

**DALEKOVOD d.d.**  
**Zagreb, Ulica Marijana Čavića 4**

**Supervisory board**

**27<sup>th</sup> May 2011**

According to provision of Article 18c) of the Memorandum of Association of the company Dalekovod d.d., with registered seat in Zagreb, Ulica Marijana Čavića 4 (hereinafter referred to as: "**Company**"), relating to Article 325, paragraph 1 of the Companies' Act ("Official Gazette" number 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08 and 137/09), the Supervisory Board of the Company, has at its meeting held in Zagreb on 27th May 2011 made the following

**DECISION  
ON**

**ON GIVING CONSENT TO THE MANAGEMENT BOARD OF THE COMPANY TO  
MAKE A DECISION ON AN INCREASE IN SHARE CAPITAL (AUTHORIZED CAPITAL)  
OF THE COMPANY AND ISSUANCE OF NEW SHARES AND FOR EXCLUSION OF  
PRE-EMPTIVE RIGHT WHEN SUBSCRIBING NEW SHARES**

- I. Consent is given to the Management Board of the Company to make a Decision on an increase in share capital (authorized capital) and issuance of new shares attached to this Decision constituting an integral part thereof according to statutory authority as indicated in Article 18.c) of the Memorandum of Association.
- II. The consent is given to the Management Board for full exclusion of the pre-emptive right of the Company's shareholders when subscribing new shares.
- III. Considering the circumstances of issuance, the Supervisory Board thinks that the achieved price for subscription of the new ordinary share amounting to HRK 245.00 per share is fair and adequate for the situation on the market.
- IV. This Decision becomes valid on the date of its approval.

**On behalf of the Company Supervisory Board**

**Petar Đukan,**  
**President of the Supervisory Board**



DALEKOVOD d.d.  
Zagreb, M. Čavića 4  
Supervisory board

The Supervisory Board of the company Dalekovod d.d., joint stock company for engineering, production and construction with registered seat in Zagreb, Marijana Čavića 4, (hereinafter referred to as: "Company") has at its meeting held in Zagreb, on 27th May 2011 unanimously adopted the following

## DECISION

1. The Supervisory Board of the Company supports the intention of the Management Board to, according to provisions of Article 323 of the Companies' Act and Article 18 of the Memorandum of Association of the Company make a decision on an increase in share capital of the Company (hereinafter referred to as "Decision") and issuance of new 408.700 bearer ordinary shares, with nominal amount of HRK 100.00 each (hereinafter referred to as: "New ordinary shares") with payment in cash, providing an exclusion of the pre-emptive right when subscribing New ordinary shares, and offering of the subscription of New ordinary shares only to qualified investors according to the provision of Article 343, item 6 of the Capital Market Act.

2. Within scope of its legally and statutory specified competences, the Supervisory Board expresses its intention to make decisions or propose to the General Meeting of the Company to make decisions and undertake the actions required

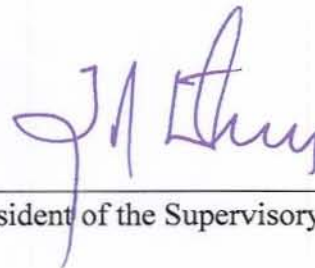
- (a) for the formation of the composition of the Supervisory Board no later till 30<sup>th</sup> September 2011 where (i) every significant shareholder holding more than 200,000 shares in the Company shall have its proxy in the Supervisory Board; (ii) the proxies of more important shareholders and independent representatives (persons that are neither shareholders nor are employed in the Company, all according to Corporate Governance Code of the Zagreb Stock Exchange) shall together represent majority of the members of the Supervisory Board and (iii) majority of the members of the Supervisory Board shall have expertise and experience that will assist business operations and development of the Company;
- (b) to appoint additional two members of the Management Board no later till 30th September 2011, so that the Management Board shall consist of five members and to organize the Management Board in the way that one member of the Management Board should have qualifications and experience in the area of company economics and finance;
- (c) to affirm and strengthen the function of the Group Controlling in respect of organization and human resources.

3. Furthermore, the Supervisory Board shall, in the event that the increase in share capital is successful, make a decision that will result in using the funds collected by an increase in share capital by the Company's Management Board only for:



- (a) financing of the project relating to construction and maintenance of wind farms (up to HRK 40,000,000.00)
- (b) severance payments according to the Restructuring Plan of the Company prepared by the Management Board and approved by the Supervisory Board (up to HRK 45,000,000.00);
- (c) reduction of short-term obligations of the Company and companies where the Company is major shareholder (residual sum).

In Zagreb, 27<sup>th</sup> May 2011



President of the Supervisory Board

