

Ericsson Nikola Tesla d.d.  
Zagreb, Krapinska 45

## **NOTICE OF THE ANNUAL GENERAL MEETING OF ERICSSON NIKOLA TESLA, joint- stock company**

Pursuant to the Company Law, Art. 277, sections 2 and 3, the Managing Director of the joint stock company Ericsson Nikola Tesla, Zagreb, Krapinska 45, on April 25, 2018 passed the

### **DECISION ON CONVOCAATION**

of the Annual General Meeting, to be held at the registered office of the Company in Zagreb, Krapinska 45, on June 20, 2018 at 4 p.m., and shall have the following

### **AGENDA**

1. Opening of the Annual General Meeting (appointing the Commission to record the presence of Shareholders, verify registrations, determine represented equity capital, verify the Meeting was lawfully convened and eligible to make decisions);
2. Managing Director's Report for the year 2017;
3. Consolidated and non-consolidated Annual Financial Statements for the year 2017;
4. Auditor's Report for the year 2017;
5. Supervisory Board's Report on Performed Supervision for the year 2017;
6. Decision on allocating retained earnings from year 2016 and the Company profit achieved in the financial year 2017;
7. Decision on discharge from liability to the Managing Director;
8. Decision on discharge from liability to the members of the Supervisory Board and its Chairman;
9. Decision on reappointment of Dubravko Radošević, from Zagreb, Pokornoga 6, PIN (OIB) 39992337996, as a member of the Supervisory Board;
10. Decision on recall of:
  - Arun Bansal, PIN (OIB): 29910112841, Sweden, Djursholm, Sköldvägen 32, as a member of the Supervisory Board;
11. Decision on appointment of:
  - Franck, Pierre, Roland Bouétard, France, 6 Avenue Alfred de Musset, 78170 La Celle- Saint-Cloud, as a member of the Supervisory Board;
12. Appoint the Auditor for the year 2018.

## Proposed Decisions at the Annual General Meeting

The Managing Director and the Supervisory Board of Ericsson Nikola Tesla, joint-stock company Zagreb, submitted a joint proposal to the Annual General Meeting, for decision making under items 5, 6, 7, 8 the Supervisory Board submitted a proposal under items 9, 10, 11 and pursuant to the Audit Committee's recommendation, the Supervisory Board submitted a proposal for decision making, as stated under item 12:

### Item 5

"The Report of the Supervisory Board on the Performed Supervision in 2017 is approved."

### Item 6

"The Company's net income for the financial year 2017, amounting to HRK 64,283,337.59 will be allocated to retained earnings.

The Company shareholders shall be paid dividend of HRK 32.5 per share out of retained earnings from years 2016 and 2017.

The dividend shall be paid out on July 10, 2018 to all the Company shareholders who have the Company shares registered on their securities account in the Central Depository & Clearing Company on June 28, 2018. Date on which shares of the Company will be traded without dividend payment right is June 27, 2018 (ex-date)."

### Item 7

"Discharge from liability is given to Gordana Kovačević, the Company's Managing Director, in relation to the exercise of her duties in the year 2017."

### Item 8

"Discharge from liability is given to the members of the Supervisory Board and its Chairman in relation to the exercise of their duties in the year 2017."

### Item 9

"As his mandate expired:

- Dubravko Radošević, from Zagreb, Pokornoga 6, Senior Research Fellow at the Institute of Economics in Zagreb and Assistant Professor of Economics at University of Zagreb, is re-elected as a member of the Supervisory Board, PIN (OIB) 39992337996, with a mandate renewed for the next four years."

### Item 10

„Decision on recall of:

- Arun Bansal, PIN (OIB): 29910112841, Sweden, Djursholm, Sköldvägen 32, elected as a member of the Supervisory Board at the Annual General Meeting held on June 6, 2017."

Item 11

“Decision on appointment of:

- Franck, Pierre, Roland Bouétard, France, 6 Avenue Alfred de Musset, 78170 La Celle-Saint-Cloud, as a member of the Supervisory Board.”

Item 12

“PricewaterhouseCoopers d.o.o., Zagreb, Ulica Heinzelova 70, is appointed as the Auditor for the year 2018.”

### **Important Information About Registration and Participation at the Annual General Meeting**

#### REQUIREMENTS TO BE MET FOR PARTICIPATION AND VOTING

Shareholders, entitled to participate in the Annual General Meeting shall meet the requirements, as follows:

- Have Company shares registered on their securities account in the Central Depository & Clearing Company on the date of the latest possible registration for the Shareholders' Meeting (i.e. June 13, 2018).
- Have registered in advance, their attendance to the Shareholders' Meeting, no later than six days before the Annual General Meeting date. The deadline does not include the date of the received/ filed registration, therefore this deadline covers seven days, i.e. June 13, 2018, at the latest.

The shareholder's proxies, who register to participate at the Annual General Meeting, no later than six days before the Annual General Meeting date, with respect to the date of the received/ filed registration, which is not included in the deadline (i.e. by June 13, 2018, at the latest), are entitled to attend and vote.

The shareholders can register at the Legal Affairs Department in the Company headquarters in Zagreb, Krapinska 45, between 10 and 12 a.m. every business day.

The following documents shall be submitted to the Registration Commission:

1. Personal registration form, if the shareholder attends in person
2. Personal registration form and a Power of Attorney, if the shareholder's proxy attends

The Registration Commission shall give the registration document and a receipt for the submitted proposals to the shareholder/ shareholder's proxy.

The shareholders and their proxies, respectively, are entitled to submit, in writing, notes and proposals regarding the proposed decisions within the registration time.

The shareholding capacity shall be verified by insight into files of the Central Depository & Clearing Company.

The required identification shall be based on a personal identity document (personal identification card or passport). The written materials for the Annual General Meeting, which serve to reach the announced decisions, will be available to shareholders for insight, starting with the date of public announcement of the Meeting, in the Legal Affairs Dept. at the Company headquarters, from 10 to 12 a.m. on business days, and on the Company's web site <https://www.ericsson.hr/en/for-investors>. The registration of participants shall start one (1) hour prior to the scheduled Meeting time, upon the presentation of the registration document.

The shareholder or his/her proxy, who did not register shall not be entitled to take an active part in the Meeting.

#### VOTE BY PROXY

The shareholder's proxy shall have a valid Power of Attorney, made on the form prepared by the Company, which can be found on the Company web site: <https://www.ericsson.hr/en/for-investors> or at the Company Legal Department at the Company headquarters from 10 to 12. a.m. on business days. Verification by a notary public is not required. The Power of Attorney shall clearly state who empowered the Power of Attorney, to whom, including the name and family name/ address of the individual to whom the Power of Attorney was issued to, to what purpose, as well as the Power of Attorney to vote at the Meeting.

If the proxy represents a legal person, apart from the Power of Attorney, the proxy shall enclose the document which states the authorization of issuer of Power of Attorney to represent the legal person in question (i.e. the statement from the Court Register of Companies).

The evidence on appointment of a proxy (including the scanned signature) shall be submitted to the Company Legal Dept. or e-mailed to: [pravni.poslovi@ericsson.com](mailto:pravni.poslovi@ericsson.com)

#### LISTING NEW ITEMS ON THE AGENDA

Should the shareholders, who together own the twentieth part of the Company share capital, after the Meeting is convened, request that an additional item is added to the Agenda and disclosed, then any new agenda item should be accompanied by an explanation or respective decision proposal.

The Company shall receive requests for listing items on the agenda at least 30 days prior to the Annual General Meeting date. This period does not include the day the request is received at the Company. If the deadline is not observed, the proposed additional items of the Agenda shall be considered not lawfully announced and no decision on them can be made at the Meeting.

#### SHAREHOLDERS' COUNTER PROPOSALS

The Shareholders' counter proposals to the proposals submitted by the Managing Director and/or Supervisory Board, related to a particular agenda item, shall state their names/family names, explanation and possibly an opinion by the Managing Director. All this shall be available to legal persons stated in Article 281, sections 1 to 3 of the Company Law (credit or financial institutions and shareholders' associations, which at the preceding Meeting voted on behalf of shareholders or requested to be informed) if a shareholder had submitted such a counterproposal, at least 14 days prior to the Meeting date, to the address given below:

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Krapinska 45, 10000 Zagreb

The date a counter proposal is received at the Company is not counted into the 14 days deadline. The counter proposal shall be available at the Company's web site: <https://www.ericsson.hr/en/for-investors>. Should the shareholder not exercise this right, it does not result in losing the right to make a counter proposal at the Meeting. The same applies to the shareholders' proposals regarding the election of the Supervisory Board members or the appointment of the Company Auditor. Such a proposal does not have to include an explanation. The Managing Director is not obliged to make such a proposal available to shareholders, unless it contains information which must be disclosed with a proposal relating to the election of the Supervisory Board members, and to the appointment of the Company Auditor, as well as the membership of candidates in other supervisory or management boards, in the country and abroad.

#### RIGHT TO INFORMATION ABOUT COMPANY BUSINESS PERFORMANCE

At the Annual General Meeting, the Managing Director shall provide information about Company's business performance to each shareholder at his/her request, in case this information is necessary to judge on the agenda items. This obligation to provide information regards also legal and business relations with the related parties. If the Company has acquired treasury shares throughout the year, the Managing Director shall state in the Company Position Report, the reasons for shares acquisition, the number and nominal value of the acquired shares, whether the shares have been acquired through payment collection - the price paid, treasury shares sold and those still held.

#### NO QUORUM / NEW ASSEMBLY

If the Meeting should lack a quorum (which is more than 50% of the stocks which represent the share capital for the Annual General Meeting), the Managing Director shall, within the following 3 days, send the notice of convening a new Meeting with the same agenda to the shareholders. The new Meeting shall be convened within 15 days after the originally convened, i.e. on July 05, 2018, at the latest. The decisions adopted at the new Annual General Meeting shall be considered lawful, disregarding the number of represented shareholders.

For any additional information, please call +385 1 365 4168, +385 1 241 7002 or +385 1 365 3296.

Managing Director:

MSc Gordana Kovačević, B.E.E.



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