



According to Article 56 of the Statute of ĐURO ĐAKOVIĆ Group Plc. Slavonski Brod, Dr. Mile Budaka 1 („Company“) and according to the Management Board Decision from 3<sup>rd</sup> February 2017 to summon the Shareholder's Meeting, and concerning Article 277 of the Companies Act, the Management Board announces the invitation for the

### SHAREHOLDERS' MEETING

**ĐURO ĐAKOVIĆ GROUP Plc., Slavonski Brod, Dr. Mile Budaka 1**

**on the 21<sup>st</sup> March 2017 (Tuesday), at 1 p.m**

**in Slavonski Brod, Dr. Mile Budaka 1,**

**in the administrative building at the large conference room**

For the Shareholders' Meeting we suggest the following

#### Agenda:

1. Supervisory Board Report on management supervision of the Company;
2. Management Board's report on reasons for complete exclusion of the priority rights from the existing shareholders in the course of subscription for new shares of the Company;
3. Reaching the Decision on complete exclusion of priority rights from the existing shareholders in the course of subscription for new shares of the Company;
4. Reaching the decision on nominal capital increase of the Company by cash contributions and by issuing new shares with complete exclusion of priority rights from the existing shareholders in the course of subscription for new shares, according to Article 308 Paragraph 4 of the Companies Act, by using exception from the obligation to previously publish a prospectus regarding the securities offer from Article 351 Paragraph 1 Item 3 of the Capital Market Act;
5. Reaching the decision on giving approval for acquiring shares without the obligation to announce the takeover bid, according to the provisions of Article 14 Paragraph 1 Item 3 of the Act on the Takeover of Joint Stock Companies.

**There is no voting for the items of the agenda 1 and 2, while all other items of the agenda are voted for. Decision proposals:**

**Ad. 1.** According to Article 275 Paragraph 3 and Article 263 Paragraph 3 of the Companies Act, as well as Article 49. of the Statute of ĐURO ĐAKOVIĆ Group Plc. Slavonski Brod („Company“), the Supervisory Board of the Company submits to the Shareholders' Meeting of the Company

**The Supervisory Board Report**  
**on management supervision of the Company**

From 29<sup>th</sup> June 2015 till the day on which this Report was submitted, the Supervisory Board consists of the following members:

- Vjekoslav Leko, president of the Supervisory Board
- Domagoj Bartek, vice president of the Supervisory Board
- Igor Žonja, member of the Supervisory Board
- Milan Stanić, member of the Supervisory Board
- Miroslav Karamarković, member of the Supervisory Board
- Vjekoslav Galzina, member of the Supervisory Board
- Blaženka Luketić, member of the Supervisory Board.

In 2016 the Supervisory Board had 5 meetings. In 2016 the Company held one Shareholders' Meeting, which was the Ordinary Shareholders' Meeting, held on 31<sup>st</sup> August 2016.

In 2016, as in the previous years, at the beginning of the year, the Supervisory Board considered and accepted the Management Board Report on business activities and condition of the Company for 2015.

In 2016 the Supervisory Board was constantly monitoring the implementation of the established business policy and therefore regularly received Management Board reports on the course of works and on the condition of the Company. The Management Board submitted to the Supervisory Board annual financial reports and the report on the condition of the Company for 2015, together with the Decision proposal for profit distribution.

The Supervisory Board, together with the auditor Deloitte Ltd. Zagreb, examined the Annual financial reports of the Company on the 36. Meeting, held on 16<sup>th</sup> June 2016, on which it established that the reports were made according to the condition in the business records and that they correctly show the financial and business standing of the Company.

The Supervisory Board had no complaints regarding the auditor's report. In accordance with its authorities and obligations in performing supervision of the Company's activities, the Supervisory

Board gave consent to the Management Board Report on the state of the Company and to the annual financial reports, as well as to the Decision proposal on the use of profit for 2015.

At the same time, according to Article 300.d of the Companies Act, the Supervisory Board reached the decision to leave it to the Shareholders' Meeting to compare the Management Board Report and annual financial reports with the auditor's Report. All these decisions were accepted at the Shareholders' Meeting on 31<sup>st</sup> August 2016.

The Management Board informed the Supervisory Board about all other matters that were important for the business activities and for the position of the Company, especially if they referred to the improvement of business activities by utilising production capacities, restructuring and financial consolidation.

Based on everything mentioned above, the Supervisory Board concluded that, since the beginning of the commercial year 2016 till the day on which the meeting, during which this Report was accepted, was held, the Company operated according to the laws, Statute and Company Bylaws, and that all the decisions of the Shareholders' Meeting from 31<sup>st</sup> August 2016 were fully implemented.

This report of the Supervisory Board was accepted on January 24, 2017

The Supervisory Board Report is taken note of.

**Ad.2.** According to Article 308, Paragraphs 4 and 5 of the Companies Act and Paragraph 39 of the Statute of ĐURO ĐAKOVIĆ Group Plc. Slavonski Brod (Company), the Management Board of the Company submits to the Shareholders' Meeting of the Company

### **the Management Board Report**

#### **on reasons for complete exclusion of the priority rights from the existing shareholders in the course of subscription for new shares of the Company**

On 3<sup>rd</sup> July 2014 the Shareholders' Meeting of Đuro Đaković Holding Plc. (now ĐURO ĐAKOVIĆ GROUP Plc., hereinafter referred to as : „Company“) reached the Decision on increasing the nominal capital of the Company from the amount of 64.741.360,00 HRK for the amount of 194.224.080,00 HRK at the most, to the amount of 258.965.440,00 HRK at the most.

Finally, in all three subscription rounds 4.359.616 new shares were subscribed, i.e. 87.192.320,00 HRK were paid in, which clearly means that the subscribed amount did not improve the financing sources of Đuro Đaković group to the extent that had been planned. The nominal capital of the Company after additional capitalisation is 151.933.680,00 HRK, and it was divided into 7.596.684 registered shares, each with the nominal value of 20,00 HRK.

After additional capitalisation was carried out in 2014, during which part of the capital necessary for the implementation of successful restructuring of Đuro Đaković group that has achieved positive net results for two quarters in a row, was raised, it is necessary to significantly improve the financing sources by raising fresh capital on the market as soon as possible, in order to avoid changes in the future business plans.

The Management Board of the Company believes that the previous basic financial report of the Company, relevant references, as well as the reputation of the Company not only in domestic, but also in the foreign market, undoubtedly indicate the development potential of the Company. However, within the implemented Company restructuring and its consequences, the Management Board believes that it is necessary to conclude the comprehensive process of additional capitalisation, in order to raise the previously planned capital and increase competitiveness in domestic, as well as in the foreign market.

Therefore, acting in accordance with Article 277 Paragraph 1 of the Companies Act and guided by the interests of the Company, the Management Board of the Company summoned the Shareholders' Meeting, during which it proposed reaching the decision on the nominal capital increase by issuing ordinary shares and by using the right to the exception from the obligation of publishing prospectus regarding the public offer, according to Article 351 Paragraph 1 Item 3 of the existing Capital Market Act.

Using the exception from making, approving and publishing the prospectus mentioned above would not be possible by itself, if the priority rights of the existing shareholders for subscription of new shares had not been excluded, considering the fact that the exception mentioned above refers only to security offers sent to investors who will pay for the securities the amount of at least 100.000 EUR in national currency (HRK) equivalent, per investor, for each individual offer.

In this respect, if all existing shareholders were given priority rights for the subscription of shares, such procedure would necessarily be connected with extremely large implementation costs and long lasting capital flow, having in mind legal deadlines that necessary have to be met. Therefore, in order to economise the business activities and maximally accelerate the procedure of raising fresh capital, the Management Board reached the decision to use the right for the above mentioned exception from the need to make a prospectus, by excluding the priority rights for subscription and payment from the Company shareholders. Nevertheless, all existing Company shareholders will have the possibility to participate in the new share subscription procedure under the same conditions as other investors.

As it was initially indicated in this Report, the Management Board explains the proposed use of the right for exclusion of priority rights from the existing shareholders during the new share subscription procedure by more demanding, longer lasting and more expensive public offer procedure, which would prevent the Company from improving its financial position in time. While deciding this, the Management Board kept in mind the fact that, while additional capitalisation was carried out in 2014, all Company shareholders were given the possibility to express their interest with priority rights for during subscription of Company shares, and everyone who expressed the interest was considered and included in the nominal capital increase procedure. However, since in the process of additional capitalisation that was carried out in 2014 the existing shareholders subscribed only

4.009.616 new shares, i.e. 80.192.320,00 HRK were paid, the Management Board thinks that it is not realistic to expect sufficient number of payments from the existing shareholders to reach the necessary minimum successfulness of new share issue. Moreover, during the procedure of additional capitalisation that was carried out in 2014, the total amount of payments that were under 800.000,00 HRK, which, according to the Management Board's proposal would this time be the minimum payment per investor, was not financially significant for the Company.

Considering the shareholders structure of the Company, additional capitalisation without exclusion of priority rights from the existing shareholders could not be carried out without previously making a prospectus and having it approved. Carrying out public offer without using the above mentioned exception from the obligation to previously make the prospectus and to have it approved, as it is specified in the Capital Market Act, and which necessary leads to the exclusion of priority rights, would only prolong the time during which the additional capitalisation would be carried out.

A successful and prompt completion of the nominal capital increase procedure would undoubtedly create preconditions for development, new investments and employment, as well as capturing new markets. A successful implementation of the nominal capital increase would significantly improve all key balance indices and create necessary positive effects for the future business activities and for the development of the Company. Postponing the beginning of the additional capitalisation procedure in the sense of optimisation of the existing debt level of the Company might reflect in the financial position of the Company, and in its competitiveness in domestic and in the foreign market, and consequently in making additional values for the shareholders. Due to the unfavourable influence of the prolonged additional capitalisation procedure on the implementation of the Company's business plans, potential prolonged procedure might ultimately have a negative influence on the financial successfulness of the additional capitalisation, if it was postponed.

The nominal capital increase of the Company will be carried out by payments in money and by issuing at least 5.000.000 up to 7.600.000 new ordinary shares at the most, each with the nominal value of 20,00 HRK. Final price, for which new shares will be issued, will depend on the demand shown by the investors and it will be determined on the basis of offers that were received, taking into consideration the provisions of Article 164 Paragraph 2 of the Companies Act. Final price of New Shares will be determined and announced by the Management Board of the Company, within two (2) business days after the expiry of the subscription period.

Taking into account the moment in which the company is, it is important to emphasize that through the proposed additional capitalisation procedure, the Management Board wants to continue the positive growth trends and increase competitiveness of the Company, bearing in mind only and solely the interest of the Company as well as reach the goal of the additional capitalisation to raise fresh capital as soon as possible by significant capital investment in the Company, with the costs for the Company that are as low as possible. Therefore, the Management Board believes that the complete exclusion of priority rights from the existing shareholders in the course of subscription of new shares of the Company under the above described conditions is in the best interest of the Company.

The Management Board Report is taken notice of.

**Ad.3. A Decision on complete exclusion of priority rights from the existing shareholders in the course of subscription for new shares of the Company is reached**

I.

In order to implement the Decision to increase the nominal capital of the Company ĐURO ĐAKOVIĆ GROUP Plc. with the seat in Slavonski Brod, Dr. Mile Budaka 1, registered in the Court register of the Commercial court in Osijek, permanent attendance in Slavonski Brod under the register number 050002378, personal identification number 58828286397 (hereinafter "Company"), according to Article 308 Paragraph 4 of the Companies Act, the priority rights in the course of subscription and payment of new shares that will be issued in the process of corporate nominal capital increase action, will be completely excluded from all existing shareholders, based on the Decision to increase the nominal capital of the Company by cash contributions and by issuing new shares with complete exclusion of priority rights from the existing shareholders in the course of subscription of new shares, according to Article 308 Paragraph 4 of the Companies Act, using the exception from the obligation to publish a prospectus regarding the securities offer from Article 351 Paragraph 1 Item 3 of the Capital Market Act, from 21<sup>st</sup> March 2017. Nevertheless, all the existing Company shareholders will have the possibility to participate in the new share subscription procedure under the same conditions as other investors.

II.

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

**Ad. 4. The decision on nominal capital increase of the Company by cash contributions and by issuing new shares with complete exclusion of priority rights from the existing shareholders in the course of subscription for new shares is reached, according to Article 308. Paragraph 4 of the Companies Act, by using exception from the obligation to previously publish a prospectus regarding the securities offer from Article 351 Paragraph 1 Item 3 of the Capital Market Act, as follows:**

I.

The nominal capital of the Company ĐURO ĐAKOVIĆ GROUP Plc. with the seat in Slavonski Brod, Dr. Mile Budaka 1, registered in the Court register of the Commercial court in Osijek, permanent attendance in Slavonski Brod under the register number 050002378, personal identification number 58828286397 (hereinafter "Company"), is 151.933.680,00 HRK, and is divided into 7.596.684 ordinary shares, each with the nominal value of 20,00 HRK.

By this decision, the nominal capital of the Company is increased from the amount of 151.933.680 HRK for the amount of 152.000.000 HRK at the most, to the amount of 303.933.680 HRK at the most.

II.

The nominal capital increase of the Company, from Article I. of this Decision, will be carried out by cash contributions and by issuing 7.600.000 new ordinary shares at the most, each with the nominal value of 20,00 HRK (hereinafter "New Shares).

III.

The New Shares are issued in intangible form, in the form of an electronic record in the computer system of the Central depository and clearing company Ltd. (hereinafter: „SKDD“), with the stock ticker assigned by SKDD.

Each New Share gives the right to one voice at the Shareholders' Meeting of the Company, as well as all other rights identical to the rights acquired by the existing Company shares, according to the Law and the Company Statute. New Shares are registered on the name and give the shareholders all the rights established by the law and by the Company Statute, from the day on which the nominal capital increase was registered in the court register.

IV.

The nominal capital increase of the Company, based on this Decision, will be carried out by the public offer of New Shares in one round, without previously publishing the prospectus, according to the conditions stated below in the text of this Decision.

V.

The nominal capital increase of the Company, based on this Decision, will be carried out by the public offer with complete exclusion of priority rights from the existing Company shareholders in the course of subscription for New Shares. Nevertheless, all existing Company shareholders will have the possibility to participate in the New Share subscription procedure under the same conditions as other investors.

VI.

The subscription of New Shares will be carried out in one round, in which all investors, who will each pay the amount of at least 800.000,00 HRK for the subscribed securities, for each individual offer, will have the right for subscription of New Shares. The above mentioned investors can subscribe in the period of five (5) business days at the most, from the day stated in the public invitation for the subscription of New Shares, and the places and time for subscription of New Shares by means of written statements (hereinafter: „Records“), as well as payment deadline for New Shares, will be marked in detail in the public invitation for the subscription of New Shares.

VII.

According to Article 351 Paragraph 1 Item 3 of the Capital Market Act, there is no obligation for publishing the prospectus, since the securities offer is sent to investors who will each pay the amount larger than 100.000 EUR in national currency (HRK) equivalent for the securities, for each individual offer.

## VIII.

The New Share issue will be considered successful if at least 5.000.000 New Shares are subscribed and paid for before the subscription and payment deadline determined in advance (hereinafter: „Success Threshold“).

## IX.

New Shares will be subscribed by means of Records. Subscription and payment of New Shares will be carried out in the way determined in the public invitation for the subscription of New Shares. The Management Board of the Company will announce public invitation for subscription of New Shares within 15 (fifteen) business days after the Shareholders' Meeting has reached this Decision. The public invitation for subscription and payment of New Shares will be announced by the Management Board of the Company on the web pages of the Company, Zagreb Stock Exchange web pages and in at least one daily newspaper that is published in Croatia.

## X.

The New Share subscription procedure will be carried out by the following rules (hereinafter: „**Subscription implementation principles**“):

1. New Shares may be issued for a larger amount than a part of nominal capital which they account for. According to Article 304 Paragraph 3 of the Companies Act, New Shares will not be issued under the provisions of the amount determined by the Article 164 Paragraph 1 Item 2 of the Companies Act.
2. In the Register, each investor must define the following three offer parameters:
  - 1. Parameter: maximum acceptable amount of money for the subscription of New Shares (in HRK);
  - 2. Parameter: maximum acceptable subscription price per New Share (in HRK);
  - 3. Parameter: minimum acceptable amount of New Shares for subscription (whole number).
3. Besides delivering the Records on time, the condition for subscription of an individual investor will be the timely payment by the investor, all according to the conditions from the public invitation. All investors who are not institutional investors (as defined by this Decision) will be obliged to pay the amount equal to the 1. Parameter in the Records before the expiry of the subscription period. If the amount that had been paid does not equal to that amount, the payment will be considered valid, but the smaller of the two amounts will be considered as the 1. Parameter (the first parameter specified in the Record or the amount paid). Pension funds, open investment funds with public offer, loan-offices and insurance companies with the seat in the Republic of Croatia or in some of the EU member states (hereinafter: „Institutional investors“), at a set price and allocation, will be obliged to make the payments before the due date that will be determined in the public invitation.



4. If an individual investor delivers more Records, only the last received Record that meets all the conditions from the public invitation will be considered valid, and all previous will be considered retracted.
5. Offer parameter limitations in the course of subscription, for each individual investor, are as follows:
  - Limitation for the first parameter: allowed value is between 800.000,00 HRK and the product of (i) the second parameter and (ii) the maximum amount of shares of this issue (7.600.000 New Shares);
  - Limitation for the second parameter: allowed value must be in accordance with the provision of the Article 164 Paragraph 1 of the Companies Act;
  - Limitation for the third parameter: allowed value is between zero (0) and the division result of the first parameter with the second parameter.

The procedure of determining the final amount for which individual New Share will be issued (hereinafter: „Final price“) and allocation of New Shares to the investors will be carried out according to the following rules (hereinafter: **„Price and allocation determining principles“**):

1. Success threshold for the issue of New Shares is defined in Article VIII. of this Decision.
2. Final price of New Shares will be equal to the highest possible price for which Success threshold for this issue is met. To be more precise:
  - For each possible price of a New Share in this issue, as well as each valid offer in which the second parameter is not lower than that price, „Individual demand“ for that price is defined as the division result of the first parameter of the offer concerned with the price concerned and rounded down (hereinafter: „Individual demand“);
  - For each possible price of a New Share „Total demand“ for that price is defined as the sum of all individual demands for that price (hereinafter: „Total demand“);
  - Final price of New Shares will be equal to the highest price for which Total demand for that price is not smaller than the Success threshold for this issue.
3. Final price of New Shares will be determined and announced by the Management Board of the Company, within two (2) business days after the expiry of the subscription period.
4. Each investor with a valid offer, whose second parameter of the offer is lower than the Final price, will be allocated zero (0) New Shares.
5. For investors with valid offers, whose second parameter of the offer is not lower than the Final price, allocation will be carried out in the following way:
  - 5.a. If the Total demand for the Final price of this issue is not bigger than the maximum amount of shares in this issue (7.600.000 New Shares), each such investor will be allocated his Individual demand for the Final price.

- 5.b. If the Total demand for the Final price of this issue is bigger than the maximum amount of shares in this issue (7.600.000 New Shares), each such investor will be allocated proportionally reduced Individual demand for the Final price, if it is possible to do so and at the same time fulfil the above mentioned important conditions:
- Request for successfulness of this issue;
  - Requests stated in the third parameter of all allocation offers; as well as
  - Subscription amount of each individual investor is not smaller than 800.000,00 HRK.
- 5.c. If proportional reduction from Item 5.b. is not possible, due to the possible breaking of conditions from 5.b.:
- The offer with the smallest Individual demand will be excluded from the allocation, i.e. that investor will be allocated zero (0) New Shares (if there are more such offers, the one that has the latest subscription date will be excluded.);
  - The procedure from Item 5.c. is repeated successively, by excluding one by one offer from the allocation and by carrying out proportional reduction from Item 5.b. until the decidable allocation to the remaining investors and fulfilment of all conditions from 5.b.

The Management Board is authorised to define the subscription procedure and payment of New Shares in the public invitation for subscription and payment of New Shares in more detail, according to and not contrary to the Subscription implementation principles and Price and allocation determining principles stated in Article X. of this Decision.

#### XI.

Based on the full payment of each New Share, after the nominal capital increase was registered at the court register, a corresponding number of New Shares will be issued. They will be ordinary shares, with the stock ticker assigned by SKDD, each in the nominal amount of 20,00 HRK in intangible form.

#### XII.

The Management Board will determine the successfulness of the New Share issue, the exact amount of the nominal capital increase and the exact number of New Shares, based on the status of subscriptions and payments after the expiry of the due date for the payment of New Shares, in the period of 5 (five) business days at the latest.

If the subscription of New Shares was not successful, within 8 (eight) business days after the expiry of the final deadline for the subscription and payment of New Shares, the Company will refund the money to the investors. In that case, the Company will not bear the costs of payment transactions, nor will it pay interests to the investors.

If the subscription of New Shares was successful, but due to the application of Article X. of this Decision there is the need for refunding the money to some investors, the Company will refund the

money to the investors within 8 (eight) business days after the expiry of the final deadline for determining the exact amount of the nominal capital increase. In that case, the Company will not bear the costs of payment transactions, nor will it pay interests to the investors.

XIII.

If the nominal capital increase is not registered in the court register within 6 (six) months from the day on which this Decision was reached, the statement on registration (Record) will no longer oblige the investor, and within 8 (eight) business days after the expiry of the specified deadline the Company will refund the money to the investors. In that case, the Company will not bear the costs of payment transactions, nor will it pay interests to the investors.

XIV.

New Shares will be listed in the Zagreb Stock Exchange Regular market, together with all previously issued Company shares that are listed in the Zagreb Stock Exchange Regular market, according to the applicable regulatory requirements.

XV.

Nominal capital of the Company will be increased from the day on which the increase of that capital is registered in the court register. Upon subscription and payment of New Shares, the Company will hold another Shareholders' Meeting, at which the Company Statute will be changed in the way that the amount of the nominal capital of the Company and the number of shares in Article 14 of the Company Statute are in compliance with the results of subscription and payment of New Shares, based on this Decision.

XVI.

The Management Board of the Company is ordered to undertake all legal and factual actions in order to implement this Decision, which includes, but is not limited to all legal and factual actions necessary for the registration of this Decision and corresponding nominal capital increase in the court register of the Commercial court in Osijek, permanent attendance in Slavonski Brod, registration of New Shares in the SKDD depository, as well as listing of New Shares in the Zagreb Stock Exchange Regular market.

**Ad 5. Decision on giving approval for acquiring shares without the obligation to announce the takeover bid.**

I.

Acquirers of new shares of the company ĐURO ĐAKOVIĆ GROUP Plc. with the seat in Slavonski Brod, Dr. Mile Budaka 1, registered in the Court register of the Commercial court in Osijek, permanent attendance in Slavonski Brod under the register number 050002378, personal identification number 58828286397 (hereinafter "Company"), who acquire shares in the nominal capital increase procedure, based on the Decision to increase the nominal capital of the Company by cash contributions and by

issuing new shares with complete exclusion of priority rights from the existing shareholders in the course of subscription for new shares, according to Article 308 Paragraph 4 of the Companies Act, using the exception from the obligation to previously publish a prospectus regarding the securities offer from Article 351 Paragraph 1 Item 3 of the Capital Market Act, from 21<sup>st</sup> March 2017 are given approval for acquiring those shares without the obligation to announce the takeover bid, if by acquiring new shares of the Company the acquirers would have the obligation to announce the takeover bid, all according to the provisions of Article 14 Paragraph 1 Item 3 of the applicable Act on the Takeover of Joint Stock Companies.

## II.

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

### **Invitation and instructions for shareholders:**

All shareholders who were registered in the depository of the Central depository and clearing company Ltd. Zagreb (SKDD) as Company shareholders twenty-one day (21) prior to the Shareholders' Meeting have the right to participate at the Shareholders' Meeting and use the right to vote.

On the day on which the invitation for the Shareholders' Meeting was announced, the Company has nominal capital divided into 7.596.684 shares and each of them gives the right to 1 vote.

The number of shares – votes that belong to an individual shareholder is taken from the SKDD depository data on 28<sup>th</sup> February 2017.

At the Shareholders' Meeting the shareholders can be represented by authorised persons, using the written authorisation.

The shareholder is obliged to register in writing for his/her participation at the Shareholders' Meeting. The registration can be made personally at the administrative building of the Company (I. floor, Management Board) or by mail at the following address: ĐURO ĐAKOVIĆ Grupa d.d., 35000 Slavonski Brod, dr. Mile Budaka 1, and it has to arrive at the Company at least 7 (seven) days before the Shareholders' Meeting.

According to Article 278 Paragraph 2 of the Companies Act, shareholders who jointly own shares in the amount of at least one twentieth of the nominal capital of the Company, have the right to request for some item to be put on the Shareholders' Meeting agenda and that it be published after the Shareholders' Meeting was summoned, 30 days prior to the Shareholders' Meeting at the latest. An explanation and a decision proposal must be given for each new item on the agenda.

According to Article 282 Paragraph 1 of the Companies Act, a shareholder who wants to disagree with the proposed Management Board decisions must send a counterproposal at least 14 days prior to the Shareholders Meeting.

According to Article 287 of the Companies Act, at the Shareholders Meeting the shareholders are entitled to request from the Management Board notifications on business activities of the Company, if that is necessary for the evaluation of items on the agenda.

Notifications from Article 280.a of the Companies Act are available at the Company's web page [www.duro-dakovic.com](http://www.duro-dakovic.com).

Shareholders have the possibility to inspect all materials for the Meeting, together with decision proposals, at the main office of the Company as well, every business day from 12 a.m. till 3 p.m. (front desk at the administrative building of the Company, Slavonski Brod, dr. Mile Budaka 1.), starting from the day on which this invitation was announced.

Shareholders bear their costs for participation in the work of the Shareholders' Meeting by themselves.

**PRESIDENT OF THE MANAGEMENT BOARD**

  
»DURO ĐAKOVIĆ«  
GRUPA d.d.  
Slav. Brod, Dr. M. Budaka 1  
2  
**Tomislav Mazal**