

ARTICLES OF INCORPORATION
JADRAN - GALENSKI LABORATORIJ dd
RIJEKA

Rijeka, March 2026

Pursuant to Article 275 of the Companies Act (Official Gazette, No 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24) and Article 26 of the Articles of Association of JADRAN – GALENSKI LABORATORIJ d.d., the Extraordinary General Assembly of JGL d.d., held on 17 March 2026, adopted these

**ARTICLES OF INCORPORATION
JADRAN – GALENSKI LABORATORIJ d.d.**

I/ INTRODUCTORY PROVISIONS

Article 1

(1) These Articles of Incorporation constitute the highest-ranking general act of the company of JADRAN - GALENSKI LABORATORIJ d.d. Rijeka.

(2) These Articles of Incorporation regulate the fundamental rules governing the legal status and organisation of the Company, as well as relationships between the Company and its shareholders.

II/ COMPANY NAME

Article 2

(1) The Company conducts its activities under the name: JADRAN – GALENSKI LABORATORIJ d.d.

(2) The abbreviated name of the company is: JGL d.d.

(3) Decisions on changes of the Company's name or its abbreviated name shall be made by the Company's Board of Directors.

Article 3

(1) In its activities, the Company uses a stamp or seal containing the Company name and registered seat.

(2) The Company has a trademark.

(3) The form, size, use, and safekeeping of the stamp, as well as the form of the trademark, shall be laid down by the Company's Board of Directors.

Article 4

(1) The Company's abbreviated name and logo are registered and protected with the competent trademark registers.

III/ REGISTERED SEAT

Article 5

(1) The registered seat of the Company is in RIJEKA.

(2) The business address of the Company is RIJEKA, Svilno 20.

(3) Decisions on changes of the business address of the Company within the registered seat of the Company shall be made by the Board of Directors.

IV/ OBJECTS OF THE COMPANY

Article 6

- (1) The Company performs the following activities:
- 24.42 Production of pharmaceutical preparations
 - 24.41 Production of basic pharmaceutical raw materials
 - 24.66 Production of other chemical products (not specified elsewhere)
 - 24.63 Manufacture of essential oils
 - 24.51 Production of soap and detergents, cleaning and polishing substances
 - 24.52 Production of perfumes, toiletries and cosmetic preparations
 - 15.86 Processing of tea and coffee
 - 22.11 Book publishing
 - 51 Wholesale and trade mediation except trade of motor vehicles and motorcycles
 - 52.1 Retail trade in non-specialised shops
 - 52.32 Retail of medical preparations and orthopedic products
 - 52.33 Retail of cosmetics and toiletry products
 - 52.43 Retail sale of footwear and leather goods
 - 52.48 Other retail trade in specialised shops

52.6 Retail trade outside shops
60.24 Road transport of goods (cargo)
63.12 Storage of goods
63.40 Activities of other agencies in transport
67.13 Ancillary activities in financial business activities (not specified elsewhere)

73.10 Research and experimental development in natural, technical and technological sciences

74.40 Promotion (advertising and propaganda)

- * Manufacture of galenic preparations
- * Purchase and processing of medicinal herbs
- * Analytical tests for other legal persons
- * Control and testing of medicinal substances, cosmetic substances and personal hygiene substances
- * Representation of foreign persons in foreign trade of goods and services
- * Sales of goods held in consignment storage and in duty-free shops
- * International freight forwarding, storage and agency services in transport
- * Manufacture and repair of wooden products
- * Production, trade and use of hazardous chemicals
- * Retail trade of medicinal products
- * Retail sale of medicinal products for which, when issuing a marketing authorisation, dispensing outside pharmacies has been approved
- * Maritime and coastal transport of goods
- * Maritime and coastal transport of passengers
- * Monitoring of side-effects of medications at a medication producer's facility (pharmacovigilance at a medication producer's)
- * Make-up and manicure services
- * Buying and selling goods and/or providing services in trade for the purpose of making a profit or other economic effect in the domestic or foreign market
- * Retail sale of clothing
- * Retail sale of souvenirs
- * Museum activity.

(2) The Company may also carry out other activities which are ancillary to the activities registered in the court register, provided that their scope is minor or that they are ordinarily carried out in connection with such activities.

(3) Pursuant to a decision of the Company's Board of Directors, the Company may establish and/or acquire new enterprises, branches, points of sale and representative offices in the country and abroad in accordance with its business needs.

Article 7

- (1) The Company may establish branches for the performance of its activities.
- (2) Branches shall be established by means of decisions rendered by the Board of Directors.

V/ DURATION OF THE COMPANY

Article 8

- (1) The Company has been established for an indefinite period of time.
- (2) The Company shall be terminated in a manner laid down by these Articles of Incorporation and the law.

VI/ PUBLICATION

Article 9

- (1) The Company shall publish Company information and communiques in the Official Gazette of the Republic of Croatia, on the Company's website and, where required by law, on the website of the court register of the Commercial Court in Rijeka.
- (2) The Board of Directors may render a decision to publish Company information and communiques in public media as well.

VII/ COMPANY'S SHARE CAPITAL

1. AMOUNT OF THE COMPANY'S SHARE CAPITAL

Article 10

- (1) The Company's share capital amounts to €16,865,524.00 (sixteen million eight hundred and sixty-five thousand five hundred and twenty-four euros).

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

VIII/ COMPANY SHARES

Article 11

(1) The Company's share capital has been divided in 1,297,348 (one million two hundred and ninety-seven thousand three hundred and forty-eight) ordinary registered shares, each with the nominal value of € 13.00 (thirteen euros), designated JDGL-R.A in the securities managed register maintained in dematerialised form by the Central Depository and Clearing Company.

(2) A portion of the shares referred to in paragraph 1 of this Article, namely 7,500 (seven thousand five hundred) shares, has been issued as founders' shares. Each founder share is designated as series "A" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(3) A portion of the shares referred to in paragraph 1 of this Article, namely 30,000 (thirty thousand) shares, has been issued by way of a private placement through an increase in the share capital using the Company's retained earnings and is designated as series "B" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(4) A portion of the shares referred to in paragraph 1 of this Article, namely 9,220 (nine thousand two hundred and twenty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "C" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(5) A portion of the shares referred to in paragraph 1 of this Article, namely 9,530 (nine thousand five hundred and thirty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "C" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(6) A portion of the shares referred to in paragraph 1 of this Article, namely 510 (five hundred and ten) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "D" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(7) A portion of the shares referred to in paragraph 1 of this Article, namely 1,550 (one thousand five hundred and fifty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "D" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(8) A portion of the shares referred to in paragraph 1 of this Article, namely 524,790 (five hundred and twenty-four thousand seven hundred and ninety) shares, has been issued by way of a private placement through an increase in the share capital using the Company's profit generated in 2012 and is designated as series "E" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(9) A portion of the shares referred to in paragraph 1 of this Article, namely 6,440 (six thousand four hundred and forty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "D" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(10) A portion of the shares referred to in paragraph 1 of this Article, namely 589,540 (five hundred and eighty-nine thousand five hundred and forty) shares, has been issued by way of a private placement through an increase in the share capital using the Company's profit generated in 2013 and is designated as series "F" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(11) A portion of the shares referred to in paragraph 1 of this Article, namely 5,640 (five thousand six hundred and forty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "G" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(12) A portion of the shares referred to in paragraph 1 of this Article, namely 7,830 (seven thousand eight hundred and thirty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "H" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(13) A portion of the shares referred to in paragraph 1 of this Article, namely 13,050 (thirteen thousand and fifty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "I" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(14) A portion of the shares referred to in paragraph 1 of this Article, namely 14,825 (fourteen thousand eight hundred and twenty-five) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "J" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(15) A portion of the shares referred to in paragraph 1 of this Article, namely 13,330 (thirteen thousand three hundred and thirty) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series "K" in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(16) A portion of the shares referred to in paragraph 1 of this Article, namely 21,270 (twenty-one thousand two hundred and seventy) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and

is designated as series “L” in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(17) A portion of the shares referred to in paragraph 1 of this Article, namely 21,104 (twenty-one thousand one hundred and four) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series “LJ” in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(18) A portion of the shares referred to in paragraph 1 of this Article, namely 21,219 (twenty-one thousand two hundred and nineteen) shares, has been issued by way of a private placement through an increase in the share capital (authorised capital) and is designated as series “M” in the Register of Shares maintained for the Company as an auxiliary record by Codex Sortium d.o.o.

(19) Each subsequent series of shares shall be designated by the next letter of the alphabet.

(20) The Company may issue registered shares, ordinary, and preferred shares, as well as non-voting preferred shares in accordance with the law and provisions of these Articles of Incorporation.

Article 12

(1) The Company’s Board of Directors may increase the Company’s share capital (authorised capital) up to the total amount of € 6,526,130.00 (six million five hundred and twenty-six thousand one hundred and thirty euros) within 5 (five) years following registration of the Amendments to the Articles of Incorporation adopted by the General Assembly of the Company on 12 June 2024 with the court register by issuing new shares by issuing new registered shares in a private issue against payment of an investment in cash.

(2) The Company’s Board of Directors is authorised to establish the rights arising from the shares and conditions of their issuing by deciding to issue new registered ordinary shares, with the nominal value of € 13.00 (thirteen euros) each, representing the amount aligned with the decision of the Company’s General Assembly of 31 March 2023 on alignment of the share capital and shares through a reduction of the share capital in compliance with provisions of Article 21 of the Amendments to the Companies Act (Official Gazette No 114/2022), as the amount to be paid for them – which may not be lower than the accounting value of one share according to the most recent published consolidated financial statement of JGL d.d. provided that the shares must confer the same rights and rank as all existing Company shares with all restrictions regarding encumbrances as laid down in the Articles of Incorporation.

(3) The Board of Directors of the Company may, by a resolution on the increase of the share capital, exclude pre-emption rights in respect of the subscription of these shares.

Article 13

- (1) Company shares are dematerialised securities which only exist in the form of an electronic record held on media of the Central Depository and Clearing Company.
- (2) The Central Depository and Clearing Company maintains the shareholder register.
- (3) The Company may continue to maintain the Shares Ledger as an auxiliary record maintained for the Company by Codex Sortium d.o.o.

Article 14

(1) Acquisition, change or termination of ownership and other rights concerning dematerialised securities shall be performed by means of appropriate data entries in electronic computer files of the Central Depository and Clearing Company in accordance with its Rules and instructions.

(1) Transfers of shares from old to new holders of shares, if the shares are transferred by means of legal transactions outside the stock exchange or another regulated securities market, shall be performed through a written contract signed by the parties participating in the transfer of shares and certified by a notary public.

Article 15

(1) Shareholders are required to notify the Central Depository and Clearing Company about every change of personal data regarding ownership positions and other changes which are unrelated to trading on regulated securities market in a timely manner and the entry shall be performed in accordance with the Rules and instructions of the Central Depository and Clearing Company.

Article 16

(1) The Company shall deem Company shareholders only those persons who have registered a Company share in an account maintained with the Central Depository and Clearing Company.

Article 17

(1) The Company's Board of Directors is authorised to suspend registration of changes to accounts of securities maintained with the Central Depository and Clearing Company within 7 (seven) days preceding a meeting of the Company's General Assembly until the first business day after the meeting of the General Assembly.

(2) Duration of the suspension of the registration shall be determined by a decision of the Company's Board of Directors and this period must be specified in the announcement of the General Assembly.

(3) As regards requests for registration of information in a securities account maintained with the Central Depository and Clearing Company submitted in the period of suspension of registration, they shall be deemed lodged with the Company on the first business day following the General Assembly meeting.

Article 18

(1) Pledging and otherwise encumbering shares is only permitted on the basis of prior written consent of the Company's Board of Directors.

(2) The consent for pledging or otherwise encumbering the shares shall be given or denied by the Board of Directors in writing at the latest within 2 (two) months following submission of a request for consent. If no decision is rendered within the above period regarding consent, it shall be deemed that the consent was withheld.

Article 19

(1) The Company may obtain (acquire) own shares in accordance with provisions of the law.

IX/ MANAGEMENT OF THE COMPANY

Article 20

(1) Voting rights shall be enjoyed in accordance with nominal values of the shares.

(2) Preferred shares do not confer the right to vote at the Company's General Assembly unless it is otherwise provided by the decision on issuing of the shares.

X/ ORGANISATION OF BUSINESS

Article 21

(1) The basic organisation structure and development strategy shall be determined by the Company's Board of Directors.

XI/ REPRESENTATION

Article 22

- (1) The Company is represented by executive directors.
- (2) The Chief Executive Officer represents the Company individually.
- (3) The executive directors represent the Company individually.
- (4) Upon appointing the Chief Executive Officer and the executive directors, the Board of Directors may resolve that the Chief Executive Officer shall represent the Company jointly with one or more executive directors, or that an executive director shall represent the Company jointly with the Chief Executive Officer.
- (5) The executive directors may grant powers of attorney to other persons within the limits of their authority.
- (6) In the Rules of Procedure concerning work of the executive directors, the Board of Directors shall specify which activities performed by the executive directors require consent of the Board of Directors.
- (7) In the course of management of business, the executive directors, the persons referred to in paragraph 5 of this Article and authorised signatories must comply with the restrictions laid down by the law, these Articles of Incorporation, decisions of the General Assembly and/or the Board of Directors and the Rules of Procedure governing the work of the executive directors.

Article 23

- (1) The executive directors may appoint one or more persons as authorised signatories with prior consent of the Board of Directors.
- (2) Authorised signatories shall be appointed in writing.
- (3) Any person who is of legal age and fully competent to conduct business may be appointed an authorised signatory regardless of the duty they discharge and work they perform.
- (4) An authorised signatory may conclude contracts and perform all legal transactions on behalf and for the account of the Company and represent it in proceedings before administrative, judicial and other State bodies.
- (5) An authorised signatory represents the Company individually within the scope of authority

prescribed by the Companies Act, unless the Board of Directors resolves that the executive directors shall appoint an authorised signatory to represent the Company jointly with the Chief Executive Officer or with one or more executive directors.

(6) Without a special authorisation by the Board of Directors, the authorised signatory may not dispose of or encumber Company's real property or make representations or undertake legal transactions instituting bankruptcy proceedings or other proceedings leading to termination of the Company or conclude contracts with the Company on his/her own behalf and for account of other persons or on behalf of other persons and for account of those other persons. An authorised signatory may not authorise other persons to conclude transactions.

(7) Appointment of an authorised signatory shall be terminated

- upon termination of the Company,
- upon revocation of the appointment,
- upon termination,
- upon death of the authorised signatory,
- if the authorised signatory becomes the sole member of the Company,
- upon loss of legal capacity of the authorised signatory to conduct business,
- upon institution of bankruptcy proceedings against the property of the authorised signatory or the Company,
- upon termination of the authorised signatory's employment if the appointment is related to the authorised signatory's employment,
- in other cases laid down by the law.

(8) Appointment of an authorised signatory may be revoked at any time regardless of the content of the contract or other legal transaction which is the basis of such an appointment. An appointment may be revoked by the executive directors with prior consent of the Board of Directors.

(9) Appointments and revocations of appointments of authorised signatories shall be recorded in the court register.

XII/ BODIES OF THE COMPANY

Article 24

(1) The Bodies of the Company are the Board of Directors, Executive Directors, and the General Assembly.

1. BOARD OF DIRECTORS OF THE COMPANY

Article 25

(1) The Company's Board of Directors shall consist of up to seven (7) members, who shall have the status of non-executive directors, except where a member of the Board of Directors has been appointed as an executive director or is an executive director appointed as a member of the Board of Directors.

(2) The majority of Board of Directors members must be non-executive directors.

Article 26

(1) The Company's Board of Directors

- Manages the Company;
- Determines entrepreneurial policy of the Company (entrepreneurial priorities) and objectives pursued through its implementation;
- Determines the sources of financing and the use of assets required to achieve those objectives;
- Takes perpetual care to achieve and maintain balance between the achievement of business objectives and the availability of resources;
- Gives instructions to the executive directors regarding their course of action in pursuit of the business objectives using assets available for the purpose and determines preparedness to undertake measures required when things get out of control;
- Ensures financial stability, sustainable development of the Company and business cost-effectiveness;
- Adopts business plans and decides on the development pipeline;
- Adopts decisions on the Company's borrowing and approves borrowings of related parties and entities establishing affiliated companies where such borrowings exceed the thresholds determined by the Board of Directors at the beginning of each financial year;
- Determines the framework for the Company's business activities and overall business policy;
- Supervises the management of Company's business and ensure the proper maintenance of business records;
- Submits a written report on performed supervision to the Company's General Assembly;
- Determines the Company's financial statements and consolidated financial statements;
- Submits the annual report on the Company's position, including the consolidated report, to the General Assembly;
- Convenes the General Assembly when necessary in the interest of the Company;
- Appoints a chair of the General Assembly;
- Appoints and removes the Company's executive directors;
- Represents the Company in its relations with the executive directors;
- Decides on the establishment and dissolution of companies, institutions, branches and representative offices;

- Adopts the Rules of Procedure of the Board of Directors;
- Adopts the Rules of Procedure governing the work of the executive directors;
- Appoints and removes members of its committees (including the Audit Committee and others), as well as members of the executive team and subcommittees of the Board of Directors;
- Prepares drafts of decisions on the appointment of members of the Board of Directors and the Company's auditors;
- Adopts decisions and general acts except where such matters fall within the competence of another body of the Company under the law or these Articles of Incorporation;
- Gives consent to decisions of the executive directors where required under the law or these Articles of Incorporation;
- Amends the Articles of Incorporation in line with resolutions of the General Assembly, to the extent
 - of editorial changes;
- Decides on the acquisition, disposal and encumbrance of real estate of the Company and its affiliated companies;
- Decides on the disposal and encumbrance of the Company's enterprise or a substantial portion thereof;
- Decides on the acquisition or disposal of stakes and/or shares in other companies;
- Decides on increases or reductions of share capital in affiliated companies;
- Decides on the appointment and removal of members of management boards and supervisory boards in affiliated companies, as well as directors and governing bodies of institutions;
- Decides on the acquisition or other disposal of founders' rights in institutions in which such rights are held by affiliated companies;
- Decides on the conclusion of licensing, out-licensing, and exclusive distribution and promotion agreements;
- Decides on the acquisition and disposal of brands;
- Gives prior consent to the appointment and removal of authorised signatories or holders of general power of attorney;
- Decides on the payment of interim dividends; and
- Performs other duties entrusted to the Board of Directors by law and these Articles of Incorporation.

Article 27

- (1) Any fully legally competent natural person may be elected a member of the Board of Directors.
- (2) A member of the Board of Directors may not be
- a person who, independently or jointly with others, pursues an activity that competes with the Company,
 - a person who is a member of a competing company or of its governing body, or who acts as an authorised signatory, employee or in any other capacity for such a company; or
 - a person who is disqualified from membership of the Board of Directors on the grounds prescribed by the law.

Article 28

(1) Members of the Board of Directors shall be elected by the General Assembly

by a majority of the votes cast at a meeting of the General Assembly, except one member who shall be appointed by the Company's employees in accordance with the procedure prescribed by the Employment Act.

(2) Members of the Board of Directors elected by the Company's General Assembly shall be, in principle, elected among the ranks of experts in the fields significant to operation of the Company.

(3) Members of the Board of Directors elected by the Company's General Assembly do not have to be employed by the Company.

(4) Shareholders who nominate a person for membership of the Board of Directors in the election of members of the Board of Directors by the General Assembly shall also submit a written declaration from the nominee confirming that they are willing to serve as a member of the Board of Directors and that there are no impediments to their appointment.

(5) A member of the Board of Directors appointed as an employee representative shall submit a declaration confirming that they accept the appointment and that there are no impediments to their appointment.

Article 29

(1) The term of office of a member of the Board of Directors shall be five (5) years, and they may be re-elected to the board.

(2) Unless the decision on election and/or appointment provides otherwise, the term of office of a member of the Board of Directors shall commence on the date of the relevant decision or, where applicable, on the date of acceptance of the appointment, irrespective of registration in the court register.

(3) Where a new member of the Board of Directors is appointed during the term of office of the Board, the term of office of such member shall expire upon the expiry of the term of the member whom they replace, unless the Board of Directors has resolved otherwise when making the proposal. This rule shall not apply to a member of the Board of Directors appointed as an employee representative.

Article 30

- (1) Members of the Board of Directors shall be nominated in the manner prescribed by law.
- (2) Shareholders who have at their disposal at least one tenth of the share capital also have the right to nominate members of the Board of Directors if they do so in the manner prescribed by law.
- (3) Parties authorised to submit a nomination are required to draw up a list containing all Board of Directors membership candidates who are standing for election. The General Assembly shall decide on the list as a whole. If multiple parties authorised to submit nominations submit multiple lists, the proposals shall be decided upon in the sequence

of their submission to the General Assembly. Members of the Board of Directors who receive a majority of the votes cast shall be deemed elected. If none of the lists receives the required majority of votes, the authorised proposer shall have the right to submit a new proposal, on which the General Assembly shall vote, provided that such proposal includes at least two (2) new candidates who were not included on the list that failed to receive the required majority.

- (4) If no decision is rendered following the second round of voting, the Board of Directors membership candidates shall be determined again and the vote shall be repeated as set out in this Article.
- (5) The authorised proposer shall, together with the proposal, submit a written declaration from the nominee who, where nominated for the first time, confirms that they are willing to serve as a member of the Company's Board of Directors if elected.

Article 31

- (1) The General Assembly may remove members or an individual member of the Board of Directors even before expiry of their term.
- (2) The decision to revoke a member or members of the Board of Directors requires a majority of at least three quarters (3/4) of the votes cast.
- (3) A member of the Board of Directors may be removed by the party that appointed them and replaced with another person. If the conditions for appointment of a member of the Board of Directors, as set out in these Articles of Incorporation, are no longer met, the General Assembly may remove the member by a simple majority of the votes cast.

Article 32

- (1) The president and members of the Board of Directors may resign.
- (2) Resignation shall be submitted to the Board of Directors in writing and shall take effect on the date of submission, unless otherwise specified therein. The resignation may be withdrawn only with the consent of the General Assembly.
- (3) The resignation of a member of the Board of Directors appointed by a specific party may be withdrawn only with the consent of that party.
- (4) No decision of the General Assembly shall be required for the termination of membership of the Board of Directors.

Article 33

- (1) At the constitutive meeting of the Board of Directors elected by the General Assembly, the members

of the Board of Directors shall, by a majority of all members and upon the proposal of at least one (1) member, elect from among themselves a President and at least one Vice-President.

- (2) The Board of Directors may remove the President and any Vice-President at any time during their term of office.
- (3) Persons who are also executive directors of the Company may not be elected as President or Vice President of the Board of Directors.
- (4) The term of office of the President and the Vice President of the Board of Directors shall be the same as the term of office of the Board of Directors.

Article 34

- (1) The Board of Directors shall render its decisions in meetings.
- (2) Each member of the Board of Directors has one (1) vote.
- (3) Decisions shall be rendered by a majority of votes of those present at the meeting of the Board of Directors unless these Articles of Incorporation provide otherwise; the meeting may be held if it is attended by at least four (4) members of the Board of Directors.
- (4) The Board of Directors may also render decisions without holding a meeting – within the framework of consultations among the members – if no Board of Directors member requests a meeting to be held. Such decisions must be verified at the first subsequent meeting of the Board of Directors.

(5) The manner and conditions for holding meetings of the Board of Directors and for adopting decisions at such meetings shall be governed by the Rules of Procedure of the Board of Directors.

Article 35

(1) The Board of Directors may appoint an Executive Team and subcommittees to prepare decisions to be adopted by the Board of Directors and to oversee their implementation.

(2) The authority to decide on matters within the competence of the Board of Directors may not be delegated to such committees.

Article 36

(1) The Board of Directors shall establish an Audit Committee consisting of up to seven (7) members.

(2) The members of the Audit Committee shall include members of the Board of Directors and such other persons as may be appointed by the Board of Directors from outside the Company.

(3) At least one member of the Audit Committee shall have knowledge and experience in the field of accounting and/or auditing.

(4) The Audit Committee shall assist the Board of Directors in carrying out its supervisory functions in relation to the Company's operations, in accordance with the legislation governing auditing. In its activities, the Audit Committee shall report regularly to the Board of Directors.

Article 37

(1) Members of the Board of Directors are entitled to remuneration for their work, consisting of a fixed monthly fee, the amount of which shall be determined annually by a decision of the General Assembly.

(2) The fixed monthly remuneration need not be the same for all members of the Board of Directors. It shall be determined having regard to the level of each member's engagement and responsibilities, including ongoing supervisory duties, reporting to other members of the Board of Directors and participation in committees.

(3) The General Assembly may, at its regular meetings, resolve to grant a special award to individual members of the Board of Directors in the event of exceptional performance in the operation and development of the Company.

(4) Members of the Board of Directors may also be granted the right to participate in the

Company's profits and to receive share options as part of their remuneration.

(5) The right to remuneration shall cease upon the expiry or termination of a member's term of office.

Article 38

(1) The consent of the Board of Directors shall be required for any contracts entered into between a member of the Board of Directors and the Company outside the scope of that member's duties as a member of the Board.

2. EXECUTIVE DIRECTORS OF THE COMPANY

Article 39

(1) The Board of Directors appoints up to five (5) executive directors.

(2) Among the ranks of the appointed executive directors, the Board of Directors appoints one Chief Executive Officer.

(3) Unless the decision on appointment provides otherwise, the term of office of the Chief Executive Officer and the executive directors shall commence on the date of the relevant decision, irrespective of registration in the court register.

(4) The Board of Directors may also appoint deputies to the executive directors.

(5) In individual decisions on the appointment of executive directors, the term "executive director" may also be used in the feminine form.

Article 40

(1) The executive directors

- represent the Company;
- manage the Company's operations at their own responsibility;
- propose the internal organisation of the Company,
- conclude management contracts, subject to the consent of the Board of Directors;
- propose the Company's strategy and business plans,
- prepare decisions and general acts falling within the competence of the General Assembly, except for proposals relating to the appointment of members of the Board of Directors, the chair of the General Assembly and the auditors;
- convene the General Assembly with the consent of the Board of Directors;
- implement decisions of the General Assembly and the Board of Directors;
- adopt acts and decisions in the course of the Company's business operations in accordance with applicable regulations;
- submit reports to the Board of Directors in accordance with the law;
- prepare the financial statements and submit them to the Board of Directors for approval;

- submit a proposal for the distribution of profit to the Board of Directors; and
- perform other duties in accordance with the law, other regulations, decisions of the Board of Directors and these Articles of Incorporation.

Article 41

(1) Any natural person with full legal capacity who meets the conditions set out in Article 27 of these Articles of Incorporation and the following requirements may be appointed as an executive director:

- education – a master’s degree (or equivalent);
- professional experience – at least five (5) years’ relevant experience;
- demonstrated organisational and managerial skills;
- proficiency in a foreign language (spoken and written).

Article 42

(1) Executive directors may be appointed as members of the Board of Directors.

(2) Executive directors who are not appointed members of the Board of Directors must comply with the requirements set out in Article 239 paragraph 2 of the Trading Companies Act.

Article 43

(1) The executive directors shall manage the Company’s operations jointly. In the event of a tie in decision-making, the Chief Executive Officer shall have the casting vote.

(2) The Rules of Procedure governing the work of the executive directors shall be adopted by the Board of Directors.

Article 44

(1) The executive directors and deputy executive directors shall be appointed for a period of up to five (5) years and may be re-appointed.

(2) The duration of the term of office of the executive directors and deputy executive directors shall be determined by means of a decision of the Board of Directors.

(3) The Board of Directors may remove executive directors at any time. That shall not affect any contract concluded between the executive directors and the Company, governing their other rights and obligations.

Article 45

(1) An executive director shall manage the Company’s affairs with the diligence of a reasonably prudent businessperson and shall at all times safeguard the Company’s trade secrets.

3. GENERAL ASSEMBLY OF THE COMPANY

Article 46

- (1) Shareholders shall exercise their rights in the Company at the General Assembly.
- (2) Members of the Board of Directors and the executive directors shall attend the General Assembly even if they are not shareholders.

Article 47

- (1) The General Assembly of the Company shall:
 - adopt the Articles of Incorporation and decide on amendments thereto;
 - adopt the Rules of Procedure of the Company's General Assembly;
 - appoint and remove members of the Board of Directors except for the employees' representative;
 - decide on the allocation of profits;
 - decide on the granting of discharge to the members of the Board of Directors and the executive directors;
 - appoint auditors and special auditors;
 - decide on increases and reductions of share capital;
 - decide on changes of the Company's status;
 - decide on the dissolution of the Company;
 - decide on all other matters in accordance with the law and these Articles of Incorporation.

Article 48

- (1) The Company's General Assembly shall meet at least once a year (the annual General Assembly).
- (2) The annual General Assembly shall be convened following the end of the financial year, taking into account the time limits prescribed by the laws of the Republic of Croatia for the adoption of financial statements.
- (3) An extraordinary General Assembly may be convened at any time where required by the interests of the Company.
- (4) The General Assembly shall be held at the Company's registered office unless the executive directors decide otherwise in a particular case.

Article 49

- (1) The General Assembly shall be convened by the executive directors in accordance with the Article of Incorporation and the law.
- (2) The Board of Directors is authorised to convene the General Assembly and shall convene it where required by the interests of the Company.
- (3) The General Assembly shall be convened if so requested in writing by shareholders holding, in aggregate, at least one-twentieth of the Company's share capital, provided that such request specifies the purpose and reasons for convening the General Assembly.

Article 50

- (1) Notice of the General Assembly shall be given at least thirty (30) days prior to the date of the meeting and shall be published in the Official Gazette of the Republic of Croatia. On the date of such publication, the notice shall also be published on the Company's website. The notice shall also be published on the website of the court register of the Commercial Court in Rijeka.
- (2) The agenda may be supplemented within ten (10) days of the publication of the notice.

Article 51

- (1) Shareholders who meet all the following conditions shall be entitled to participate in the General Assembly of the Company:
 - a) shareholders holding registered shares, provided that they are recorded in the register maintained by the Central Depository and Clearing Company at least ten days prior to the date of the General Assembly;
 - b) shareholders referred to in point (a), provided that they have notified the Company in writing of their intention to participate in the General Assembly at least six (6) days prior to the date of the meeting.

Article 52

- (1) At the General Assembly, shareholders may be represented by persons holding a valid authorisation.
- (2) A person shall be deemed authorised to represent a shareholder that is a legal person if such person is authorised by law or the constitutional documents of that legal person.
- (3) Shareholders may also be represented at the General Assembly by attorneys on the basis of a valid written power of attorney issued by the shareholder or, in the case of a legal person, by a person authorised to represent it. The signature on the power of attorney need not be notarised.
- (4) The written power of attorney shall contain:
 - a) the indication of the shareholder issuing the power of attorney and the person to whom it is

granted,

b) the total nominal value of the shares and the number of votes held by the shareholder, or an indication

that the power of attorney relates to all shares and corresponding voting rights in accordance with the

register maintained by the Central Depository and Clearing Company;

c) the authorisation of the attorney to act and vote on behalf of the shareholder at the Company's General Assembly.

(5) In addition to the power of attorney issued by the person authorised to represent a shareholder who is a legal person, an extract from the register should be enclosed to demonstrate the authority for representation by the person issuing the power of attorney on behalf of the shareholder.

(6) The extract from the register demonstrating which person is authorised to represent the legal person shall only be enclosed on the occasion of the first General Assembly where the attorney is representing the shareholder unless there is a subsequent change of the person authorised to represent the shareholder.

(7) Before commencement of the General Assembly, the representative shall present a valid power of attorney in accordance with this Article, which shall be retained by the Company.

Article 53

(1) The General Assembly may render valid decisions if shareholders, or their authorised attorneys, having one third of all votes at the General Assembly are present unless otherwise provided by law or these Articles of Incorporation in specific cases.

(2) If a quorum within the meaning of paragraph (1) of this Article is not present within sixty (60) minutes of the time specified in the notice as the start of the General Assembly, the General Assembly may proceed provided that the shareholders present and/or their authorised representatives hold shares representing more than twenty per cent (20%) of the Company's share capital. In such case, the General Assembly may decide only on matters not requiring a qualified majority.

(3) If, upon expiry of the period referred to in paragraph (2), a quorum is still not present, or if a decision requiring a

qualified majority is to be adopted, the President of the General Assembly shall adjourn the meeting. A new meeting with the same agenda shall be held on the date specified by the convenor in the notice of the General Assembly, provided that such date falls no earlier than fifteen (15) days and no later than thirty (30) days from the date of the originally convened General Assembly. The reconvened General Assembly shall be held irrespective of the number of shareholders present or the value of their shares, and decisions shall be adopted by a majority of the votes represented at the meeting, including in cases where a qualified majority is otherwise required under these Articles of Incorporation.

Article 54

(1) The General Assembly shall be presided over by the President of the General Assembly, who shall be designated by the Board of Directors for each meeting of the General Assembly prior to its commencement, from among its members or from among the Company's shareholders.

(2) The President of the General Assembly shall:

a) preside over the meetings of the General Assembly, determines the order of discussion of items

on the agenda, decide on the sequence and method of voting on individual proposals and decisions, and rule on all procedural matters not governed by law or these Articles of Incorporation;

b) sign the minutes and decisions of the General Assembly;

c) communicate with other bodies of the Company and with third parties on behalf of the General Assembly where provided by law or these Articles of Incorporation;

d) perform other duties as may be assigned under the law and these Articles of Incorporation.

(3) Before proceeding to the agenda, the President of the General Assembly, or the person chairing the meeting, shall verify whether the shareholders' authorised representatives hold valid powers of attorney in accordance with these Articles of Incorporation and whether a quorum is present.

Article 55

(1) At the General Assembly, decisions are adopted by a majority of the votes cast (simple majority).

(2) Decisions are adopted by a qualified majority (three-quarters) of the share capital represented at the General Assembly at the time the decision is adopted where specifically prescribed by the law or the Company's Articles of Incorporation.

(3) The following decisions are adopted by a qualified majority:

- decision on increases and reductions of share capital;
- decision on changes to the Company's status;
- decision on the dissolution of the Company;
- decision on the adoption or amendment of the Articles of Incorporation;
- decision on the adoption or amendment of the Rules of Procedure of the General Assembly.

Article 56

(1) Voting at the General Assembly shall be by open ballot unless the General Assembly decides otherwise by a majority of the votes cast in a particular case.

Article 57

(1) Each shareholder shall bear the costs of their participation in meetings of the General Assembly, while the Company shall bear the costs of convening and holding the General Assembly.

XIII/ BUSINESS RECORDS AND PROFIT

1. BUSINESS RECORDS

Article 58

(1) The Board of Directors shall ensure that the Company's business records are maintained in accordance with the law.

(2) The Company shall keep its business documentation in the manner prescribed by law.

(3) The executive directors shall prepare the financial statements and the management report on the Company's operations and financial position on the basis of the business records and shall submit them to the Board of Directors, together with a proposal for the allocation of profit, no later than the end of the first quarter of the current year.

(4) The annual financial statements, the report of the Board of Directors on the Company's position, and the Board of Directors' proposal for the allocation of profit shall be made available to shareholders on the Company's website immediately upon publication of the notice convening the General Assembly.

2. PROFIT AND DIVIDEND

Article 59

(1) The Company's profit for each financial year shall be determined in the manner prescribed by law. The financial year shall coincide with the calendar year.

(2) The Company's Board of Directors is authorised to pay an interim dividend to shareholder out of the expected net profit in the current financial year.

(3) The Company shall bear the cost of payment of dividends in the official currency of the Republic of Croatia.

(4) The General Assembly may decide to distribute dividends in kind (non-cash dividends).

Article 60

(1) The General Assembly of the Company, and the Board of Directors where they have jointly established the income statement prior to its submission to the General Assembly, shall be authorised to allocate an amount from the profit for the current financial year to other reserves.

(2) Upon the proposal of the Board of Directors, the General Assembly may decide to allocate more than one-half of the profit for the current financial year to other reserves, provided that the financial statements have been established prior to their submission to the General Assembly.

(3) The General Assembly may also decide to use the profit for other purposes and not to distribute it to the shareholders.

Article 61

(1) The distribution of profit shall be determined on a per-share basis and not in proportion to the nominal value of the shares.

XIV/ TRADE SECRETS

Article 62

(1) Documents and information relating to the Company's operations or the work of its employees, the disclosure of which to unauthorised persons would be contrary to the Company's interests, shall constitute trade secrets.

(2) The following shall, in particular, be deemed trade secrets: documents and information relating to business methods and commercial practices, relationships with business partners and users of the Company's services, and the remuneration of individual employees.

(3) Documents and information designated as trade secrets by the Board of Directors, or disclosed to the Company as confidential by a competent body, as well as offers and tender submissions until the publication of the results of the tender procedure, and technical and technological documentation relating to know-how, shall be deemed trade secrets.

Article 63

(1) Shareholders, members of the Company's bodies and employees who become aware of contents of documents or information constituting trade secrets of the Company shall be required to maintain their confidentiality.

Any breach of the above duty shall give rise to liability of those persons for any damage suffered by the Company as a result of the disclosure of a trade secret.

(2) The obligation to maintain the confidentiality of trade secrets shall continue to apply even after such persons cease to hold the position giving rise to that obligation.

(3) The Company's Board of Directors shall adopt a separate act specifying the information deemed to constitute trade secrets, the manner of their protection, and other matters relevant to safeguarding the confidentiality of information within the Company.

XV/ TRANSITIONAL AND FINAL PROVISIONS

Article 64

(1) These Articles of Incorporation shall enter into force on the date of their registration in the court register.

(2) Upon the entry into force of these Articles of Incorporation, the Articles of Incorporation of the Company dated 24 June 2014, which entered into force on 31 December 2014, together with all amendments thereto, shall cease to have effect.

Article 65

(1) The competent bodies of the Company shall align the existing general acts with the provisions of these Articles of Incorporation within six (6) months of their entry into force, where deemed necessary.

Article 66

(1) The text of the Articles of Incorporation duly adopted by the General Assembly of the Company and signed by the President of the General Assembly, with all pages initialled by the President of the General Assembly, shall be deemed the original of the Articles of Incorporation.

(2) The original of the Articles of Incorporation and any amendments thereto shall be kept bound in a special register.

Article 67

(1) The Board of Directors of the Company shall be responsible for the safekeeping of the Articles of Incorporation and shall, upon a request, allow any shareholder to inspect them or provide a transcript or copy of thereof at the shareholder's expense.

Article 68

(1) By signing the Articles of Incorporation, the President of the General Assembly of the Company certifies that they have been adopted in accordance with the prescribed procedure and in the wording signed. The same shall apply to any amendments to the Articles of Incorporation.

(2) Each holder of shares in the Company shall be deemed to have accepted these Articles of Incorporation in full.

PRESIDENT OF THE GENERAL ASSEMBLY:

GROZDANA BOŽIĆ, LLB