

KONČAR Inc.

Fallerovo šetalište 22, 10000 Zagreb

Security: KOEI-R-A

ISIN: HRKOEIRA0009

LEI: 74780000H0SHMRAW0I15

Home Member State: Croatia

Regulated Market Segment: Official Market of the Zagreb Stock Exchange

Zagreb, 19 May 2026

## **SUBJECT: Counterproposal to the Proposed Decision of the General Assembly**

Pursuant to Article 282 of the Companies Act, KONČAR Inc. hereby publishes the counterproposal submitted by the shareholder Croatia osiguranje d.d., Zagreb, Vatroslava Jagića 33, PIN (OIB): 26187994862, to the proposed decision under item 5 of the agenda of the General Assembly of KONČAR Inc., convened for 12 June 2026 at 12:00 noon in Zagreb, Fallerovo šetalište 22, at the KONČAR Inc. business tower, 11th floor.

The counterproposal is attached to this notice.

KONČAR Inc.



**CROATIA<sup>®</sup>  
OSIGURANJE**

CROATIA osiguranje d.d.  
Vatroslava Jagića 33, 10 000 Zagreb  
www.crosig.hr



Zagreb, 18 May 2026

KONČAR – Elektroindustrija Inc. for manufacturing and services,

Fallerovo šetalište 22,

10 000 Zagreb

Attn: Management Board of the Company

**Subject: Shareholder's counterproposal to item 5 of the Invitation to the General Assembly of KONČAR – Elektroindustrija Inc. for manufacturing and services – Adoption of the Decision on the allocation of available profit for 2025.**

Dear Sirs/Madams,

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33, PIN (OIB): 26187994862, as a shareholder of KONČAR – Elektroindustrija Inc. for manufacturing and services, Zagreb, Fallerovo šetalište 22, PIN (OIB): 45050126417, pursuant to the provision of Article 282 paragraph 1 of the Companies Act (Official Gazette Nos. 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 152/11, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23, 136/24, hereinafter: the "Companies Act"), hereby submits, enclosed with this letter, a counterproposal to the decision proposed under item 5 of the agenda of the General Assembly of KONČAR – Elektroindustrija Inc., convened for 12 June 2026, concerning the adoption of the decision on the allocation of available profit for 2025, together with the reasoning for the counterproposal.

Member of the Management Board

President of the Management Board

Luka Babić

Davor Tomašković

Zagreb, 18 May 2026

**KONČAR – Elektroindustrija Inc. for manufacturing  
and services**

**Fallerovo šetalište 22**

**Zagreb 10000**

**Subject:** Counterproposal to the proposed decision under item Ad 5 of the agenda (Decision on the allocation of available profit for 2025) of the General Assembly of KONČAR – Elektroindustrija Inc. for manufacturing and services convened for 12 June 2026

Dear Sirs/Madams,

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33, PIN (OIB): 26187994862 (hereinafter: the Applicant / Shareholder of the Company), is the holder of 8,399 ordinary shares with voting rights in KONČAR – Elektroindustrija Inc. for manufacturing and services, Zagreb, Fallerovo šetalište 22, PIN (OIB): 45050126417 (hereinafter: the Company / Issuer), which shares represent 0.33% of the total number of issued ordinary shares of the Company, and which shares are registered with the CENTRAL DEPOSITORY & CLEARING COMPANY Inc. from Zagreb (hereinafter: CDCC Inc.), in dematerialised form under the security ticker KOEI-R-A and ISIN HRKOEIRA0009.

Pursuant to the provision of Article 282 of the Companies Act (Official Gazette Nos. 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, 136/24) (hereinafter: the Companies Act), the Shareholder of the Company **submits a counterproposal** to the proposed decision under item Ad 5 of the agenda of the General Assembly of the Company convened for 12 June 2026 at 12:00 hours at the registered office of the Company in Zagreb, Fallerovo šetalište 22, in the KONČAR Inc. business tower, 11th floor, for which the Invitation to shareholders was published on 4 May 2026 on the websites of the Company and the Zagreb Stock Exchange d.d.

#### **I) Counterproposal to the proposed decision of the General Assembly**

The Applicant submits the following counterproposal to the proposed decision under item Ad 5 of the agenda of the General Assembly of the Company, whereby the same is amended to read as follows:

##### **Ad 5) Decision on the allocation of available profit for 2025**

“Pursuant to the provision of Article 220 of the Companies Act and the provision of Article 11 of the Articles of Association of KONČAR – Elektroindustrija Inc. for manufacturing and services, the General Assembly of the Company, on 12 June 2026, adopts the following:

##### **Decision on the allocation of available profit for 2025**

- I. The net profit of KONČAR Inc. realised in the financial year 2025 amounts to EUR 80,142,080.29.
- II. A dividend in the amount of EUR 6.23 per share shall be paid to the shareholders from the available profit.

- III. The dividend shall be paid to those shareholders who are registered in the register of dematerialised securities with CDCC Inc. as holders of rights attached to the shares on the 14th (fourteenth) day following the date of the General Assembly, and therefore 26 June 2026 shall be the date of acquisition of the claim for the dividend payment (record date).
- IV. The dividend payment shall be made no later than within 14 (fourteen) days from the date of acquisition of the claim for the dividend payment (record date), i.e. by 10 July 2026.
- V. The remaining part of the available profit shall be allocated to retained earnings.”

### **Reasoning**

The Applicant considers that the proposed decision under item 5 of the agenda, as set out in the Invitation to the General Assembly of the Company, does not provide a reasonable return of value to the existing shareholders, particularly taking into account the current financial position of the Company. Since the Company is characterized by a strong balance sheet and a positive result from operating activities, it may be concluded that the financial position of the Company is highly favorable.

Considering that the Company has a sufficient level of highly liquid assets, the Applicant considers that any payment of the proposed dividend cannot adversely affect the business stability of the company, and that the remaining level of liquid assets will be more than sufficient to cover future needs for the normal functioning of the business and the achievement of development plans.

In accordance with the foregoing, it is proposed that the Chairperson of the General Assembly submit this counterproposal to the shareholders for voting before deciding on the Company's proposed decision, that the General Assembly adopt the counterproposal, and that the Company publish it in the prescribed manner.

CROATIA osiguranje d.d.

Luka Babić,

Member of the Management Board

Davor Tomašković,

President of the Management Board