

Pursuant to the provisions of the Articles of Association and Article 277 of the Companies Act, the Management Board of INSTITUT IGH, joint-stock company for civil engineering research and development (abbreviated company name: INSTITUT IGH, d.d.), with its registered office in Zagreb, Ulica Janka Rakuše 1, entered in the Court Register of the Commercial Court in Zagreb under registration number (MBS) 080000959, OIB 79766124714 (hereinafter: the “Company”), pursuant to its Decision on Convening the General Meeting dated 5 October 2026, hereby publishes the following

INVITATION

to the

EXTRAORDINARY GENERAL MEETING OF INSTITUT IGH, d.d.

The General Meeting of INSTITUT IGH, joint-stock company for civil engineering research and development (abbreviated company name: INSTITUT IGH, d.d.), with its registered office in Zagreb, Ulica Janka Rakuše 1, entered in the Court Register of the Commercial Court in Zagreb under registration number (MBS) 080000959, OIB 79766124714 (hereinafter: the “Company”), will be held on 13 November 2026 at 12:00 noon at the Company’s registered office, Janka Rakuše 1, Zagreb.

The General Meeting will have the following agenda:

1. Report of the Management Board on the reasons for the complete exclusion of the pre-emptive rights of existing shareholders in the subscription of shares;
2. Adoption of the Decision on a simplified reduction of the share capital to cover losses and a simultaneous increase of the share capital;
3. Adoption of the Decision on Amendments to the Articles of Association of INSTITUT IGH, d.d.
4. Adoption of the Decision on the sale of shares in ETZ, ekonomsko-tehnički zavod d.d.

The Management Board and the Supervisory Board of the Company jointly propose the adoption of the following Decisions:

Ad 1.

The Report of the Management Board on the reasons for the complete exclusion of the pre-emptive rights of existing shareholders in the subscription of new shares is adopted, reading as follows:

“The accumulated losses of the Company, as reported in the Company’s financial statements as at 31 December 2025, amount to EUR 11,584,026.54 (in words: eleven million five hundred eighty-four thousand twenty-six euros and fifty-four cents).

The Company’s share capital amounts to EUR 14,814,630.00 (in words: fourteen million eight hundred fourteen thousand six hundred thirty euros), which means that the Company’s accumulated losses exceed one half of the value of the Company’s share capital. Consequently, the Management Board and the Supervisory Board of the Company are required to take measures aimed at consolidating the Company, primarily by carrying out a simplified reduction of the share capital, as well as by aligning the share capital with the Company’s ability to duly settle its obligations.

Furthermore, taking into account the significant effects of developments in the local and international markets on the Company's operations, as well as developments in the financial markets, the Management Board and the Supervisory Board are of the opinion that, if possible, the Company should be consolidated by restructuring its existing debt. Since there have been no indications that the Company, in its current position and with its current parameters, would be attractive for direct equity investment, it is moreover entirely clear that the Company is unable to settle all of its currently existing obligations.

In this respect, the Management Board and the Supervisory Board approached the Company's majority creditor to enquire about its general interest in investing by converting its receivable into an equity interest. AVENUE MEHANIZACIJA d.o.o. za proizvodnju, trgovinu i usluge, with its registered office in Zagreb, Janka Rakuše 1, OIB 58611913496, responded to that invitation; its receivable from the Company amounts to EUR 2,305,611.00 (in words: two million three hundred five thousand six hundred eleven euros).

The Company is unable to repay the said receivable, either from its operations or by means of an alternative adequate loan, which, under the current circumstances, cannot be obtained.

The said creditor accepted the proposal of the Management Board and the Supervisory Board to exchange its receivable for a new equity interest, on the condition that the described increase of the share capital be preceded by a reduction of the share capital and by the complete exclusion, in its favour, of the pre-emptive rights of the Company's existing shareholders in the subscription of new shares. The Management Board considers that there is no other valid means of permanently ensuring the adequacy of the Company's capital, nor is the Company currently able to settle this receivable by payment.

Accordingly, the Management Board and the Supervisory Board consider that the adoption of a decision excluding the shareholders' pre-emptive rights in the subscription of shares in favour of the said creditor is necessary and unavoidable. They note that this will certainly increase the Company's capacity to meet its obligations and properly consolidate its operations, which is in the interests of all shareholders."

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

Ad 2.

The Decision on a simplified reduction of the share capital to cover losses, with a simultaneous increase of the share capital, is adopted in the following wording:

I.

The share capital of INSTITUT IGH, joint-stock company for civil engineering research and development (abbreviated company name: INSTITUT IGH, d.d.), with its registered office in Zagreb, Ulica Janka Rakuše 1, entered in the Court Register of the Commercial Court in Zagreb under registration number (MBS) 080000959, OIB 79766124714 (hereinafter: the "Company"), amounts to EUR 14,814,630.00 (in words: fourteen million eight hundred fourteen thousand six hundred thirty euros).

The Company's share capital is divided into 1,481,463 (in words: one million four hundred eighty-one thousand four hundred sixty-three) ordinary registered shares, each with a nominal value of EUR 10.00 (in words: ten euros), issued in dematerialised form as an electronic record in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb and bearing the designation IGH-R-A.

The Company's share capital has been paid in full.

II.

The accumulated losses of the Company, as reported in the Company's financial statements as at 31 December 2025, amount to EUR 11,584,026.54 (in words: eleven million five hundred eighty-four thousand twenty-six euros and fifty-four cents).

III.

By this Decision, a simplified reduction of the Company's share capital is carried out in order to cover part of the accumulated losses, by the amount of EUR 10,370,241.00 (in words: ten million three hundred seventy thousand two hundred forty-one euros).

IV.

The Company's share capital, in the amount of EUR 14,814,630.00 (in words: fourteen million eight hundred fourteen thousand six hundred thirty euros), is reduced by EUR 10,370,241.00 (in words: ten million three hundred seventy thousand two hundred forty-one euros), to EUR 4,444,389.00 (in words: four million four hundred forty-four thousand three hundred eighty-nine euros).

V.

The simplified reduction of the share capital referred to in item IV of this Decision shall be carried out by reducing the nominal value of the Company's shares, so that the nominal value of each Company share is reduced from EUR 10.00 (in words: ten euros) to EUR 3.00 (in words: three euros).

VI.

Following the simplified reduction, the Company's share capital amounts to EUR 4,444,389.00 (in words: four million four hundred forty-four thousand three hundred eighty-nine euros) and is divided into 1,481,463 (in words: one million four hundred eighty-one thousand four hundred sixty-three) ordinary registered shares, each with a nominal value of EUR 3.00 (in words: three euros), issued in dematerialised form as an electronic record in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb and bearing the designation IGH-R-A.

VII.

The Company's share capital, which after the simplified reduction referred to in item IV of this Decision amounts to EUR 4,444,389.00 (in words: four million four hundred forty-four thousand three hundred eighty-nine euros), is increased by EUR 2,305,611.00 (in words: two million three hundred five thousand six hundred eleven euros), to EUR 6,750,000.00 (in words: six million seven hundred fifty thousand euros).

VIII.

The share capital is increased by issuing a total of 768,537 (in words: seven hundred sixty-eight thousand five hundred thirty-seven) new ordinary registered shares of the Company, each with a nominal value of EUR 3.00 (in words: three euros), issued in dematerialised form as an electronic record in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb.

The aggregate nominal amount of the new shares referred to in the preceding paragraph is EUR 2,305,611.00 (in words: two million three hundred five thousand six hundred eleven euros).

The new shares issued pursuant to this Decision confer on their holders the same rights as the existing ordinary shares of the Company, including the right to participate in the distribution of the Company's profit for the 2026 financial year, and are issued at a price of EUR 3.00 (in words: three euros).

IX.

Pursuant to the previously adopted Report on the reasons for the complete exclusion of the pre-emptive rights of existing shareholders in the subscription of new shares, the pre-emptive rights of the Company's existing shareholders in the subscription of new shares are excluded in full, pursuant to Article 308(4) of the Companies Act, in favour of AVENUE MEHANIZACIJA d.o.o. za proizvodnju, trgovinu i usluge, with its registered office in Zagreb, Janka Rakuše 1, OIB 58611913496, for the subscription of a total of 768,537 (in words: seven hundred sixty-eight thousand five hundred thirty-seven) new shares.

X.

The share capital is increased by contributing a right (receivable) in exchange for interests in the share capital, in such a manner that AVENUE MEHANIZACIJA d.o.o. za proizvodnju, trgovinu i usluge, with its registered office in Zagreb, Janka Rakuše 1, OIB 58611913496, contributes its receivable from the Company in the amount of EUR 2,305,611.00 (in words: two million three hundred five thousand six hundred eleven euros) to the Company's share capital and converts it into a contribution in the amount of EUR 2,305,611.00 (in words: two million three hundred five thousand six hundred eleven euros), by subscribing for a total of 768,537 (in words: seven hundred sixty-eight thousand five hundred thirty-seven) new shares, representing 100% of the newly issued shares, or 34.16% of the total number of shares in the Company after the increase.

XI.

The new shares shall be subscribed for by means of a written statement (subscription form), the content of which is prescribed by Article 307 of the Companies Act, within 90 (in words: ninety) days from the entry into force of this Decision.

The company referred to in item IX of this Decision shall become the holder of the newly issued shares of the Company upon registration in the Company's share register maintained in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb, following registration of the increase of the share capital in the Court Register.

XII.

Following the simplified reduction and simultaneous increase, the Company's share capital amounts to EUR 6,750,000.00 (in words: six million seven hundred fifty thousand euros) and is divided into 2,250,000 (in words: two million two hundred fifty thousand) shares, each with a nominal value of EUR 3.00 (in words: three euros).

XIII.

In the procedure for increasing the share capital, and pursuant to Article 14(1)(3) of the Act on the Takeover of Joint-Stock Companies, AVENUE MEHANIZACIJA d.o.o. za proizvodnju, trgovinu i usluge, with its registered office in Zagreb, Janka Rakuše 1, OIB 58611913496, is approved to acquire 768,537 (in words: seven hundred sixty-eight thousand five hundred thirty-seven) ordinary shares, representing 34.16% of the Company's share capital after the increase, without the obligation to publish a takeover bid.

In the procedure for increasing the share capital, the Company shall issue shares without publishing a prospectus, pursuant to Article 351(1) of the Capital Market Act.

XIV.

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

The Management Board and the Supervisory Board of the Company are instructed to undertake all legal actions necessary to register this Decision in the Court Register of the Commercial Court in Zagreb and to make the corresponding entries in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb.

The share capital shall be deemed reduced and/or increased on the date on which the changes are registered in the Court Register of the Commercial Court in Zagreb.

All costs related to the adoption of this Decision and its registration in the Court Register shall be borne by the Company.

Ad 3.

The Decision on Amendments to the Articles of Association of INSTITUT IGH, d.d. is adopted in the following wording:

I.

Article 8 (eight) of the Articles of Association of INSTITUT IGH, joint-stock company for civil engineering research and development (abbreviated company name: INSTITUT IGH, d.d.), with its registered office in Zagreb, Ulica Janka Rakuše 1, entered in the Court Register of the Commercial Court in Zagreb under registration number (MBS) 080000959, OIB 79766124714, is amended to read as follows:

“1. The Company’s share capital amounts to EUR 6,750,000.00 (in words: six million seven hundred fifty thousand euros).

2. The share capital has been paid in full.”

II.

Article 9 (nine) of the Articles of Association of INSTITUT IGH, joint-stock company for civil engineering research and development (abbreviated company name: INSTITUT IGH, d.d.), with its registered office in Zagreb, Ulica Janka Rakuše 1, entered in the Court Register of the Commercial Court in Zagreb under registration number (MBS) 080000959, OIB 79766124714, is amended to read as follows:

“1. The Company’s share capital, amounting to EUR 6,750,000.00 (in words: six million seven hundred fifty thousand euros), is divided into 2,250,000 (in words: two million two hundred fifty thousand) shares, each with a nominal value of EUR 3.00 (in words: three euros).

2. The Company may issue shares in accordance with mandatory regulations and the provisions of these Articles of Association.”

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

Ad. 4.

The Decision on the sale of shares in ETZ, ekonomsko-tehnički zavod d.d., is adopted in the following wording:

The sale of 20,128 shares in ETZ, ekonomsko-tehnički zavod d.d., Osijek, representing 86.77% of the share capital of that company, to Avenue Mehanizacija d.o.o. for a purchase price of EUR 2,000,000.00 is approved, such price to be settled by set-off against Avenue Mehanizacija d.o.o.'s receivable from the Company in the same amount.

It is determined that the transaction is appropriate from the standpoint of the Company and shareholders who are not related parties, because the agreed price is higher than the fair value of the interest sold according to the independent valuation of TPA Audit d.o.o. dated 28 September 2026.

The Management Board is authorised to enter into a share purchase agreement and a set-off agreement and to carry out the prescribed disclosures.

The right to participate and vote at the General Meeting of the Company shall be held by shareholders entered in the Company's Share Register, maintained by Središnje klirinško depozitarno društvo d.d. Zagreb, no later than six days before the General Meeting, and who register their participation in the General Meeting with the Company no later than six days before the date of the General Meeting (i.e. no later than 6 November 2026).

At the General Meeting, a shareholder shall have the number of votes determined in accordance with the status of entries in the depository of Središnje klirinško depozitarno društvo d.d. Zagreb on the final day for registering participation in the General Meeting.

The application to participate in the General Meeting must be made in writing and must contain:

- a. for shareholders – natural persons: the shareholder's first and last name, residential address, personal identification number, account number with Središnje klirinško depozitarno društvo d.d. and the total number of shares held;
- b. for shareholders – legal entities: the shareholder's company name, registered office address, the company's personal identification number, account number with Središnje klirinško depozitarno društvo d.d. and the total number of shares held, as well as an extract from the court register or other appropriate register in which the legal entity is registered, showing that the application was signed by a person legally authorised to represent the legal entity;
- c. for proxies – natural persons: the proxy's first and last name, residential address, personal identification number, a list of the shareholders represented (stating, for each of them, the personal data specified under point a. or b., depending on whether the shareholder is a natural person or a legal entity), the account number opened with Središnje klirinško depozitarno društvo d.d. and the total number of shares of all represented shareholders, as well as the individual powers of attorney of the shareholders (certified in the prescribed manner); if a shareholder represented by the proxy is a legal entity, an extract from the court register or other appropriate register in which the legal entity is registered must also be submitted, showing that the power of attorney was signed by a person legally authorised to represent that legal entity;

- d. for proxies – legal entities: the proxy's company name, registered office address, personal identification number, an extract from the court register or other appropriate register in which the proxy – legal entity is registered, showing that the application was signed by a person legally authorised to represent that legal entity, a list of the shareholders represented (stating, for each of them, the personal data specified under point a. or b., depending on whether the shareholder is a natural person or a legal entity), the account number opened with Središnje klirinško depozitarno društvo d.d. and the total number of shares of all represented shareholders, as well as the individual powers of attorney of the shareholders (certified in the prescribed manner); if a shareholder represented by the proxy is a legal entity, an extract from the court register or other appropriate register in which the legal entity is registered must also be submitted, showing that the power of attorney was signed by a person legally authorised to represent that legal entity.

Shareholders may participate and vote at the General Meeting in person, through their legal representatives or through proxies, on the basis of a power of attorney certified by a notary public, which must be submitted no later than upon arrival at the General Meeting. Shareholders shall bear their own costs of participation in the General Meeting of the Company.

Shareholders whose aggregate holdings amount to one twentieth of the Company's share capital may request an addition to the agenda and request that such request be published. The request must contain a proposed resolution and an explanation, and must be received by the Company at least 30 days before the General Meeting; the day on which the Company receives the proposal shall not be included in that period.

Counterproposals by shareholders, stating the first and last name or, as applicable, the name of the shareholder, together with an explanation, may be submitted to the Company no later than 14 days before the General Meeting; the day on which the Company receives the counterproposal shall not be included in that period. If a shareholder does not exercise this right, this shall not result in the loss of the right to submit a counterproposal at the General Meeting.

If the convened General Meeting does not have the quorum required for the adoption of decisions stipulated by the Articles of Association, the next General Meeting shall be held on 13 November 2026 at 13:00 at the Company's registered office, Janka Rakuše 1, Zagreb, with the same agenda.

The materials forming the basis for discussion and adoption of the published decisions at the General Meeting of the Company, as well as the power of attorney form for representation of shareholders at the General Meeting, are available for inspection by shareholders at the Company's business premises in Zagreb, Janka Rakuše 1, on each business day from 9:00 to 14:00 from the date of publication of this invitation until the date of the General Meeting, and on the Company's website at www.igh.hr.

INSTITUT IGH, d.d.
Management Board