

URED UPRAVE

ZAGREB STOCK EXCHANGE
CROATIAN FINANCIAL SERVICES
SUPERVISORY AGENCY

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Kod Trgovačkog suda u Rijeci

Rijeka, May 11, 2023.

SUBJECT: Opinion of the Management Board on the Takeover Offer of Luka Rijeka d.d. by the company Port Acquisitions a.s.

In accordance with the provisions of Article 41 of the Act on the takeover of joint stock companies, we are attaching the Opinion of the Management Board of Luka Rijeka d.d. on the offer to take over the company Luka Rijeka d.d., by the joint-stock company Port Acquisitions a.s.

With respect,

LUKA RIJEKA d.d.

Maja Trtanj, head of the Management Board office

LUKA RIJEKA d.d.
Rijeka, Riva 1

In attachment:

1. The opinion of the Management Board of the target company on the takeover offer
2. The opinion of the employee representative of the target company on the takeover offer

CO: Archives

In accordance with the provisions of Article 41 of the Act on takeover of joint stock companies (Official Gazette No. 109/07, 36/09, 108/12, 90/13, 99/13, 148/13, hereinafter: "the Act"), the Company's Management Board of the Port of Rijeka joint-stock company for services in maritime transport, port services, goods storage and forwarding, with its headquarters in Rijeka, Riva 1, OIB: 92590920313, MBS: 04014166, (hereinafter: "Target Company") adopted on May 5 in 2023 the following:

**OPINION OF THE MANAGEMENT BOARD ON THE TAKEOVER OFFER OF THE
COMPANY LUKA RIJEKA D.D. PUBLISHED BY THE JOINT STOCK COMPANY
PORT ACQUISITIONS A.S.**

On May 3, 2023, the joint-stock company Port Acquisitions a.s., established under the law of the Czech Republic, with its registered office in Prague, Sokolovska 675/9, Karlín, Czech Republic, OIB: 97458610786, LEI: 894500NZ5TF4X9UC1G49, (hereinafter referred to as the "Offeror"), in accordance with the provisions of Articles 9 and 24 of the Law, published a Takeover Offer to the remaining shareholders of the Target Company, which was published on the website of the Zagreb Stock Exchange d.d. on May 3, 2023, and in the Official Gazette, No. 47 of May 3, 2023, and was previously approved by the Decision of the Croatian Financial Services Supervisory Agency dated April 28, 2023. CLASS: UP/I 996-02 /23-02/02 NUMBER: 326-01-60-62-23-9. (hereinafter: "Offer for takeover").

The obligation to publish the Takeover Offer was created for the Offeror in accordance with Article 9, Paragraph 1 of the Law, on March 14, 2023, by the conclusion of a share purchase agreement between the Offeror, as a buyer, and the company OT Logistics S.A., Poland, Zbozowa 4, 70-653, Szczecin and Fundusz Ekspansji Zagranicznej Fundusz Inwestycyjny Zamkniety Aktywow Niepublicznych, managed by PFR Towarzystwo Funduszy Inwestycyjnych Spolka Akcyjna, Poland, Warszawa, Krucza 50, as the seller. With the aforementioned contracts, the Offeror acquired a total of 4.546.657 registered shares of the Target Company, which represents a 33.73% share in the share capital of the Target Company and gives 33.73% of the shares of the Target Company that give the right to vote at the Target Company's General Assembly.

Having considered the text of the Takeover Offer published by the Offeror, the Management Board of the Target Company, in accordance with the Law, expresses the following opinion on the Takeover Offer:

1. Opinion on the type and amount of compensation offered

The price for the purchase of shares that the Offeror undertakes to pay is EUR 8.40 (eight euros and forty cents) for each share of the Target Company that is the subject of the Takeover Offer.

Taking into account the confirmation of the Zagreb Stock Exchange d.d. from March 16, 2023, on the average share price of the Target Company in the period from December 13, 2022 to March 13, 2023, i.e. in the quarter preceding the occurrence of the Offeror's obligation to publish the Offer to take over the Target Company, which is called by the Offeror in the Offer, the Target Company's ordinary shares were traded on 77.5% of trading days, and the average price of the Target Company in the specified period was EUR 8.40 / HRK 63.31. From the end of December 2022 until March 13, 2023, the highest price at which the shares of the Target Company were purchased was EUR 10.80, while the lowest was EUR 7.70, from which it can be concluded that there were no significant jumps falls or rises in the trading price of the shares in question.

The Management Board of the Target Company does not have the opinion of an independent financial advisor or auditor on the assessment of the fair value of the share or on the assessment in relation to the compensation offered in the Takeover Offer.

As a result of all the above, considering the current market price and the nominal amount of one share, which is EUR 5.31 (HRK 40.00), the Management Board of the Target Company considers that the offered compensation in the amount of EUR 8.40 per share of the Target Company is appropriate, and reflects the fair value of the Target Company's share.

The Management Board of the Target Company notes that the Management Board's opinion on the type and amount of the offered compensation is not presented and in any case cannot be considered as investment or other advice to the shareholders of the Target Company in terms of acceptance or non-acceptance of the Takeover Offer.

2. Opinion on the intention of the Offeror regarding the future operations of the Target Company

The Management Board of the Target Company believes that the Offeror's statement that it expects the most significant growth in container traffic and that minimum growth of 10-15% per year is not explained, and it is not clear from the Offer where such expectations of the Offeror come from. Namely, the Target Company is not the holder of the concession (concessionaire) of the container terminal, and the eventual growth of container traffic could produce an effect on the Target Company only in relation to the increase in container-depot traffic. However, it is a completely lump sum assessment.

At the same time, the Offeror foresees an "increase in port capacity from approx. 10 million tons of dry cargo to approx. 20 million tons", noting that it is based on "large investments in the development of the port, planned until the expiry of the Concession Agreement (2042), i.e. on already accepted investment plans which the Target Company is obliged to carry out in accordance with the Concession Agreement contract, but without any explanation about the mentioned data, i.e. the planned large investments in the development of the port, and without presenting a plan that could lead to the realization of the allegedly planned increase.

From the content of the said Offer, it follows that the Offer is based solely on the assumption of the construction of a lowland railway (the construction of which neither the Offeror nor the Target Company can influence in any way). Therefore, the main condition for increasing port capacity is the construction of a lowland railway, which is not even close to the beginning. Therefore, the allegedly planned capacity increase of up to 60 million tons of cargo by the end of the Concession Agreement is unfounded.

Also, the Offeror states that the aforementioned increase in port capacity will be carried out through planned investments, however, without specifying them and defining any specific amounts or ways in which the investments would be implemented. Given that it does not contain indications of possible monetary investments and future investment plans, it is not clear how and when the Offeror intends to invest in the Target Company, immediately or until the expiration of the concession contract (investment dynamics unknown).

The Management Board of the Target Company considers that the knowledge that the Offeror allegedly has regarding port management does not represent technological (expert) knowledge and

experience ("know-how") for the implementation of already adopted business plans of the Target Company.

3. Opinion on the Offeror's strategic plans in relation to the Target Company and the possible consequences of those plans on the employment policy and equal status of the Target Company's workers, as well as possible changes related to the places where the Target Company performs its activities

Apart from the general statements in point (i) of Article XV., the Offeror did not state in the Offer, nor did it explain its opinion on the strategic plans of the Offeror in relation to the Target Company and the possible consequences of those plans on the employment policy and equal status of the workers of the Target Company, as well as possible changes related to the places where the Target Company performs its activities.

Although the Offer states that the Takeover Offer will not have a significant impact on the labor-legal status of the employees of the Target Company or on the labor-legal status of the Offeror's employees, it is unclear how the Offeror plans to fulfill the above given that according to the content of the Offer, it is planned to introduce a new management model for the company Luka Rijeka d.d. which also includes certain changes in the systematization of the Target Company's jobs.

4. Statements of the Management Board of the Target Company on their intention to accept or reject the takeover offer

The President of the Management Board, DUŠKO GRABOVAC, is not the owner of the shares and does not intend to accept the Takeover Offer.

Member of the Management Board MARINA CESARAC DORČIĆ is not the owner of the shares and does not intend to accept the Takeover Offer.

5. Statement of the Management Board of the Target Company on the existence of their agreement with the Offeror in connection with the Takeover Offer

There is no agreement between the Management Board of the Target Company and the Offeror regarding the Takeover Offer. No monetary or non-monetary benefits or other benefits related to the Takeover Offer were given or made possible to the members of the Company's Management Board.

Before the publication of this Opinion, the Management Board of the Target Company presented this opinion to the representatives of the employees of the Target Company within the time limit stipulated by Article 41, Paragraph 2 of the Law.

The Management Board of the Target Company received, within the legal term stipulated in Article 41, Paragraph 3 of the Law, the opinion of the representatives of the employees of the Target Company on the Takeover Offer, and it is attached to this Management Board Opinion on the Takeover Offer.

In accordance with Article 41, Paragraph 5 of the Law, this Opinion of the Management Board of the Target Company on the Takeover Offer of Luka Rijeka d.d. will be submitted to all institutions prescribed by law, the Croatian Financial Services Supervision Agency and the Zagreb Stock Exchange d.d. and it will be published in the Official Gazette.

Rijeka, May 5, 2023

LUKA RIJEKA d.d.

Duško Grabovac, President of the Management Board

Marina Cesarac Dorčić, member of the Management Board

Attachment: Opinion of the employee representative of the Target Company on the Takeover Offer



WORKERS' COUNCIL

Rijeka, May 9, 2023.

- **Employee representative in the Supervisory Board of Luka Rijeka d.d.**
- **President of the Workers' Council**

LUKA RIJEKA d.d.
Management Board of the Company

Subject: Opinion of the employee representative of Luka Rijeka d.d. about Offer to take over the company Luka Rijeka d.d.

On May 8, 2023, the Management Board of the company Luka Rijeka d.d. (hereinafter referred to as the "Company") submitted to the employee representative in the Supervisory Board the opinion of the Company's Management Board regarding the takeover offer of the Company published by the joint-stock company Port Acquisitions A.S. (hereinafter referred to as the "Offeror") and the request for a statement from the employee's representative on the published takeover offer, in accordance with the provisions of Article 41, paragraph 2 of the Act on takeover of joint stock companies (Official Gazette No. 109/07, 36/09, 108/12, 90/13, 99/13, 148/13, hereinafter: "Law"). The takeover offer published on the website of the Zagreb Stock Exchange is attached to the opinion.

For the requested statement on the takeover offer, the representative of the workers in the Supervisory Board of the Company convened a meeting with the representatives of the unions operating within the Company.

As a representative of workers in the Supervisory Board of the Company, and in consultation with the Workers' Council and the majority of union representatives, I express myself as follows:

We reviewed the submitted offer for takeover and the opinion of the Company's Management Board.

The company's representatives of the workers do not agree with the above offer.

Namely, the Offeror's offer regarding the future operations of the Target Company is based exclusively on flat-rate estimates and assumptions for the achievement of goals (construction of a lowland railway), which neither the Offeror nor the Target Company can influence. Furthermore, the Offeror in the said offer does not state or justify its opinion on

the strategic plans of the Offeror in relation to the Target Company and the possible consequences of those plans on the development of the Target Company, the employment policy and the equal status of employees of the Target Company, as well as possible changes related to the locations in which the Target Company performs its activities. It is stated in the Offer that it will not have a significant impact on the labor-legal status of the workers of the Target Company, which contradicts the new port management model announced by the Offeror, which also includes certain changes in the systematization of the Target Company's jobs, and undoubtedly affects the labor-legal status. As a result of the above, the worker's representative is concerned about the preservation of jobs and the sustainability of the worker's labor-legal status.

In conclusion, the worker's representative expresses particular concern because before submitting the Offer, the Offeror publicly published an tender for the President of the Company's Management Board, even though as a shareholder it cannot influence the choice of members of the Management Board, nor is he authorized to appoint a member of the Management Board, after the year in which the Target Company achieved record profit. The aforementioned behavior of the Offeror violates trust in the intentions of the Offeror and leads to the conclusion that the Offeror is not familiar with the rights and obligations of individual shareholders, that is, the powers of the bodies of the joint-stock company.

President of the Workers' Council

Denis Jerčić

**Employee representative
in the Supervisory Board of Luka Rijeka d.d.**

Dragica Varljen