

**INVITATION TO THE GENERAL ASSEMBLY
OF GRANOLIO D.D.**

Pursuant to Article 277 of the Companies Act and Article 43 of Granolio d.d. Articles of Association, the Management Board, acting upon the Decision on convening the General Assembly of April 29, 2021, convenes

The General Assembly of Granolio d.d. Zagreb, Budmanijeva 5,

which will be held on June 16, 2021 at 11:00 hours at the DoubleTree by Hilton Hotel in Zagreb, Olive I Meeting Room, Ulica grada Vukovara 269a, Zagreb.

I.

The following Agenda is proposed for the General Assembly meeting:

A g e n d a :

1. Opening of the General Assembly, establishing the list of participants at the General Assembly,
2. Management Report on the status of the Company and affiliated companies for the year 2020,
3. Report of the Supervisory Board on the supervision of the Company's operations for the year 2020,
4. Consolidated financial statements for the year 2020 and Independent Auditor's Report by BDO Croatia d.o.o. on the audit of the Granolio Group for the year 2020,
5. Financial statements for the year 2020 and Independent Auditor's Report by BDO Croatia d.o.o. on audit of Granolio d.d.,
6. Resolution on the proposal for the distribution of the business year 2020 profit,
7. Approval of the Resolution on remuneration of the Management Board members for the 4 year period 2020. - 2023.
8. Resolution on grant of the clearance to the:
 - a. members of the Management Board
 - b. members of the Supervisory Board.
9. Resolution on the appointment of the auditor of the Company for the year 2021,

II.

Pursuant to Article 280 of the Companies Act, the Management Board and the Supervisory Board of the Company propose to the General Assembly to pass the following resolutions:

Ad 2) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The Management Report on the status of the Company and affiliated Companies for the year 2020 is hereby adopted.

Ad 3) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The Supervisory Board Report on the supervision of Company operations for the year 2020 with a proposal for the distribution of profit and results of the review of annual financial statements, and the Report on the status of the Company and affiliated companies for the year 2020 is hereby adopted.

Ad 4) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

Consolidated financial statements for the year 2020 and the Auditor's Report by BDO Croatia d.o.o. on the audit of the Granolio Group for the year 2020 are hereby acknowledged.

Ad 5) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

Financial statements for the year 2020 and the Auditor's Report by BDO Croatia d.o.o. on the audit of Granolio d.d. for the year 2020 are hereby acknowledged.

Ad 6) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The profit of the year 2020 in the amount of HRK 33.228.749,43 (after taxation) is distributed as follows:

- loss coverage in the amount of HRK 31.567.311,96 ,
- legal reserves in the amount of HRK 1.661.437,47

Ad 7) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n on the Policy of Remuneration of the Management Board members:

„The Policy of Remuneration of Members of the Management Board is approved in the wording attached to the Invitation for the **General Assembly of Granolio d.d.** as Attachment 1 and as shall be attached to the Minutes of the General Assembly also as Attachment 1.

Ad 8) The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

a) Work of members of the Management Board regarding the management of the Company's business for the business year 2020 **is approved** (a clearance is granted).

b) Work of members of the Supervisory Board regarding the supervision of the Company's business for the business year 2020 **is approved** (a clearance is granted).

Ad 9) The Company's Supervisory Board proposes to the General Assembly to pass the following r e s o l u t i o n :

BDO Croatia d.o.o., Trg J. F. Kennedyja 6/b, 10000 Zagreb, OIB:

76394522236 is appointed auditor of the Company for the year 2021.

III.

Shareholders of the Company are hereby invited to participate in the General Assembly convened as per Decision on convening the General Assembly.

Shareholders, i.e. their proxies, have voting rights and the right to participate in the General Assembly if they are registered with the Central Depository and Clearing Company as shareholders on the beginning of the 21st (twenty first) day before the General Assembly is held. (Article 48 of the Company's Articles of Association), and if they submit the application for participation at the General Assembly no later than 6 (six) days before the General Assembly meeting is held (Article 46 of the Company's Articles of Association).

The General Assembly cannot pass valid resolutions unless attended by shareholders representing 50% of shares carrying voting rights - a quorum (Article 53 of the Company's Articles of Association) while all resolutions under the proposed items of the Agenda are passed by a majority vote (Article 47 of the Company's Articles of Association). Each share with a nominal value of HRK 10.00 carries one vote in the Company's General Assembly (Article 47 of the Company's Articles of Association).

The application for participation (application form available on the Company website: <http://www.granolio.hr/hr/investitori/>) is submitted in writing, to the Company's Management Board at the Company's registered address.

Voting rights at the General Assembly may also be exercised by proxy. The Power of Attorney must be made in writing (form available on the Company website), it must be certified by a notary public and must explicitly grant the proxy the right to vote at the General Assembly. Unless already submitted, the Power of Attorney is to be submitted to the Company along with the application for participation at the General Assembly meeting prior to its commencement. The Power of Attorney is retained in the Company archives. A copy of the signed Power of Attorney may also be e-mailed to: granolio-pk@granolio.hr

Shareholders who are legal persons must along with the application and/or Power of Attorney submit also a copy or excerpt from the relevant register.

Annual financial statements, the Report on the state of the Company and affiliated companies for 2020, the Report of the Supervisory Board, proposal of the decision on distribution of profit and other written materials pertaining to individual items of the Agenda, as well as application form and power-of-attorney templates required for participation at the General Assembly meeting may be obtained on business days between 10 am and 12 pm at the Company's seat after the Invitation to the General Assembly is released. At their request, shareholders will receive copies of the said documents.

Shareholders who jointly hold at least a twentieth part of the Company's share capital may request that items be added to the General Assembly meeting Agenda, with the explanation and respective

resolution proposal. The Company has to receive the request at least 30 days prior to the General Assembly meeting. The day of receipt of the request is not included in the 30-day period.

The counterproposals to the proposals made by the Management Board and/or Supervisory Board, with the name and surname of the shareholders and the explanation, as well as proposals of the shareholders on the appointment of the auditors of the Company, must be received by the Company no later than 14 days prior to the General Assembly meeting. The day of receipt of the counterproposal is not included in the 14-day period. In case the shareholder does not exercise this right, this will not result in the loss of the right to file counterproposals at the General Assembly.

At the General Assembly, the Management Board is obliged to provide information about Company operations to any shareholder at their request if this is necessary for consideration of the items of the Agenda. This information may be withheld for reasons provided for by the Companies Act.

As of the date of convening the General Assembly, the Invitation to the General Assembly, documents of relevance to the General Assembly meeting, the total number of shares and voting rights at the time the General Assembly is convened as well as application form and power of attorney templates necessary for participation, will be available on the Company website (<http://www.granolio.hr/hr/investitori/>).

IV.

If the General Assembly to be held on June 16, 2021 fails to meet quorum requirements or cannot be held for any other reason, a new General Assembly meeting with the same agenda will be held on June 30, 2021 at the Company's premises in Zagreb, Budmanijeva 5, at 09:00 hours. The new General Assembly will be held regardless of the number of shareholders attending and the resolutions will be passed by a majority of votes cast.

GRANOLIO d.d.
President of the Management Board

Hrvoje Filipović



Pursuant to Art. 247a of the Companies Act (Official Gazette 111/1993, 34/1999, 121/1999, 52/2000, 118/2003, 107/2007, 146/2008, 137/2009, 111/2012, 125/2011, 68/2013, 110/2015, 40/2019), the Supervisory Board of Granolio dd, Budmanijeva 5, Zagreb, (hereinafter: the Company) proposes that the General Assembly of the Company, which will be held _____, 2021, approve the following:

**POLICY OF RECEIPTS OF MEMBERS OF THE MANAGEMENT BOARD OF THE
COMPANY
FOR A FOUR-YEAR PERIOD 2020 - 2023**

1. BASIC PROVISIONS

The remuneration policy of the members of the Management Board for the four-year period 2020-2023 (hereinafter: the Policy) aims to contribute to the business strategy, long-term interests of the Company and its shareholders, by ensuring transparent and sustainable remuneration of members of the Management Board.

In addition to the above, the Policy seeks to create conditions for attracting and retaining professional management staff that will, appreciating the overall receipts and work environment, contribute to sustainable growth and well-being of the Company, thus achieving strategic goals of the Company and its employees, for the benefit of shareholders. and society as a whole.

The term members of the Management Board in this Policy includes the President of the Management Board and members of the Management Board, unless explicitly stated otherwise.

2. CONTRACTS WITH MEMBERS OF THE MANAGEMENT BOARD

Employment contracts with members of the Management Board, in the name and on behalf of the Company, are concluded by the President of the Supervisory Board of the Company, based on the decision of the Supervisory Board. Members of the Management Board are employed by the Company for an indefinite period, and the contract terminates on the day of termination of membership in the Management Board, ie if a member of the Management Board is reappointed after the expiration of the term, the contract remains valid.

The competencies of the President of the Management Board and the members of the Management Board are determined by their agreements and the Rules of Procedure of the Management Board. Unless otherwise specified in the contract, a member of the Management Board has the same rights and obligations arising from employment as other employees of the Company.

The contract explicitly excludes the application of the provisions of the Labor Act in relation to the termination or termination of this Agreement, and the legal consequences of termination or termination of the contract, except for the provisions relating to severance pay.

A member of the Management Board may resign from the position of a member of the Management Board, and either contracting party may terminate the contract for any reason and without explanation with written notice, with a notice period of 30 days.

A member of the Management Board may be removed from office by the decision of the Supervisory Board of the Company in accordance with the law, the Articles of Association and other general acts of the Company, especially if it does not permanently achieve planned and expected results in all other cases. Society, and for other important reasons.

The dismissal of a member of the Management Board by the Supervisory Board of the Company is the basis for unilateral termination of the contract by the Company and for termination of employment of a member of the Management Board.

By the decision of the Company, a member of the Management Board must be offered a job at another position in the Company or a company related to it. In that case, the parties will re-regulate their mutual relations by an appropriate agreement.

Members of the Management Board are entitled to severance pay under the conditions and in the amount determined by the Labor Law.

3. RECEIPTS OF MANAGEMENT BOARD MEMBERS

Remuneration of members of the Management Board is determined by contract and is fixed.

To fulfill his obligations, a member of the Management Board is entitled to a basic monthly gross salary determined by the contract, and paid in the manner and within the deadlines set by the Rules of Procedure.

A member of the Management Board is insured at the expense of the Company with an insurance policy in case of death and disability, which insures all employees of the Company.

A member of the Management Board is not entitled to overtime pay, and salary compensation for annual leave, paid leave, sick leave, holidays, non-working days, and other similar benefits are paid to the member of the Management Board in accordance with the relevant general acts of the Company.

A member of the Management Board has the right to use cars for private and business purposes and the right to use the Company's mobile phone and IT equipment for business purposes.

A member of the Management Board is not entitled to variable remuneration nor is part of the remuneration given in the Company's shares.

The Company has no obligation to purchase additional pension service for a member of the Management Board, if he retires early after the termination of the contract with the Company.

No deferred payment of part of the receipts is envisaged.

4. MEASURES TO COMBAT CONFLICTS OF INTEREST

The rules that the members of the Management Board are obliged to follow in order to prevent conflicts of interest are determined by law, the Corporate Governance Code established by the Zagreb Stock Exchange d.d. and the Croatian Financial Services Supervisory Agency, the Rules of Procedure of the Management Board and individual Agreements of the members of the Management Board, and include, among other, the following:

- prohibition of voting on the decision of the Management Board related to concluding a contract, or undertaking any other legal business, based on which a member of the Management Board and / or a member of his immediate family or a related person would have any legal, material or other interest, directly or indirectly,
- Prohibition that, without the consent of the Supervisory Board of the Company, for its own or another's account a member of the Management Board performs activities that are part of the Company's business in other companies and organizations, be a founder or co-owner of the company, member of the

Management Board or supervisory board subject of the Company's business, and to perform activities for its own or someone else's account in the Company's premises.

5. POLICY MAKING, IMPLEMENTATION AND SUPERVISION

In the preparation of the Policy, the conditions of workers' benefits determined by the general acts of the Company were taken into account, as well as the conditions of work in the Company.

Employees of the Finance, Accounting and Controlling Sector and the Legal and Human Resources Department were involved in the development of this Policy and provided the necessary assistance to the Supervisory Board.

The Supervisory Board monitors the implementation of the Policy and examines the Report on Receipts from Art. 272.r of the Companies Act.

The Supervisory Board is authorized to temporarily deviate from the remuneration policy if it is necessary for the long-term well-being of the Company, especially in the case when it is required by the state of the Company and changes in market circumstances. The Supervisory Board submits a proposal for deviation from the Policy, stating the reasons and scope of the deviation, to the General Assembly for approval.

This Policy is submitted for approval to the General Assembly, in accordance with Art. 247a of the Companies Act and enters into force on the day of approval by the General Assembly of the Company.

Granolio d.d.
President of the Supervisory Board:

Franjo Filipović



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Granolio d.d.

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STATEMENT ON THE TOTAL NUMBER OF SHARES AND VOTING RIGHTS

GRANOLIO d.d. From Zagreb, Budmanijeva 5, OIB: 59064993527, states that at the time of General Assembly convocation, the Company's share capital is divided into 1,901,643 ordinary shares each of which gives the right to one vote.

Zagreb, April 29, 2021.

Hrvoje Filipović
President of the Management Board



MB: 1244272; OIB: 59064993527; IBAN HR6024020061100063532 Erste&Steiermarkische bank d.d. Rijeka, IBAN HR1423400091110416692 Privredna banka Zagreb, IBAN HR5123900011100014261 Hrvatska poštanska banka Zagreb; temeljni kapital: 19.016.430,00 kn uplaćen u cijelosti podijeljen na 1.901.643 redovnih dionica serije A nominalnog iznosa 10,00 kn; tvrtka je upisana u Trgovačkom sudu u Zagrebu, MBS: 080111595; predsjednik Uprave: Hrvoje Filipović, članovi Uprave: Vladimir Kalčić i Drago Šurina, predsjednik Nadzornog odbora: Franjo Filipović