

Ericsson Nikola Tesla d.d.
Zagreb, Krapinska 45

NOTICE OF EXTRAORDINARY GENERAL MEETING OF ERICSSON NIKOLA TESLA d.d.

Pursuant to Article 277, paragraphs 2 and 3 of the Companies Act, the Managing Director of Ericsson Nikola Tesla d.d. company, with its headquarters in Zagreb, Krapinska 45, passed on October 26, 2020 the following

DECISION ON CONVOCATION

of an extraordinary General Meeting of the Company, which will be held on December 9, 2020 at 11 am at the registered office of the Company in Zagreb, Krapinska 45, and shall have the following

AGENDA

1. Opening of the General Meeting (appointing the Commission to record the presence of shareholders, verify registrations, determine represented equity capital, verify that the General Meeting was lawfully convened and that it is eligible to make decisions);
2. The Decision on paying the dividend to the Company's shareholders;
3. The Decision on awarding 11,000 treasury shares to the Company's employees;
4. The Decision on amending Articles 12 and 13 of the Company's Articles of Association.

Proposed decisions at the General Meeting

The Managing Director and the Supervisory Board of Ericsson Nikola Tesla d.d. Zagreb jointly propose to the General Meeting to adopt decisions under items 2, 3, and 4.

Item 2

"The Company's shareholders will be paid a dividend amounting to HRK 49 per share from retained earnings from 2018 and 2019. The dividend payment will be effected on December 21, 2020 (payment date) to all the Company's shareholders who had the Company's shares registered on their securities account in the Central Depository & Clearing Company on December 14, 2020 (record date). The date from which the Company's shares will be traded without dividend payment right is December 11, 2020 (ex-date)."

Item 3

"Taking into account the Company's business results during the preceding period, the Company's Management Board is given consent to award the Company's employees up to 11,000 treasury shares."



Item 4

“The decision on amending Article 12 and 13 of the Company’s Articles of Association:

Article 12 is amended and now reads as follows:

“General Meeting of the Company shall be convened at a venue defined by the Management Board.

Shareholders participate in the work of General Meeting in person or by proxy, or through electronic communication by audio and video streaming.

The manner of holding and participation of shareholders in the work of General Meeting will be determined by the Management Board.

The Management Board is entitled to make a decision whereby the shareholders would be enabled to exercise all or some of their rights entirely or partially by electronic means (e.g. voting right, right to propose decisions, right to submit questions etc.) in cases where they do not participate in General Meeting, neither in person nor by proxy, at the location where it is held.”

In Article 13, after paragraph 1, a new paragraph 2 is added. Former paragraphs 2 and 3 become paragraphs 3 and 4. The new paragraph 2 reads as follows:

“The Company may deliver information to the shareholders by electronic means.”

Important information about the registration and participation in the General Meeting REQUIREMENTS TO BE MET FOR PARTICIPATION AND VOTING

Shareholders that are entitled to participate in the General Meeting shall meet the requirements as follows:

- They have a Company’s share registered on their securities account in the Central Depository & Clearing Company on the date of the latest possible registration for the General Meeting (i.e. December 2, 2020).
- They have registered their attendance at the General Meeting in advance, no later than six days before the General Meeting date. The deadline does not include the date of the received/filed registration; therefore, in practice this deadline covers seven days, i.e. December 2, 2020, at the latest.

The Company’s shareholder’s proxies, who also register to participate in the General Meeting no later than six days before the General Meeting date, not including the date of the registration received/filed by the Company (i.e. by December 2, 2020, at the latest), are entitled to attend the General Meeting and vote.

The shareholders can register using a registration form on the Company’s website at <https://www.ericsson.hr/en/for-investors>, by sending an e-mail to: pravni.poslovi@ericsson.com or sending it by post to the Company’s address.

The following documents shall be submitted to the Registration Commission:





1. a registration form if the shareholder registers in person;
2. a registration form and a Power of Attorney if the shareholder's proxy is the one who registers.

The Registration Commission shall send a registration document and a receipt for the submitted proposals to the shareholder or the shareholder's proxy to their e-mail or postal address.

In the registration period, the shareholders or their proxies may submit in writing notes and proposals regarding the proposed decisions by post or electronically at the e-mail address: pravni.poslovi@ericsson.com.

The shareholding capacity shall be verified by insight into files of the Central Depository & Clearing Company.

The identification required for registration shall be based on a personal identity document (personal identification card or passport). Materials for the General Meeting which serve to reach the announced decisions will be available to shareholders for insight, starting with the date of public announcement of the General Meeting, on the Company's website at <https://www.ericsson.hr/en/for-investors>, and at the Company's headquarters, from 10 to 12 a.m. on business days.

Registration of persons authorized for participation in the General Meeting shall start 30 minutes prior to the scheduled Meeting time, upon the presentation of registration documents.

The shareholder or the shareholder's proxy who did not register shall not be entitled to take an active part in the Meeting.

VOTE BY PROXY

The shareholder's proxy shall have a valid Power of Attorney, made on the form prepared by the Company, which can be found on the Company's website at <https://www.ericsson.hr/en/for-investors> or at the Company's headquarters from 10 to 12. a.m. on business days. Verification by a notary public is not required. The Power of Attorney shall clearly state who gave the Power of Attorney, to whom, including the name, family name and address of the individual to whom the Power of Attorney was issued to, for what purpose, as well as the authorization to the proxy to vote at the Meeting.

If the proxy represents a legal person, in addition to the Power of Attorney, the proxy shall enclose a document proving the authorization of the issuer of the Power of Attorney to represent the legal person in question (extract from the Court Register of Companies).

The proof on the appointment of a proxy (a scan of the signed power of attorney) may be submitted via e-mail to pravni.poslovi@ericsson.com, or delivered directly to the registry at the Company's headquarters.

Having in mind the valid recommendations regarding prevention of COVID-19 infection, we recommend that shareholders who are natural persons to agree to appoint one proxy to represent multiple shareholders at the Meeting.

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LISTING NEW ITEMS ON THE AGENDA

Should the shareholders who together own the twentieth part of the Company's share capital, after the Meeting is convened, request that an additional item be added to the agenda of the Meeting and disclosed, then any new agenda item should be accompanied by an explanation or a decision proposal.

The Company shall receive requests for listing items on the agenda at least 30 days prior to the General Meeting date. This period does not include the day the request is received at the Company. If the deadline is not observed, the proposed additional items of the Agenda shall be considered not duly announced and no decision on them can be made at the Meeting.

THE SHAREHOLDERS' COUNTER PROPOSALS

The Shareholders' counter proposals to a decision proposal submitted by the Managing Director and/or the Supervisory Board regarding an agenda item shall state their names and family names, explanation and possibly an opinion by the Managing Director. All this shall be available to legal persons stated in Article 281, sections 1 to 3 of the Companies Act under preconditions stated therein (credit or financial institutions and shareholders' associations, which at the preceding Meeting voted on behalf of shareholders or requested to be informed) if a shareholder had submitted such a counterproposal, at least 14 days prior to the Meeting date, to the address given below:

Ericsson Nikola Tesla d.d.
Krapinska 45, 10000 Zagreb

The date a counter proposal is received at the Company is not counted into the 14 days deadline. The counter proposal shall be available at the Company's website <https://www.ericsson.hr/en/for-investors>. Should the shareholder not exercise this right, this shall not result in losing the right to make a counter proposal at the Meeting. The above accordingly applies to the shareholders' proposals regarding the election of the Supervisory Board members or the appointment of the Company's Auditor. Such a proposal does not have to include an explanation. The Managing Director is not obliged to make such a proposal available to the shareholders, unless it contains information which must be disclosed with a proposal for the election of the Supervisory Board members and the appointment of the Auditor, as well as information on the memberships of candidates in other companies' supervisory or management boards in the country and abroad.

THE RIGHT TO INFORMATION ABOUT THE COMPANY'S BUSINESS PERFORMANCE

At the General Meeting, the Managing Director shall provide information about the Company's business performance to each shareholder at their request, in case this information is necessary to form an opinion about the agenda items. The obligation to provide information regards both legal and business relations with related parties. If the Company has acquired treasury shares throughout the year, the Managing Director shall state in the Company's Position Report the reasons for shares acquisition, the number and nominal value of the acquired shares, whether the shares have been acquired through payment collection and the price paid, treasury shares sold and those still held.

NO QUORUM / NEW ASSEMBLY

Should the Meeting not have a quorum (which is more than 50% of the stocks which represent the share capital for the General Meeting), the Managing Director shall, within the following 3 days, again send a notice to the shareholders of convening a new Meeting with the same agenda. The new Meeting shall be convened within 15 days after the originally convened Meeting, i.e. on December 24, 2020, at the latest. The decisions adopted at the new General Meeting shall be considered lawful, regardless of the number of represented shareholders.

Having in mind the presence of COVID-19, should the circumstances following the convocation of the General Meeting change and prevent its holding due to potential rapid spread of the virus among population, the Company's Management Board shall timely issue the decision on the cancellation of the Meeting.

The Company continues to monitor the situation and the related health and safety measures of the Civil Protection Headquarters of the Republic of Croatia. Health of the Company's shareholders, employees and service providers involved in event management of the General Meeting is our main priority.

For any additional information, please call 241-7002, 365-4168 or 365-3296.

Managing Director:

Gordana Kovačević, MSc, BEE



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