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Zagreb Stock Exchange – Official Market

Croatian Financial Services Supervisory Agency

**Officially appointed mechanism
for the central storage of regulated information**

Zagreb Stock Exchange, Inc.

Croatian Reporting News Agency

Zagreb, June 14, 2022

**SUBJECT: Decisions adopted at the General Meeting
(General Meeting)**

The General Meeting of The Zagreb Stock Exchange, Inc. (hereinafter: the Company or the Exchange) with its registered office in Zagreb, Ivana Lučića 2a, VAT ID No. (OIB): 84368186611, was held on June 14, 2022, at the Headquarters of the Company in Zagreb, Ivana Lučića 2a/22. The General Meeting was attended by 2.664.706 votes or 57.48% of the total 4.635.700 votes.

According to the announced Agenda of the general Meeting of the Company:

- Resolution on the use of 2021 profits;
- Resolution approving the 2021 Remuneration Report for Zagreb Stock Exchange, Inc. Management and Supervisory Board Members;
- Resolution granting discharge to members of the Exchange Supervisory Board for 2021;
- Resolution granting discharge to members of the Exchange Management Board for 2021;
- Resolution appointing auditors of the Exchange for 2022;
- Resolution to reduce share capital in a regular procedure;
- Resolution amending Articles of Association;
- Resolution authorising the Management Board of the Company to acquire Company shares;
- Resolution approving the Remuneration policy for Zagreb Stock Exchange, Inc. Management Board Members.

The General Meeting of the Company adopted following decisions:

AD 4) Resolution on the use of 2021 profits

The Resolution on the use of 2021 profits has been adopted as follows:

I.

It is established that the Company made a net profit of HRK 873,255.00 in the financial year ending 31/12/2021.

II.

The amount of net profit referred to in point I of this Resolution shall be used for the coverage of losses carried forward from the previous period.

III.

This Resolution shall enter into force on the day of its adoption.

AD 5) Resolution approving the 2021 Remuneration Report for Zagreb Stock Exchange, Inc. Management and Supervisory Board Members

Resolution approving the 2021 Remuneration Report for Zagreb Stock Exchange, Inc. Management and Supervisory Board Members has been adopted as follows:

I.

The audited Remuneration Report for Zagreb Stock Exchange, Inc. Management and Supervisory Board Members for the financial year 2021 has been approved, together with the Auditor's Report as an integral part of the Remuneration Report.

II.

This Resolution shall enter into force on the day of its adoption.

AD 6) Resolution granting discharge to members of the Exchange Supervisory Board for 2021

The Resolution granting discharge to members of the Exchange Supervisory Board for 2021 has been adopted as follows:

I.

Having established that the Exchange Supervisory Board discharged its function in accordance with the law and Articles of Association of the Exchange, discharge for the year 2021 has been granted to members of the Exchange Supervisory Board:

- a) in the following composition: Ivan Tadin and Mislav Ante Omazić for the period between 1 January 2021 and 23 February 2021;*
- b) in the following composition: Borislav Centner, Tomislav Jakšić, Matko Maravić, Ivan Sardelić and Enrique Bernardo Mariano between 1 January 2021 and 31 December 2021, and Silvije Orsag and Dražen Čović between 24 February 2021 and 31 December 2021.*

II.

This Resolution shall enter into force on the day of its adoption.

AD 7) Resolution granting discharge to members of the Exchange Management Board for 2021

The Resolution granting discharge to members of the Exchange Management Board for 2021 has been adopted as follows:

I.

Having established that the Management Board managed the Exchange in accordance with the law and Articles of Association of the Exchange, discharge has been granted to Management Board members for conducting its affairs in 2021.

II.

This Resolution shall enter into force on the day of its adoption.

AD 8) Resolution appointing the auditors of the Exchange for 2022

The Resolution appointing the auditors of the Exchange for 2022 has been adopted as follows:

I.

PricewaterhouseCoopers d.o.o. audit company of Ulica Vjekoslava Heinzela 70, 10000 Zagreb, has been appointed to undertake the audit of the financial statements of the Zagreb Stock Exchange, Inc. and the audit of the consolidated financial statements of the Zagreb Stock Exchange Group, Inc. for 2022.

II.

This Resolution shall enter into force on the day of its adoption.

AD 9) Resolution to reduce share capital in a regular procedure

A Resolution to reduce share capital in a regular procedure has been adopted as follows:

I.

The share capital of the Company shall be reduced:

- from HRK 46,357,000.00 (forty-six million three hundred and fifty-seven thousand kuna);*
- by HRK 23,178,500.00 (twenty-three million one hundred and seventy-eight thousand five hundred kuna);*
- to HRK 23,178,500.00 (twenty-three million one hundred and seventy-eight thousand five hundred kuna).*

II.

The share capital of the Company shall be reduced in a regular procedure for the purpose of transferring HRK 23,178,500.00 (twenty-three million one hundred and seventy-eight thousand five hundred kuna) to other reserves of the Company.

III.

By undertaking the share capital reduction in a regular procedure under point I. of this Resolution, the nominal value per share shall be reduced to the amount which is lower than the minimum nominal amount permitted under Article 163(2) of the Companies Act. Hence, the share capital shall be reduced in a regular procedure through a consolidation of shares (reverse split), in accordance with Article 342(4) of the Companies Act. The shares shall be consolidated at a ratio of 2:1 by issuing to each shareholder 1 (in words: one) new ordinary registered share with a nominal value of HRK 10.00 (ten kuna) (hereinafter: New Shares) for 2 (in words: two) shares outstanding.

IV.

The capital reduction through share consolidation shall be conducted as a corporate action under this Resolution and in accordance with the Rules and Instruction of the CENTRAL DEPOSITORY AND CLEARING COMPANY, Inc. of Heinzelova 62a, Zagreb (City of Zagreb), ID No (OIB): 64406809162 (hereinafter: the CDCC). The costs of said corporate action shall be borne by the Company.

V.

Any shareholders of the Company not having the necessary number of shares (a multiple of 2) in their accounts on the day of the proposed share capital reduction to obtain an integer of New Shares under the calculation of share consolidation by applying the consolidation ratio referred to under point III of this Resolution shall have the number of shares held in their dematerialised (book entry) securities account reduced to the first lower number of shares (multiple of 2 or to 0), with a compensation for the reduced number of shares or parts of New Shares to be

calculated and paid out to them, in accordance with the CDCC Instruction. The compensation for the reduced number of shares or parts of the New Shares shall be determined based on the Company's average share price on the regulated market to be calculated as a weighted average of all share prices on the regulated market in the last three months preceding the publication of the notice of the Annual General Meeting (AGM) invitation with the proposal of this Resolution in the Company's bulletin.

VI.

The reduction of the Company's share capital shall be deemed completed on the day of the entry of this Resolution in the Court Register of the Commercial Court in Zagreb.

VII.

The Company's Management Board shall be responsible for undertaking any legal action necessary to implement this Resolution, including the corporate action of capital reduction through share consolidation, in accordance with the Rules and CDCC Instruction.

AD 10) Resolution amending Articles of Association

A Resolution amending the Articles of Association of the Company has been adopted as follows:

I.

Article 4 of the Articles is amended as follows:

'The share capital of the Company shall be HRK 23,178,500.00 (twenty-three million one hundred and seventy-eight thousand five hundred kuna).'

II.

In Article 5(1) of the Articles, the first sentence is amended as follows:

'The share capital of the Company shall be divided in 2,317,850 (two million three hundred and seventeen thousand eight hundred and fifty) ordinary registered shares.'

III.

Other provisions of the Articles of Association shall remain unchanged.

IV.

This Resolution shall enter into force on the day of their entry in the Court Register of the Commercial Court in Zagreb

V.

The Supervisory Board is authorised to define the consolidated text of the Articles of Association.

AD 11) Resolution authorising the Management Board of the Company to acquire Company shares

A Resolution authorising the Management Board of the Company to acquire Company shares has been adopted as follows:

I.

The Management Board of the Company is hereby authorised to acquire Company shares (own shares) for the account of the Company under the terms laid down in this Resolution over a period of 5 (five) years from the day of adoption of this Resolution.

II.

In acquiring and disposing of own shares, the Management Board shall be authorised to deviate from the provisions of Article 211 and Article 308(3) and (4) of the Companies Act.

III.

The maximum price at which the Management Board may acquire own shares under this Resolution must not exceed by more than 5% or fall by more than 15% below the average per share market price on the preceding trading day.

IV.

Own shares acquired under this Resolution, together with those already held by the Company, must not account for more than 10% (ten percent) of the Company's share capital.

V.

The Management Board is authorised to dispose of own shares of the Company in accordance with the provisions of the Companies Act and other applicable regulations.

VI.

The Management Board is authorised to withdraw own shares while reducing the share capital of the Company without requiring a specific Resolution of the AGM for it.

VII.

This Resolution shall enter into force on the day of its adoption.

AD 12) Resolution approving the Remuneration policy for Zagreb Stock Exchange, Inc. Management Board Members

A Resolution approving the Remuneration policy for Zagreb Stock Exchange, Inc. Management Board Members has been adopted as follows:

I.

The Remuneration policy for Zagreb Stock Exchange, Inc. Management Board Members has been approved with the text as defined by the Supervisory Board of the Zagreb Stock Exchange, Inc.

II.

The Remuneration policy for Zagreb Stock Exchange, Inc. Management Board Members shall enter into force on the day of its approval by the Shareholder Assembly at the AGM.

III.

This Resolution shall enter into force on the day of its adoption.

Ivana Gažić
President of the Management Board



Tomislav Gračan
Member of the Management Board