekovod.hr, Ulica Marijana Čavića 4, Zagreb  
(MBS) 080010093, (EUID) HRSR.080010093, (OIB) 47911242222  
Zagreb, March 25<sup>th</sup>, 2022

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 March 25, 2022, in the company's premises.

According to the announced agenda:

1. **Opening of the General Assembly**, verification of applications and powers of attorney and determination of share capital representation, compilation of the list of present and represented shareholders and confirmation that the General Assembly has been properly convened and that it has powers to make valid decisions;
2. **Decision on the election of the President and Vice President of the General Assembly;**
3. **Decision on the adoption of a completely new Articles of Association.**

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

### **With respect to Item 2) DECISION ON THE ELECTION OF THE PRESIDENT AND VICE PRESIDENT OF THE GENERAL ASSEMBLY**

#### Item 1

It is hereby established that Hrvoje Markovinović, Zagreb, Vladimira Nazora 38, PIN: 01814748634, submitted his irrevocable letter of resignation from the position of President of the General Assembly of the Company on 2 July 2021.

#### Item 2

It is hereby established that Petar Miladin, Zagreb, Zelengaj 77, PIN 88899511525, submitted his irrevocable letter of resignation from the position of Deputy President of the General Assembly of the Company on 1 July 2021.

#### Item 3

Pursuant to Article 21 paragraph 1 of the Articles of Association, Hrvoje Matić, Zagreb, Petrova 182, PIN: 42148932429, is elected President of the General Assembly for a term of office of 4 (four) years, which begins at the moment of issuing of this decision.

#### Item 4

Pursuant to Article 21 paragraph 1 of the Articles of Association, Mario Hojan is elected Deputy President of the General Assembly, Odra, Odranski vijenac 6, PIN: 06423788091, for a term of office of 4 (four) years, which begins at the moment of issuing of this decision.

Ordinary share **DLKV-R-A** Listed on the Zagreb Stock Exchange official market

Issuing country of origin Croatia

**ISIN: HRDLKVRA0006, LEI 74780000WOKHNRDW7105**

Notice in accordance with the Capital Market Act

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### Ad 3) DECISION ON ADOPTION OF AN ENTIRELY NEW ARTICLES OF ASSOCIATION OF THE COMPANY

#### Item 1

The Articles of Association of 20 January 2022 is entirely amended and replaced by the new text of the Articles of Association as follows:

#### ARTICLES OF ASSOCIATION

Dalekovod, d.d.

#### GENERAL PROVISIONS

##### Article 1

This Articles of Association decides on and establishes: the company, registered office, business activities, duration of the Company, share capital of the Company, nominal amount, and number of shares in the Company, types of shares and their class, Company bodies and their manner of work, annual report and use of profit Company, manner, and publication of Company announcements.

#### COMPANY

##### Article 2

The name of the company is: joint-stock company for engineering, manufacturing, and construction

The abbreviated name of the Company is: Dalekovod, d.d.

When dealing abroad, the Company may, along its full name, i.e., abbreviated name, use its name translated into English – Dalekovod JSC and into German – Dalekovod AG.

The name of the Company comprises a graphic sign formed as follows: , the left cathetus is green, the right red and the base is blue.

#### SEAT

##### Article 3

The registered seat of the company is located in Zagreb, City of Zagreb. The Company's registered office address shall be determined and modified by the Management Board.

#### BUSINESS ORGANISATION AND OPERATION

##### Article 4

The Company's internal organization shall be set forth by the Management Board with the prior consent of the Supervisory Board of the Company.

#### BUSINESS ACTIVITY - ACTIVITY:

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## Article 5

The Company's activities are:

- \* Manufacture of wooden containers
- \* Printing, n.e.c.
- \* Non-ferrous light metal casting
- \* Production of metal structures and parts
- \* Metal forging, pressing, stamping and rolling, powder metallurgy
- \* Metal processing and coating
- \* Manufacture of tools
- \* Manufacture of industrial furnaces and burners
- \* Manufacture of other special purpose machines
- \* Manufacture of equipment for distribution and control of electricity
- \* Manufacture of other electrical equipment, n.e.c.
- \* Preparatory works on the site
- \* Construction of buildings and parts of buildings
- \* Installation works
- \* Mediation in sale of variety of goods
- \* Wholesale of metals and metal ores
- \* Wholesale of hardware, plumbing and heating equipment and supplies
- \* Other wholesale
- \* Restaurants
- \* Other passenger road transport
- \* Freight road transport
- \* Storage and warehousing
- \* Hardware assistance
- \* Software assistance and supply
- \* Data processing
- \* Database creation
- \* Other computer-related activities
- \* Research and development in technical sciences and technology
- \* business and management consultancy
- \* Management of holding companies
- \* Technical testing and analysis
- \* Advertising and commercials
- \* Other business activities, n.e.c.
- \* Architectural and eng. activities and technical assistance
- \* Urban planning professional tasks in relation to location permit documentation
- \* Construction and installation of structures (plants and transmission lines) for manufacture, control, transmission, and distribution of electricity
- \* Construction of transmission lines of all voltage and all kinds of civil, civil installation and electrical installation works
- \* Investment works abroad
- \* forging and pressing steel forgings and non-ferrous metals
- \* International transport of goods and passengers in road traffic
- \* International forwarding
- \* Metal processing and coating by galvanization
- \* Laying of underwater and underground cables of all types and voltages
- \* Repair and maintenance of motor-pneumatic and drill hammers
- \* Translation services
- \* Preparing and serving food
- \* Preparing and serving drinks

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- \* Certification of devices with increased risk of operating for its own needs
- \* Manufacture of forging and casting tools
- \* Manufacture of transmission towers, lighting, antenna and signaling poles, transformer plants structures and road railings
- \* Manufacture and servicing of induction furnaces
- \* Manufacture of equipment for self-supporting cable bundle
- \* Manufacture of suspension and jointing equipment for transmission lines of all voltages, substations, and switch gears
- \* Advising and consulting in regard to ISO 9000
- \* Manufacture of transformer substations and switch gears of all voltages
- \* Quality assurance and goods quantity control service
- \* Representation of foreign companies and mediation in foreign trade
- \* Electrical installation works on road lighting objects, industrial facilities, and sports grounds
- \* Performance of all civil, civil installation and electrical installation works on electric power, power, industrial and traffic objects, esp. including complex and specific objects
- \* Manufacture of equipment for contact lines for the electrification of railroads and city roads
- \* Electrification of railroads with accompanying objects and facilities, public cableways
- \* Designing of distribution and transmission lines of all voltages, transformer substations of all voltages and lighting
- \* Designing of steel structures and foundations for transmission lines, of transformer substations, switch gears, lighting, antennas, and overhead contact lines
- \* Testing of protection from indirect contact, continuity of protective conductor and conductors for equipotential bonding, lightning conductor installations, low-voltage electrical installations and commissioning, testing and adjusting of relay protection of transformer substations and all-voltage switch gears, functional testing of control, regulation, signaling, alarm and registration of substations and all-voltage switch gears and commissioning, testing and measurements on optical fiber cables
- \* Testing of aeolian conductor vibrations
- \* Measuring of current, voltage, voltage decrease, resistance, frequency, power, energy and power factor, specific soil resistance, earthing resistance, contact and step voltage, loop resistance, resistance of conductor insulation and all types and voltages of cables, measuring of lighting intensity
- \* Engineering-geological investigation
- \* Hydrogeological investigation
- \* Geomechanical investigation (probing)
- \* Geomechanical control
- \* Activities related to the training of individuals for the execution of fire-prevention measures, firefighting and people and property rescue
- \* Validation authorization for the construction designing area (for civil engineering projects of building construction, plans of civil engineering works, plumbing and sewage plans for buildings and outdoor plumbing and sewage projects, water construction projects, foundation projects and other construction projects)
- \* Validation authorization for the electrical designing area (for electric installations plans in buildings, power engineering building projects, projects for information and telecommunications technology)
- \* Inspection and fire-extinguishers testing
- \* Quality control and issuance of quality certificates according to the following standards: HRN.EN.ISO 1461, B.S.EN ISO 2178, B.S.EN.ISO 1460, HRN C A6.020, HRN C.A6.021, IEC 61284, B.S. 3288 Part 1, HRN.N.F2 010

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- \* Logging and cutting of other vegetation for the purpose of road, power engineering and other infrastructure facilities construction
- \* Accounting and bookkeeping services
- \* Human resources services and personnel record-keeping
- \* Measurement and calculation of high-frequency electromagnetic fields from 100 kHz to 3 GHz
- \* Measurement and calculation of low-frequency electromagnetic fields of 50 Hz
- \* Noise level measurement and calculation
- \* Drawing up of studies and environment protection projects
- \* Preparing and drawing up of environment impact assessment studies
- \* Lighting calculation and measurement
- \* Designing of metal and other structures and foundations for energy, signalization, road and highway operation and protection
- \* Electricity production
- \* Electricity distribution and trading
- \* Risk assessment studies
- \* Training of employees for work safety
- \* Work environment testing: physical testing of physical factors, testing of chemical factors
- \* Civil engineering
- \* Installation of tunnel protection, tunnel equipment
- \* Temporary construction works requiring special performance and equipment
- \* Surveillance of plants, equipment, installations, and devices in spaces with an explosive atmosphere
  - Performance of works in spaces with an explosive atmosphere
  - Technical inspection, guiding, attesting, analysis, repair and calibration of energy measuring instruments and issuance of respective certificates
- \* Construction of electrical power generation plants from renewable energy sources and cogeneration
- \* Use of electrical power generation plants from renewable energy sources and cogeneration
- \* non-hazardous waste management
- \* casting of iron, class
- \* light metal casting
- \* non-ferrous metal casting
- \* manufacture of finished metal products
- \* Construction of public water supply facilities - reservoirs, water-intake structures, water conditioning devices, water tanks, pumping stations, main feeder pipeline and water supply network; public sewage facilities - wastewater collection and drainage canals, combined canals for wastewater and storm water drainage, collectors, pumping stations, devices for sludge purification, sludge processing plants
- \* construction of basic and detailed melioration drainage structures
- \* geodetic activity
- \* transport of passengers in domestic road transport
- \* transport of freight in domestic road transport
- \* transport of passengers and freight for one's own needs

For the purpose of conducting business as stated in this Article, the Company may undertake all legal transactions and conclude all types of legal affairs, and in particular establish companies, subsidiaries, and branches at home and abroad.

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## DURATION OF THE COMPANY

### Article 6

The Company is established for an indefinite period of time and may be dissolved only in cases and in the manner determined by the law or these Articles of Association.

## SHARE CAPITAL

### Article 7

The Company's share capital amounts to 412.471.930,00 kn (in words: four hundred and twelve million four hundred and seventy-one thousand nine hundred and thirty kunas).

The Company's share capital was paid in full.

The Company's share capital is divided into 41.247.193 (forty-one million two hundred forty-seven thousand one hundred ninety-three) Ordinary shares of the face value of 10 HRK each (ten Croatian kunas).

## SHARES

### Article 8

The Company's shares are non-materialized securities in the relevant electronic records in the computer system of the Central Depository and Clearing Company Inc. (hereinafter: CDCC).

In relation to the Company, only the person registered in the computer system of the CDCC is valid as a shareholder.

## COMPANY BODIES

### Article 9

The Company's bodies are:

- the Management Board
- the Supervisory Board
- the General Assembly

### Management Board

### Article 10

The Management Board consists of up to 4 (four) members.

The decision on the appointment of members and the President of the Management Board is made by the Supervisory Board. By its decision, the Supervisory Board shall appoint one of the appointed members of the Management Board as the President of the Management Board and one of them as the Deputy President of the Management Board.

The members of the Management Board are appointed for a term of office of a maximum of five (5) years, with the possibility of renewing their appointment.

The Company's Management Board conducts its affairs at its own risk.

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#### Article 11

The members of the Management Board manage the affairs of the Company and decide, as a rule, at the sessions of the Management Board, by a majority of  $\frac{3}{4}$  votes of all members of the Management Board.

The Management Board keeps records of the decisions which were made. The content and manner of keeping records shall be prescribed in more detail by the Rules of Procedure of the Management.

The Supervisory Board adopts the Rules of Procedure of the Management Board, which determines the manner of running the Company's affairs.

In addition to the decisions of the Management Board for which the law prescribes the obligation of a prior consent of the Supervisory Board, the following actions and/or decisions of the Management Board require the prior consent of the Supervisory Board:

- (i) adoption of the business plan and budget of the Company and execution of the business plan and budget with deviations from the adopted business plan and budget;
- (ii) availability of the Company's assets or entering into contractual relationships worth more than HRK 3,000,000.00 (three million kunas) (either in a single transaction or a series of related transactions), or undertaking any kind of activities which precede disposing of assets or entering into contractual relationships whose value exceeds the above amount, regardless of whether such disposition of assets or the conclusion of contractual relations was planned in the approved business plan and/or budget;
- (iii) release of claims by the Company, against shareholders or a member of the Management Board and of claims, by the Company, against other shareholders;
- (iv) concluding or reaching a settlement in any litigation whose value of the subject matter of the dispute exceeds the amount of HRK 1,000,000.00 (one million kunas);
- (v) appointment of a procurator;
- (vi) early repayment of the Company's loans, credits, and other monetary obligations, if this is not in accordance with the conditions initially prescribed in the documentation governing such loans, credits, and other monetary obligations;
- (vii) taking a loan from the Company's shareholders if one of the following conditions is met: (i) the loan is not intended for the purposes provided in the business plan or budget or (ii) the Company may obtain loans in financial markets on terms which are equivalent to or more favorable than the loan shareholder;
- (viii) establishment of depending companies and subsidiaries of the Company and/or acquisition or disposal of ownership shares in other companies;
- (ix) taking any action that could result in significant changes in the nature and/or type of the Company's operations;
- (x) acquisition of the Company's own shares;
- (xi) undertaking any other actions and concluding any other legal transactions not provided for in the adopted business plan and/or budget of the Company with a value exceeding HRK 1,000,000.00 (one million kunas) (either within one transaction or a series of related transactions).

The President of the Management Board shall inform the President of the Supervisory Board of the cases when the Management Board of the Company cannot make a decision on a certain issue by a prescribed majority or in which the members of the Management Board prevent the decision-making process either by not participating in the Management Board meeting or by abstaining from voting and this situation continues for at least 15 (fifteen) days,

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the President of the Management Board shall inform the President of the Supervisory Board and ask him to convene a meeting of the Supervisory Board in order to make the decision on an issue on which the Management Board is not able to decide. The Management Board of the Company shall be obliged to act in accordance with the decision of the Supervisory Board. If the Management Board refuses to act in accordance with the decision of the Supervisory Board, such conduct shall be considered a gross breach of duty, as a result of which the Supervisory Board shall have the right to recall those members of the Management Board who refuse to act in accordance with the Supervisory Board decision and at the same time appoint new members of the Management Board.

#### Article 12

The members of the Management Board represent the Company jointly, in the manner determined by the decision on the appointment of members of the Management Board made by the Supervisory Board of the Company pursuant to the provisions of Article 10 of this Statute.

The Management Board of the Company may issue a power of attorney to represent the Company to one or more persons but with a prior written consent of the Supervisory Board.

The Management Board is authorized to give another person a power of attorney to represent the Company.

#### Supervisory board

#### Article 13

The Company has a Supervisory Board of seven (7) members, of which one member is appointed by the shareholder Napredna Energetska Rješenja d.o.o., Zagreb, PIN: 48374695230 (for the purposes of this part of the Articles of Association, hereinafter "Shareholder"), one (1) member of the Supervisory Board is appointed as workers representative in accordance with the provisions of the law governing labor relations, and the others are elected by the General Assembly of the Company.

The election of the members of the Supervisory Board at the General Assembly shall be done by voting for each member individually, and the decision is made by a simple majority.

#### Article 14

The newly elected Supervisory Board must be constituted within eight (8) days of the election day. The constituent meeting shall be convened and chaired by the President of the General Assembly, until the President of the Supervisory Board is elected.

At the constituent meeting, the members of the Supervisory Board will elect the President and the Vice President.

#### Article 15

The term of office of the Supervisory Board members is maximum 4 years. The exact duration of the term of office is determined by decision of the general meeting or authority authorized to appoint Supervisory Board members. If not stated otherwise in the appointment decision, the term of office starts on the day the decision was adopted and lasts 4 years.



#### Article 16

The Supervisory Board of the Company shall make its decisions at meetings and has the powers to decide if at least half of the elected members of the Supervisory Board and a member of the Supervisory Board appointed by the Shareholders are present at the meeting.

The Company's Supervisory Board shall adopt all decisions by at least a simple majority of the votes cast by (i) the Members of the Supervisory Board elected by the General Assembly and (ii) a vote of a Member of the Supervisory Board appointed by the Shareholders, with the exception of the following decisions:

- (i) special decisions of the Supervisory Board which require adoption by a majority of at least 4 (four) Members of the Supervisory Board elected by the General Assembly:
- appointment and dismissal of the Members of the Management Board;
  - amendments and supplements to the Rules of Procedure of the Company's Supervisory Board;
  - adoption of the decisions made by the Company's Management Board in accordance with the provisions of Article 11, paragraph 4 of these Articles of Association, including the decisions defined in Item (ii) of this paragraph with total accumulated value of more than 5.000.000,00 HRK (five million kuna) of the decisions adopted and implemented (whether as part of a single transaction or more related transactions) within the relevant business year;
- (ii) adoption of the following decisions made by the Company's Management Board in accordance with Article 11, paragraph 4 of these Articles of Association which require adoption by at least 2 out of the maximum 5 votes of the Members of the Supervisory Board elected by the General Assembly and a vote of a Member of the Supervisory Board appointed by the Shareholders (with the President of the Supervisory Board having the casting vote in case of equal votes):
- amendments and supplements to the Business Plan and Budget adopted by the Company, provided that the proposed amendments and supplements envisage a +/- 5% (five percent) margin of error on the adopted Business Plan and Budget, and activities in line with the Business Plan and Budget with a +/- 5% (five percent) margin of error on the adopted Business Plan and Budget, provided that the margin of error in both cases does not exceed a total of 5 (five) million HRK;
  - managing the Company's property or entering into contracts whose value exceeds 1.000.000,00 HRK (one million kuna) but does not exceed 5.000.000,00 HRK (five million kuna) (whether as part of a single transaction or more related transactions) as well as undertaking any activities prior to the management of the property or stipulation of contracts whose value ranges between the above-mentioned amounts, regardless of whether such management of property or stipulation of contracts was envisaged by the adopted Business Plan and/or Budget;
  - waiver, by the Company, of any claims for damages against a Shareholder or a Member of the Management Boards and waiver, by the Company, of any claims for damages against other Shareholders in the amount of 1.000.000 HRK (one million kuna) (whether as part of a single transaction or more related transactions);
  - negotiation or stipulation of a settlement in any litigation proceedings with the total claim value exceeding the amount of 1.000.000,00 HRK (one million kuna) but not exceeding 5.000.000,00 HRK (five million kuna);
  - early repayment of a debt, loan or other lines of credit used by the Company up to the amount of 1.000.000,00 HRK (one million kuna) if it is not provided for in the initial terms and conditions defined in the documents referring to such a debt, loan, or other lines of credit;
  - taking a loan from the Company's Shareholders up to the amount of 1.000.000,00 HRK (one million kuna) in case that: (i) the loan will not be used for the purposes defined in the Business Plan or Budget and (ii) the Company has access to loans in the financial market with equal or better conditions than the loan provided by a Shareholder;

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- purchase of own shares in the Company up the total amount of 1.000.000,00 HRK (one million kuna) (whether as part of a single or more related transactions within one business year);
- undertaking any other activities and legal matters not defined in the Company's Business Plan and/or Budget whose value exceeds 1.000.000,00 HRK (one million kuna) but does not exceed 5.000.000,00 HRK (five million kuna) (whether as part of a single transaction or more related transactions).

The Supervisory Board may adopt decisions without holding a meeting, by correspondence (by written procedure, e-mail, phone, fax or using other adequate technical means). Such decisions shall be subject to verification at the first next meeting of the Supervisory Board.

The Supervisory Board determines its rules of procedure.

The members of the Supervisory Board of the Company are entitled to a reward for their work, in the amount appropriate for the activities they perform and depending on the condition of the Company. The remuneration for the members of the Supervisory Board is determined by the decision of the General Assembly of the Company.

The Supervisory Board may establish commissions and committees. The commissions' and/or committees' task is to facilitate the implementation of the legal and statutory requirements of the Supervisory Board. The members of the commission and/or committees are members of the Supervisory Board and experts from the areas for which each commission or committees is competent. Depending on the degree of engagement, the Company may conclude service contracts with commission members.

#### General Assembly

##### Article 17.

The General Assembly shall be convened in cases determined by law and by the Articles of Association, and must be convened when the interests of the Company require so. The General Assembly must be held in the first eight months of the business year.

The General Assembly is convened by the Management Board and may also be convened by the Supervisory Board.

The members of the Management and the Supervisory Board must participate in the work of the General Assembly.

The General Assembly shall be convened by written notice published in the manner in which the Company's announcements are published within the legal deadline prior to the meeting being held.

The shareholders of the Company that fulfil the following conditions may participate at the General Assembly:

- that they have applied in advance for the participation in the General Assembly, at the business address of the Company indicated in the invitation to the General Assembly within the legally prescribed period; and
- that as holders of the Company's shares they were registered in the CDCC computer system on the last day when they could register their participation in the General Assembly in accordance with the previous item.

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Article 18.

As a general rule, the General Assembly is held at the Company's headquarters.

The Management Board shall have the powers to make a decision allowing shareholders to exercise all or some of their rights at the General Assembly by electronic communication when they do not participate in person or through a representative at the location where the General Assembly is held. Should the Management Board of the Company decide to enable the shareholders to exercise their rights by electronic communication, it shall determine the detailed conditions for their exercise in the invitation to the General Assembly. Should the right to vote be exercised by electronic communication, the Company shall electronically confirm to the person who cast the vote that the vote thus received has been received.

The use of electronic communication pursuant to the provisions of this Article shall be permitted if the conditions provided for by the Companies Act are met.

Article 19.

The shareholder participates at the General Assembly personally or through a proxy. The written power of attorney must contain the proxy's name, the name of the shareholder who issues the power of attorney, the total nominal value of the shares, the power to participate and vote on behalf of the shareholder at the General Assembly and the date of issue and the term of validity.

Article 20.

The General Assembly shall be chaired by the President of the Supervisory Board or a person designated by him. Should the President be prevented from chairing the General Assembly and has they not appointed another person for that purpose, the General Assembly shall elect the President of the General Assembly to chair the General Assembly at the beginning of the session.

Article 21.

The President of the General Assembly shall participate in the preparations and chair the sessions of the General Assembly in accordance with the law and these Articles of Association.

The President of the General Assembly, unless otherwise specified by law or by the Articles of Association:

- presides over meetings of the General Assembly, decides on the order of agenda items to be discussed and voted on, on the manner of voting on individual decisions and on all procedural issues not explicitly attributed to the General Assembly by law or by these Articles of Association,
- is authorized to deny the decision-making on proposals that are obviously unlawful, misleading or that abuse the rights of the General Assembly and, if needed, remove a person from the General Assembly,
- determines the text of the decision made,
- communicates on behalf of the General Assembly with other Company's bodies and third persons.

Article 22.

The General Assembly may make valid decisions if the shareholders are present personally, represented by their proxies or legal representatives of shareholders who together hold shares whose total nominal value is at least 75% (seventy-five percent) of the Company's share capital.

If there is no prescribed quorum at the General Assembly referred to in paragraph 1 of this Article, the next General Assembly shall be held at the same time a week after the beginning of the General Assembly referred to in paragraph 1 of this Article, and it may make valid decisions if the shareholders are represented in person, by their proxies or legal representatives of

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shareholders who together hold shares with a total nominal value of at least 51% (fifty percent) of the Company's share capital.

Article 23.  
Each share entitles to one vote.

Article 24.  
The General Assembly decides by simple majority, and when it is prescribed by law and these Articles of Association, by a qualified majority.

#### ANNUAL FINANCIAL REPORTS AND USE OF PROFIT

Article 25.  
The Company's business year is equal to the calendar year.

After the end of the business year, the Management Board of the Company shall prepare annual reports and reports on the Company's business and submit them to the Company's auditor.

The Company's Management Board shall submit the Auditor's report to the Supervisory Board without delay together with the annual financial report and the report on the Company's condition without delay from when they are drawn up, at the same time submitting a proposal for a decision on the use of profit that is proposed to be submitted to the General Assembly for adoption.

The Supervisory Board must examine the annual financial statements, the report on the Company's condition and the proposal for a decision on the distribution of profits.

The annual financial statements, the reports on Company's business, the auditor's report, and the proposal for a decision on the use of profit and the Supervisory Board's report on the supervision of the Company's operations must be disclosed to the shareholders in the Company's premises no later than the date of the General Meeting being convened.

The General Assembly, after the Supervisory Board and the Management Board determine the annual financial statements, decides on the distribution of profits. The General Assembly may decide to distribute profits to shareholders and/or distribute them to legal, statutory, or other reserves and/or not to distribute them to shareholders (transferred/retained earnings) and/or use them for other purposes.

The Company shall maintain the following reserves:

- a) legal reserves (5% of share capital)
- b) statutory reserves up to the amount of ½ of share capital in order to finance restructuring plans, upgrade, update the existing equipment, and modernize the technical and technological tools
- c) other reserves (up to ½ of share capital)

Upon the adoption of the annual financial reports, the Company's Management Board and Supervisory Board may decide to allocate any profit remaining after having covered all the legally required expenditures for the Company's other reserves, provided that the Company's Management Board allocates for this purpose up to 5% (in letters: five percent) of the profit until other reserves reach ½ of the Company's share capital.

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After having covered all the legally required expenditures, the General Assembly decides, upon the proposal of the Company's Management Board, on the distribution of the Company's profit, on the amount and type of dividend payouts.

Dividend payments shall be made within 30 (in letters: thirty) days from the date of the declaration of dividend for payment, unless decided otherwise by the General Assembly.

#### BUSSINESS SECRET

##### Article 26

Business secrets in the Company are those documents and information related to the Company's business or the work of employees whose disclosure to unauthorized persons would be contrary to the interests of the Company.

Shareholders, members of the Company's bodies and employees of the Company who are acquainted with the contents of the documents or information considered as business secrets of the Company are obliged to keep the business secret of the Company. Any violation of the aforementioned duty includes the employee's liability for damages caused by the disclosure of the Company's business secret.

The obligation to maintain a business secrecy shall not cease even after such persons lose the status on the basis of which they are responsible for keeping the Company's business secret.

Information that is considered a business secret, the handling of such information, the manner of protection of business secrets, and other circumstances essential for the protection of the Company's privacy are specified in a special act. The same act also determines the persons authorized to communicate to third parties the Company's business secret, i.e., the information that is the Company's business secret. The Management Board issues an act mentioned in the previous paragraph.

#### DISCLOSURE OF INFORMATION AND COMPANY'S NOTICES

##### Article 27

If the law or the Articles of Association stipulate that the Company's information and notices are disclosed, they are published in the manner prescribed by the applicable legal regulations, as well as on the Company's website.

#### AMENDMENTS TO THE ARTICLES OF ASSOCIATION

##### Article 28

The Statute may be amended by a decision of the General Assembly, in accordance with the law and in the manner in which the Articles of Association are adopted.

#### FINAL PROVISIONS

##### Article 29

These Articles of Association shall enter into force on the day of the registration in the court register.

#### DALEKOVOD JSC

Ordinary share **DLKV-R-A** Listed on the Zagreb Stock Exchange official market

Issuing country of origin Croatia

**ISIN: HRDLKVRA0006, LEI 74780000WOKHNRDW7105**

Notice in accordance with the Capital Market Act